

# ***COMPREHENSIVE ANNUAL FINANCIAL REPORT***

***FOR THE FISCAL YEAR ENDED  
JUNE 30, 2020***

***WILSON COUNTY  
NORTH CAROLINA***



FINANCE DEPARTMENT  
ANGEL LANDRAU  
FINANCE DIRECTOR



**WILSON COUNTY, NORTH CAROLINA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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# INTRODUCTORY SECTION

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Wilson  
County

North Carolina

# Wilson County Government

## Finance Department

### Letter of Transmittal

December 11, 2020

Honorable Members of the Board of Commissioners  
Citizens of Wilson County, North Carolina

State laws along with policies and procedures of the North Carolina Local Government Commission require, that all general purpose local governments in the State publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to those requirements, we hereby issue the comprehensive annual financial report of Wilson County for the fiscal year ended June 30, 2020.

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

Wilson County Government's financial statements have been audited by Martin Starnes & Associates, CPAs, P.A a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test bases, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federal and State mandated "Single Audit" designed to meet the special needs of Federal and State grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statement, but also on the audited government's internal controls and compliance with legal requirements. This is to be done with special emphasis on internal controls and legal requirement involving the administration of federal and state awards. These reports are available in the compliance section of this report.

GAAP requires management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Wilson County's MD&A can be found immediately following the report of independent auditors.

## PROFILE OF WILSON COUNTY

Wilson County was formed in 1855. It was formed from parts of Edgecombe, Nash, Wayne and Johnston counties. It was named in honor of Louis Dicken Wilson (1789-1847), a prominent politician and military officer who died during the Mexican War and was considered "the most eminent citizen of Edgecombe County".

Wilson County is located in the east-central part of the State, amid the broad coastal plain which covers nearly half the State, from the Atlantic to the fall lines of the Roanoke, Tar, Neuse, and Cape Fear Rivers. The County, which measures approximately 30 miles from east to west and 20 miles from north to south, encompasses approximately 373 square miles. The principal waterways are the Contentnea Creek, Toisnot Swamp, Black Creek, and Town Creek. The June 2020 tax distribution reported Wilson County's population at 81,949. The City of Wilson, which is the county seat and the County's largest population center with a population of 49,459 according to the 2020 June Tax distribution, is the largest municipality. Other municipalities located in the County include the towns of Elm City, Saratoga, Stantonsburg, Black Creek, Lucama, Sims, and a portion of Sharpsburg.

The County is strategically situated with access to all major, regional, national, as well as international markets. Wilson County is served by US Highways 117, 264, and 301 and North Carolina Highways 42 and 58, along with Interstate highway 95. Interstate 795 connects to the City of Goldsboro and on to I-40 south, which greatly enhances access to seaports at Wilmington and Morehead City, North Carolina. Both seaports maintain at least 45-foot channel depth and abundant covered and uncovered storage space for smooth transition of cargo to its destination. The US Highway 264 bypass, which has been designated as the future Interstate 587, provides interstate grade highway connecting Greenville, North Carolina and the Research Triangle Park. Wilson is also served by the Rocky Mount-Wilson regional airport which has one 6,000-foot runway and freight service provided by several carriers and the Raleigh-Durham International Airport, a major commercial airport approximately 55 miles west of the County that sends daily nonstop flights to over 65 locations across North and Central America and Europe. CSX Railroad and Norfolk Southern Railroad provide rail freight service to Wilson and Amtrak provides passenger service.

Wilson County operates under a Commission-Manager form of Government. The governing body of the County is the Board of County Commissioners, which formulates policies and has legislative authority for the administration of the County. In addition, the Board passes ordinances, annually adopts a balanced budget and establishes a tax rate for the support of the County's programs. The Board consists of seven commissioners which serve concurrent four-year terms. Partisan elections for the Board are held in November every four years. The Board takes office the first Monday in December following the November elections. At the December meeting, the Board elects a chairman and vice chairman from among its members.

The County Manager is appointed by and serves at the pleasure of the Board as the County's Chief Administrative Officer. The Manager has appointive and removal authority over department heads and other employees of the County. The County Manager is responsible for the daily operations of the County Government. In addition, the Manager's responsibilities include implementation of policies established by the Board of Commissioners, as well as the administration of the annual budget adopted by the Board.

The County provides a wide range of services including public safety, human services (Social Services, Health and Aging), funds for education, cultural and recreational activities, environmental protection, general administration and others. Additionally, the County owns and operates water distribution systems and a construction and demolition ("C&D") debris landfill consisting of 10 acres. This report includes all of the County's activities in maintaining these services, except schools, which are administered by the Wilson County Board of Education. The County also extends financial support to certain boards, agencies and commissions to assist their efforts in serving citizens. Among these is Wilson Community College. The County Commissioners appoint all members of the Wilson County ABC Board (the "ABC Board") and the ABC Board is required by State Statute to distribute its surpluses to the General Fund of Wilson County which represents a financial benefit to Wilson County, therefore, the Government-wide statements include the ABC Board as a discretely presented component unit. The ABC Board is a corporate body with powers outlined by General Statutes (chapter 18B-701).

The annual budget serves as the foundation for Wilson County's financial planning and control. As required by the North Carolina Budget and Fiscal Control Act, the County adopts an annual budget for all governmental and proprietary operating funds except those authorized by project ordinance that are multi-year in nature. Appropriations to the various funds are formally budgeted on a departmental or project level. However, for internal accounting purposes, budgetary control is maintained by object class (line item account). Purchase orders that would create an over encumbrance at that level are not written until additional appropriations are available through budget amendments. In accordance with state law, the County's budget is prepared on the 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 unmatured principal and interest on long-term debt and certain compensated absences. Governmental Fund types, such as the County's General Fund, Special Revenue Funds, and Capital Project Funds are reported on the modified accrual basis in the financial statements. The Agency Funds are reported on the full accrual basis in the financial statements, under which revenues are recorded when earned and expenses are recorded when incurred.

County Management is responsible for the accounting system and for establishing and maintaining an internal control structure. The internal control structure is designed to provide reasonable, but not absolute, assurance regarding: (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 GAAP and maintaining accountability for assets; and (3) compliance with applicable laws and regulation related to federal and state financial assistance programs. The concept of reasonable assurance recognizes that (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. I believe that the County's internal accounting controls adequately protect assets and provide reasonable assurance of the proper recording of financial transactions. As part of the County's single audit, the independent auditor performed a review of the County's internal control structure. This review was not an audit and no opinion was issued on the County's internal control structure; however, the procedures performed by the independent auditor indicated no internal control weaknesses or reportable conditions.

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

#### FACTORS AFFECTING FINANCIAL CONDITION

##### Local economy

Wilson County's economy has evolved from a largely agriculture-based economy to a diverse mix of agriculture, manufacturing, commercial, and service sectors. However, the County is still a leading farm market in the state with \$143,608,104 in farm sales in 2020. Major industries located within the County include tire manufacturing, pharmaceuticals, glass containers, building components, aerospace fire protection equipment, and food processing among others. The State also has a significant presence in the County with a major long-term health care facility and a school for the deaf located in the City of Wilson.

Unemployment in Wilson has decreased to 7.7% still higher when compared to 6.1% for the State. The average weekly wage for 2020 for Wilson County was \$977, the eighth highest average weekly wage in the State.

In 2019, Wilson County saw the location of HandCraft and Avient Biosciences LLC. Refresco announced an expansion of its facility in 2019 and Merck announced two expansions. A total investment from new and existing companies in the local economy was \$141,500,000, resulting in the creation of 298 new jobs.

Founded in Wilson in 1872, BB&T has merged with SunTrust to create Truist, the sixth largest U.S. bank holding company. The bank currently employs approximately 2,200 people in Wilson. Bridgestone Americas operates a plant in Wilson that employs approximately 2,100 people making radial tires for cars and light trucks. It continues its commitment to make new investment in its facility. Other large employers include Wilson County Schools with over 1,000 employees, Wilson Medical Center with approximately 900 employees,



UTC Aerospace Systems with approximately 750 employees, Smithfield Packing Company with approximately 650 employees, Merck with approximately 450 employees, and Fresenius Kabi with approximately 345 employees.

Retail sales in Wilson County were \$1,300,000 in 2019-2020. There were 4 new restaurants buildings, 7 new restaurants. Retail vacancies saw a decrease from the prior year.

#### Long-term financial planning

Meeting the needs in the community by providing additional services and meeting the capital needs for the County, and our Educational partners continue to be a challenge. The County is developing a capital improvements plan to plan for future building and equipment improvements. The CIP will address many of the capital improvements needs within the County, Wilson County Schools, and Wilson Community College. The CIP will be revised and updated annually to correspond with changing revenues and the current economic environment.

#### AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Wilson, North Carolina for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the 7<sup>th</sup> consecutive year that the County has achieved this prestigious award. In order 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.

#### ACKNOWLEDGEMENTS

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Office. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Due credit also must 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,

WILSON COUNTY, NORTH CAROLINA

  
Denise Stinagle  
County Manager

  
Angel Landrau  
Finance Director





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**County of Wilson  
North Carolina**

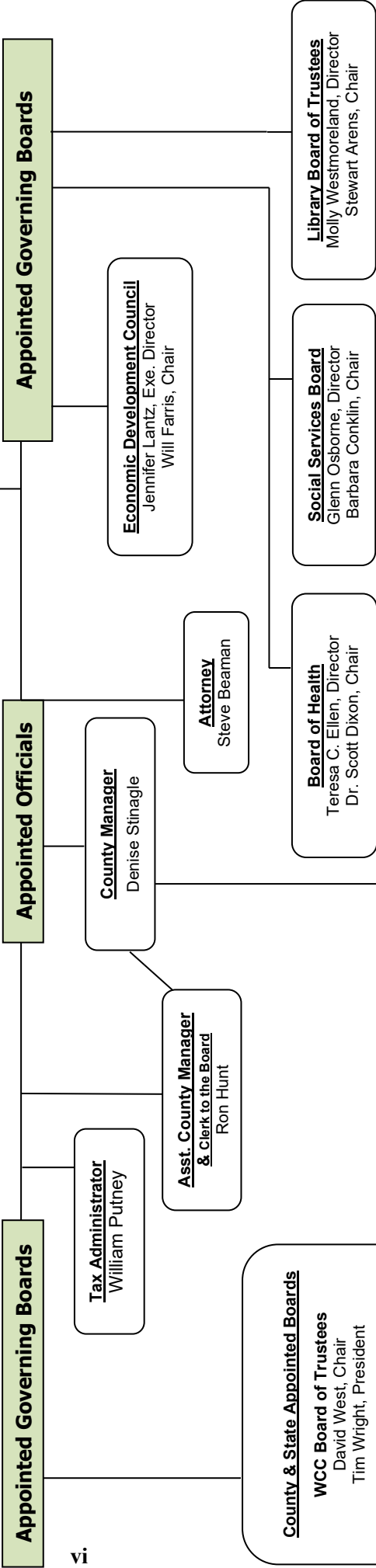
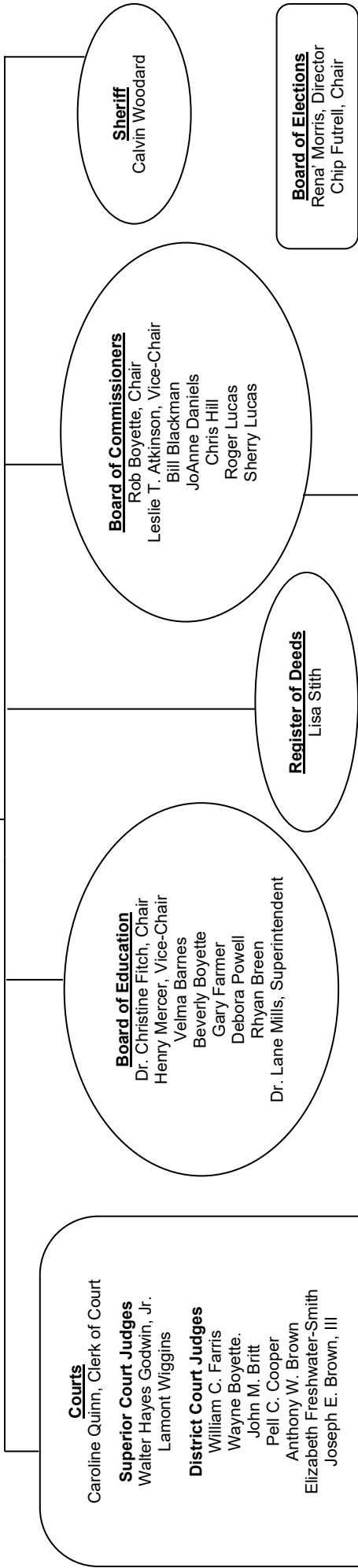
For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO

# Elected Officials



**County Department Heads**

Cooperative Extension: Norman Harrell  
Development Services: Mark Johnson  
Emergency Communications: Brenda Womble  
Emergency Management: Gordon Deno  
Emergency Medical Services: Michael Cobb  
Financial Services: Angel Landrau  
Human Resources: Tim Bilderback  
Maintenance Department: Ted Boswell  
Soil & Water Conservation: Josh Pate  
Solid Waste Management: Andy Davis  
Technology Services: Ryan Hayes  
Water Services: Ronnie Ford



**Wilson County  
List of Principal Officials  
June 30, 2020**

**Elected Officials**

|                   |            |                                |
|-------------------|------------|--------------------------------|
| Commissioner      | District 3 | JoAnne Daniels                 |
| Commissioner      | District 5 | Rob Boyette, Chair             |
| Commissioner      | District 1 | Leslie T. Atkinson, Vice Chair |
| Commissioner      | District 2 | Sherry Lucas                   |
| Commissioner      | District 4 | Roger Lucas                    |
| Commissioner      | District 6 | Chris Hill                     |
| Commissioner      | District 7 | Bill Blackman                  |
| Sheriff           |            | Calvin Woodard                 |
| Register of Deeds |            | Lisa Stith                     |

**Administrative Officials**

|                                       |                    |
|---------------------------------------|--------------------|
| Manager                               | Denise Stinagle    |
| Attorney                              | Stephen Beaman     |
| Clerk                                 | Ron Hunt           |
| Finance Director                      | Angel Landrau      |
| Tax Administrator                     | Witt Putney        |
| Social Services Director              | Glenn Osborne      |
| Health Services Director              | Teresa Ellen       |
| Elections Director                    | Rena Morris        |
| Director of Library                   | Molly Westmoreland |
| Solid Waste/Landfill Director         | Andy Davis         |
| Water Systems Director                | Ronald Ford        |
| County Extension Director             | Norman Harrell     |
| Emergency Medical Services Director   | Michael Cobb       |
| Emergency Communications Director     | Brenda Womble      |
| Planning and Inspections Director     | Mark Johnson       |
| Building Maintenance Director         | Ted Boswell        |
| Technology Services Director          | Ryan Hayes         |
| Emergency Management Coordinator      | Gordon Deno        |
| Human Resource Coordinator            | Tim Bilderback     |
| Soil & Water Conservation Coordinator | Josh Pate          |

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# FINANCIAL SECTION

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# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

## **Independent Auditor's Report**

To the Board of Commissioners  
Wilson County  
Wilson, North Carolina

### **Report On the Financial Statements**

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

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Wilson County ABC Board. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it related to the amounts included for the Wilson County ABC Board, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Wilson County ABC Board were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Wilson County, North Carolina, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Other Post-Employment Benefits' Schedules of Changes in the Total OPEB Liability and Related Ratios, the Local Government Employee's Retirement System's Schedules of the Proportionate Share of Net Pension Liability (Asset) and County's Contributions, the Register of Deeds' Supplemental Pension Fund Schedules of the Proportionate Share of the Net Pension Liability (Asset) and County's Contributions, and the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wilson County's basic financial statements. The introductory information, combining and individual nonmajor fund financial statements, budget and actual schedules, other schedules, and statistical section, as well as the accompanying Schedule of Expenditures of Federal and State Awards as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards*, and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements.



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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2020 on our consideration of Wilson 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 Wilson 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 Wilson County's internal control over financial reporting and compliance.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, North Carolina  
December 11, 2020

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## **Management's Discussion and Analysis**

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

### **Financial Highlights**

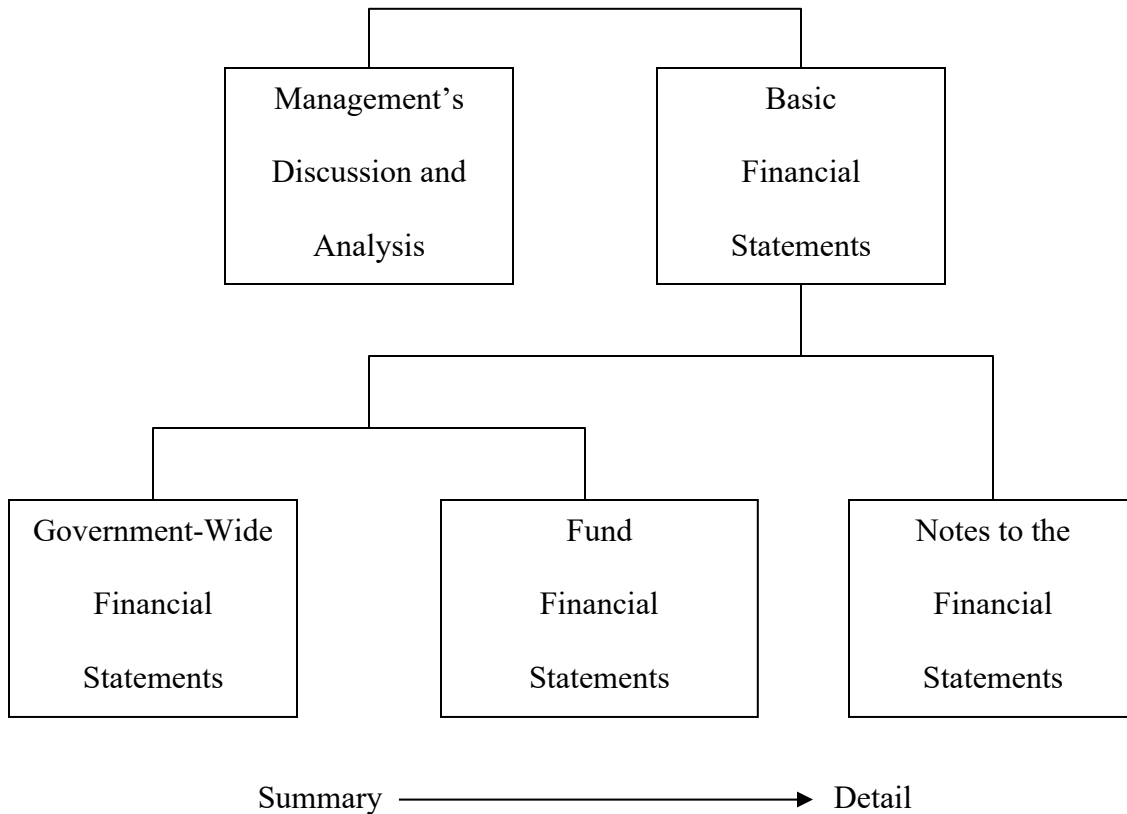
- The assets and deferred outflows of resources of Wilson County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$36,932,925.
- The government's total net position increased by \$2,595,205, primarily due to increased net position in the governmental activities.
- As of the close of the current fiscal year, Wilson County's governmental funds reported combined ending fund balances of \$56,869,423, after a net increase in fund balance of \$5,173,680. Approximately 34.5 percent of this total amount, or \$19,619,605, is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$22,691,256, or 23.20 percent, of total General Fund expenditures and transfers out for the fiscal year.
- The County holds the following bond ratings:
  - Moody's Aa2
  - Fitch AA

### **Overview of the Financial Statements**

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

Management's Discussion and Analysis  
Wilson County

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



**Basic Financial Statements**

The first two statements, Exhibits A and B, in the basic financial statements are the **government-wide financial statements**. They provide both short and long-term information concerning the County's financial status.

The next statements, Exhibits C through J, are the **fund financial statements**. These statements 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: 1) the governmental funds statements, 2) the budgetary comparison statements, 3) the proprietary funds statements, and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's nonmajor governmental funds and internal service funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

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

## Management's Discussion and Analysis Wilson County

### **Government-Wide Financial Statements**

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

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

The government-wide statements are divided into three categories: 1) governmental activities, 2) business-type activities, and 3) component units. The governmental activities include most of the County's basic services, such as public safety and general administration. Property taxes and federal and State grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water and solid waste (landfill) services offered by Wilson County. The final category is the component unit. The Wilson 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.

The government-wide financial statements are on Exhibits A and B of this report.

### **Fund Financial Statements**

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

**Governmental Funds.** Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called modified accrual accounting. This method also has a current financial resource focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

## Management's Discussion and Analysis Wilson County

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

**Proprietary Funds.** Wilson County maintains two kinds of proprietary funds, Enterprise Funds and an Internal Service Fund. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements. Wilson County uses enterprise funds to account for its Solid Waste Operation and Water Distribution Activity. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Position and the Statement of Activities. Internal service funds are an accounting device used to accumulate and allocate costs internally among the functions of Wilson County. The County uses an internal service fund to account for one activity – health insurance benefits. Because this operation benefits predominantly governmental rather than business-type activities, the Internal Service Fund has been included within the governmental activities in the government-wide financial statements.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Wilson County has seven fiduciary funds, all of which are agency funds.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 29 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also includes certain required supplementary information concerning Wilson County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 83 of this report.

### Government-Wide Financial Analysis

As noted earlier, net position, over time, may serve as a useful indicator of a government's financial condition. The assets and deferred outflows of resources of Wilson County exceeded its liabilities and deferred inflows of resources by \$36,932,925 as of June 30, 2020.

Management's Discussion and Analysis  
Wilson County

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

|   | <b>Governmental<br/>Activities</b> |                     | <b>Business-Type<br/>Activities</b> |                      | <b>Total</b>         |                      |
|---|------------------------------------|---------------------|-------------------------------------|----------------------|----------------------|----------------------|
|   | <b>2020</b>                        | <b>2019</b>         | <b>2020</b>                         | <b>2019</b>          | <b>2020</b>          | <b>2019</b>          |
| <b>Assets:</b>                            |                                    |                     |                                     |                      |                      |                      |
| Current and other assets                  | \$ 67,793,684                      | \$ 62,597,368       | \$ 24,079,845                       | \$ 22,953,591        | \$ 91,873,529        | \$ 85,550,959        |
| Restricted assets                         | 2,094,817                          | 650,494             | 251,206                             | 223,448              | 2,346,023            | 873,942              |
| Capital assets                            | 25,491,637                         | 26,232,896          | 24,779,705                          | 25,193,665           | 50,271,342           | 51,426,561           |
| Other assets                              | 523,514                            | 523,514             | -                                   | -                    | 523,514              | 523,514              |
| Total assets                              | <u>95,903,652</u>                  | <u>90,004,272</u>   | <u>49,110,756</u>                   | <u>48,370,704</u>    | <u>145,014,408</u>   | <u>138,374,976</u>   |
| <b>Deferred Outflows<br/>of Resources</b> | <u>12,880,723</u>                  | <u>11,161,508</u>   | <u>374,543</u>                      | <u>309,870</u>       | <u>13,255,266</u>    | <u>11,471,378</u>    |
| <b>Liabilities:</b>                       |                                    |                     |                                     |                      |                      |                      |
| Long-term liabilities outstanding         | 88,470,438                         | 83,999,261          | 14,852,218                          | 14,532,487           | 103,322,656          | 98,531,748           |
| Other liabilities                         | <u>6,182,458</u>                   | <u>3,711,356</u>    | <u>660,256</u>                      | <u>497,376</u>       | <u>6,842,714</u>     | <u>4,208,732</u>     |
| Total liabilities                         | <u>94,652,896</u>                  | <u>87,710,617</u>   | <u>15,512,474</u>                   | <u>15,029,863</u>    | <u>110,165,370</u>   | <u>102,740,480</u>   |
| <b>Deferred Inflows<br/>of Resources</b>  | <u>10,780,040</u>                  | <u>12,319,347</u>   | <u>391,339</u>                      | <u>448,807</u>       | <u>11,171,379</u>    | <u>12,768,154</u>    |
| <b>Net Position:</b>                      |                                    |                     |                                     |                      |                      |                      |
| Net investment in capital assets          | 24,421,556                         | 24,470,581          | 16,575,503                          | 16,692,761           | 40,997,059           | 41,163,342           |
| Restricted                                | 19,709,106                         | 15,778,189          | -                                   | -                    | 19,709,106           | 15,778,189           |
| Unrestricted                              | <u>(40,779,223)</u>                | <u>(39,112,954)</u> | <u>17,005,983</u>                   | <u>16,509,143</u>    | <u>(23,773,240)</u>  | <u>(22,603,811)</u>  |
| Total net position                        | <u>\$ 3,351,439</u>                | <u>\$ 1,135,816</u> | <u>\$ 33,581,486</u>                | <u>\$ 33,201,904</u> | <u>\$ 36,932,925</u> | <u>\$ 34,337,720</u> |

The County's net position increased by \$2,595,205 for the fiscal year ended June 30, 2020. One of the largest portions, \$40,997,059, reflects the County's net investment in capital assets (e.g. land, buildings, machinery, and equipment). Wilson County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Wilson County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Wilson County's net position, \$19,709,106 (53%), represents resources that are subject to external restrictions on how they may be used. The remaining deficit balance of \$23,773,240 is unrestricted. The deficit in unrestricted net position is due to the portion of the County's outstanding debt incurred for the benefit of local schools. Under North Carolina law, the County is responsible for providing capital funding for these institutions. The assets funded by the County, however, are owned and utilized by these institutions. Since the County acquires no capital assets, the County has incurred a liability without a corresponding increase in assets.

Management's Discussion and Analysis  
Wilson County

**Wilson County's Changes in Net Position**  
**Figure 3**

|   | <b>Governmental<br/>Activities</b> |                     | <b>Business-Type<br/>Activities</b> |                      | <b>Total</b>         |                      |
|---|------------------------------------|---------------------|-------------------------------------|----------------------|----------------------|----------------------|
|   | <b>2020</b>                        | <b>2019</b>         | <b>2020</b>                         | <b>2019</b>          | <b>2020</b>          | <b>2019</b>          |
| <b>Revenues:</b>  |                                    |                     |                                     |                      |                      |                      |
| Programs revenues:  |                                    |                     |                                     |                      |                      |                      |
| Charges for services  | \$ 8,573,443                       | \$ 8,937,211        | \$ 5,852,526                        | \$ 5,547,719         | \$ 14,425,969        | \$ 14,484,930        |
| Grants and contributions:   |                                    |                     |                                     |                      |                      |                      |
| Operating   | 19,008,756                         | 17,869,415          | 36,716                              | 330,601              | 19,045,472           | 18,200,016           |
| Capital   | 100,116                            | 272,352             | -                                   | -                    | 100,116              | 272,352              |
| General revenues:   |                                    |                     |                                     |                      |                      |                      |
| Property taxes  | 57,164,778                         | 53,121,424          | -                                   | -                    | 57,164,778           | 53,121,424           |
| Local option sales tax  | 16,455,461                         | 15,207,695          | -                                   | -                    | 16,455,461           | 15,207,695           |
| Other taxes and licenses  | 801,466                            | 764,557             | -                                   | -                    | 801,466              | 764,557              |
| Investment earnings   | 884,971                            | 947,970             | 55,132                              | 356,230              | 940,103              | 1,304,200            |
| Grants and other<br>contributions not<br>restricted to<br>specific programs | 600,000                            | 262,500             | -                                   | -                    | 600,000              | 262,500              |
| Miscellaneous   | 594,334                            | 226,408             | 51,062                              | 24,220               | 645,396              | 250,628              |
| Total revenues  | <u>104,183,325</u>                 | <u>97,609,532</u>   | <u>5,995,436</u>                    | <u>6,258,770</u>     | <u>110,178,761</u>   | <u>103,868,302</u>   |
| <b>Expenses:</b>  |                                    |                     |                                     |                      |                      |                      |
| General government  | 10,587,262                         | 7,469,350           | -                                   | -                    | 10,587,262           | 7,469,350            |
| Public safety   | 25,819,930                         | 24,250,799          | -                                   | -                    | 25,819,930           | 24,250,799           |
| Transportation  | 500,225                            | 521,233             | -                                   | -                    | 500,225              | 521,233              |
| Environmental protection  | 649,335                            | 347,522             | -                                   | -                    | 649,335              | 347,522              |
| Economic and physical<br>development  | 3,620,033                          | 2,893,558           | -                                   | -                    | 3,620,033            | 2,893,558            |
| Human services  | 31,953,761                         | 29,981,736          | -                                   | -                    | 31,953,761           | 29,981,736           |
| Cultural and recreational   | 2,592,768                          | 2,102,387           | -                                   | -                    | 2,592,768            | 2,102,387            |
| Education   | 25,955,838                         | 24,807,827          | -                                   | -                    | 25,955,838           | 24,807,827           |
| Interest and other charges  | 288,550                            | 348,930             | -                                   | -                    | 288,550              | 348,930              |
| Landfill  | -                                  | -                   | 3,281,589                           | 2,919,492            | 3,281,589            | 2,919,492            |
| Water   | -                                  | -                   | 2,334,265                           | 2,373,971            | 2,334,265            | 2,373,971            |
| Total expenses  | <u>101,967,702</u>                 | <u>92,723,342</u>   | <u>5,615,854</u>                    | <u>5,293,463</u>     | <u>107,583,556</u>   | <u>98,016,805</u>    |
| Change in net position  | 2,215,623                          | 4,886,190           | 379,582                             | 965,307              | 2,595,205            | 5,851,497            |
| Net position, beginning   | <u>1,135,816</u>                   | <u>(3,750,374)</u>  | <u>33,201,904</u>                   | <u>32,236,597</u>    | <u>34,337,720</u>    | <u>28,486,223</u>    |
| Net position, ending  | <u>\$ 3,351,439</u>                | <u>\$ 1,135,816</u> | <u>\$ 33,581,486</u>                | <u>\$ 33,201,904</u> | <u>\$ 36,932,925</u> | <u>\$ 34,337,720</u> |



## Management's Discussion and Analysis Wilson County

**Governmental Activities.** Governmental activities increased the County's net position by \$2,215,623 compared to \$4,886,190 in the prior year, thereby accounting for a majority of the growth in the net position of Wilson County. Key elements of the increase are as follows:

- Increase in property tax revenue, largely due to a revaluation in 2019
- Increase in local options sales tax
- Increases in expenses across most functions

**Business-Type Activities.** Business-type activities increased Wilson County's net position by \$379,582, compared to \$965,307 in the prior year. Key elements of this increase are as follows:

- Decrease in operating grant revenue from FY 2019 to FY 2020
- Decrease in investment earnings over previous years
- Increase in operational expenses of the landfill

### Financial Analysis of the County's Funds

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

**Governmental Funds.** The focus of Wilson County's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the 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 Wilson County. At the end of the current fiscal year, Wilson County's fund balance available in the General Fund was \$40,528,384, while total fund balance for the General Fund is \$50,255,610. The governing body of Wilson County has determined that the County should maintain an available fund balance of 18% of General Fund expenditures in case of unforeseen needs or opportunities, in addition to meeting cash flow needs of the County. The County currently has an available fund balance of 41.43% of General Fund expenditures and transfers out, while total fund balance represents 51.37% of that same amount.

The County received coronavirus relief grant funding in June 2020 in the amount of \$1,580,929. Another wave of funding was subsequently received by the County in the next fiscal year for \$1,587,589. As of June 30, 2020, the County had spent \$375,950. The amount of unspent grant proceeds was \$1,204,979. This activity is recorded in the Coronavirus Relief Grant Fund.

At June 30, 2020, Wilson County's governmental funds reported combined ending fund balances of \$56,869,423, an increase of \$5,173,680. This increase is due primarily to the increase of fund balance in the General Fund, before transfers out to special revenue and capital project funds to fund grant matching and capital projects. Economic growth in the County resulted in a 7.6% increase in property taxes and an 8.2% increase in local option sales taxes.

**General Fund Budgetary Highlights.** During the fiscal year, the County revised the budget on several occasions. Generally, 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 that become necessary to maintain services. Total amendments to the General Fund increased revenues by \$2,028,139. The budgetary increase was primarily attributable to increases during the year for restricted intergovernmental revenues and sales and services.

## Management's Discussion and Analysis Wilson County

Overall, in FY2020 the County recognized increases over the estimated property tax and local option sales tax revenues than expected.

**Proprietary Funds.** Wilson County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Solid Waste Fund at the end of the fiscal year amounted to \$13,920,310 and those for the water funds totaled \$2,872,237. The total growth in net position for the Solid Waste Fund was \$232,339, and the total increase in net position for the water funds was \$96,181. Other factors concerning the finances of these funds have already been addressed in the discussion of Wilson County's business-type activities.

### Capital Asset and Debt Administration

**Capital Assets.** Wilson County's capital assets for its governmental and business-type activities as of June 30, 2020 amounted to \$50,271,342 (net of accumulated depreciation). This investment in capital assets includes land, vehicles, buildings and improvements, machinery, and equipment.

- Purchased new vehicles and equipment for the Public Safety Department;
- Disposed of old equipment and vehicle in the Public Safety Department;
- Purchased new equipment, vehicles, and building improvements for general government;
- Disposal of equipment for general government;
- Purchased equipment for the Human Services Department;
- Disposed of old equipment in the Human Services Department;
- Purchased new equipment for the solid waste landfill;
- Disposed of old equipment in the solid waste landfill;
- Increase in equipment for cultural and recreational departments;
- Disposed of old equipment in cultural and recreational departments.

**Wilson County's Capital Assets  
(Net of Depreciation)  
Figure 4**

|                                  | <b>Governmental<br/>Activities</b> |                      | <b>Business-Type<br/>Activities</b> |                      | <b>Total</b>         |                      |
|----------------------------------|------------------------------------|----------------------|-------------------------------------|----------------------|----------------------|----------------------|
|                                  | <b>2020</b>                        | <b>2019</b>          | <b>2020</b>                         | <b>2019</b>          | <b>2020</b>          | <b>2019</b>          |
| Land                             | \$ 3,399,703                       | \$ 3,399,703         | \$ 3,208,714                        | \$ 3,208,714         | \$ 6,608,417         | \$ 6,608,417         |
| Construction in progress         | 81,735                             | 2,656,858            | 492,993                             | 264,068              | 574,728              | 2,920,926            |
| Buildings and improvements       | 35,175,490                         | 33,034,833           | 3,084,863                           | 2,882,070            | 38,260,353           | 35,916,903           |
| Equipment and plant distribution | 11,631,608                         | 10,531,844           | 29,593,119                          | 29,627,429           | 41,224,727           | 40,159,273           |
| Vehicles                         | 6,726,910                          | 6,468,743            | 1,006,650                           | 1,074,252            | 7,733,560            | 7,542,995            |
| Total                            | 57,015,446                         | 56,091,981           | 37,386,339                          | 37,056,533           | 94,401,785           | 93,148,514           |
| Less: Accumulated depreciation   | 31,523,809                         | 29,859,085           | 12,606,634                          | 11,862,868           | 44,130,443           | 41,721,953           |
| Capital assets                   | <u>\$ 25,491,637</u>               | <u>\$ 26,232,896</u> | <u>\$ 24,779,705</u>                | <u>\$ 25,193,665</u> | <u>\$ 50,271,342</u> | <u>\$ 51,426,561</u> |

Additional information on Wilson County's capital assets can be found in Note III.A.5 of this basic financial statement.

Management's Discussion and Analysis  
Wilson County

**Long-Term Debt.** As of June 30, 2020, Wilson County had total bonded debt outstanding of \$7,420,000, which is backed by the full-faith and credit of the County.

**Wilson County's  
Outstanding Bonds  
Figure 5**

|  | <b>Governmental<br/>Activities</b> |             | <b>Business-Type<br/>Activities</b> |              | <b>Total Primary<br/>Government</b> |              |
|--|------------------------------------|-------------|-------------------------------------|--------------|-------------------------------------|--------------|
|  | <b>2020</b>                        | <b>2019</b> | <b>2020</b>                         | <b>2019</b>  | <b>2020</b>                         | <b>2019</b>  |
| Limited obligation bonds -<br>direct placement | \$ -                               | \$ -        | \$ 7,420,000                        | \$ 7,650,000 | \$ 7,420,000                        | \$ 7,650,000 |

Wilson County has two legally separate water districts. During fiscal year 2012-2013, the County entered into a limited obligation refunding agreement to defease the debt from three Series of USDA general obligation bonds of \$9,377,999 within the two districts.

This outstanding general obligation indebtedness is out of a legal debt margin of \$572,946,069. The legal debt limit is determined by the Municipal Finance Law of North Carolina, which limits the amount of net bonded debt a County may have outstanding to 8 percent of the appraised value subject to taxation. The ratio of debt service expenses to total general fund expenses is 3.32%, an increase from fiscal year 2019 ratio of 3.28%.

Wilson County maintain a "AA" rating from Standard & Poor's and Fitch Ratings and a "Aa2" rating from Moody's Investors Service for general obligation debt.

Additional information on Wilson County's long-term obligations can be found in Note III.B.7.

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

- Tax collections for Wilson County remain strong. In FY 2020, the tax collection rate was 98.52%.
- The County is seeing some positive incremental growth in the tax valuation since revaluation in 2019.
- Sales tax continues to remain strong.
- The employment rate of 8.5% as of June 30, 2020. Wilson County continues to be higher than the North Carolina average of 7.5%, and 5.3% at June 30, 2019.

#### **Budget Highlights for Fiscal Year 2020-2021**

**Governmental Activities.** The 2020 General Fund's adopted budget increased \$5,414,780. The County tax rate continues to remain flat in with no tax rate increase in FY 2020-2021 budgeted revenues. The increase in the budget from 2019 was largely due to an increase in budgetary expenditures for the public library. This increase will cover large capital projects in the upcoming year, which will allow the library to cater to a wider range of Wilson County citizens. The County continued its commitment to education and employees, and the budget reflects cost-of-living adjustments for employees and increases to educational funding.

Management's Discussion and Analysis  
Wilson County

**Requests for Information**

This financial report is designed to provide a general overview of Wilson County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Post Office Box 1728, Wilson, North Carolina, 27894.

# BASIC FINANCIAL STATEMENTS

WILSON COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
JUNE 30, 2020

|  | Primary Government      |                          |               | Component Unit          |
|--|-------------------------|--------------------------|---------------|-------------------------|
|  | Governmental Activities | Business-Type Activities | Total         | Wilson County ABC Board |
| <b>Assets:</b>   |                         |                          |               |                         |
| Cash and cash equivalents                                  | \$ 53,891,356           | \$ 23,354,897            | \$ 77,246,253 | \$ 1,760,439            |
| Receivables (net)  | 4,012,562               | 463,785                  | 4,476,347     | 6,006                   |
| Due from other governments                                 | 7,520,621               | 47,727                   | 7,568,348     | -                       |
| Due from component unit                                    | 440,625                 | -                        | 440,625       | -                       |
| Internal balances  | (213,436)               | 213,436                  | -             | -                       |
| Inventories  | -                       | -                        | -             | 1,178,163               |
| Prepaid items  | -                       | -                        | -             | 13,462                  |
| Restricted cash and cash equivalents                       | 2,094,817               | 251,206                  | 2,346,023     | -                       |
| Net investment in joint venture                            | 2,058,909               | -                        | 2,058,909     | -                       |
| Capital lease receivable                                   | 523,514                 | -                        | 523,514       | -                       |
| Net pension asset  | 83,047                  | -                        | 83,047        | -                       |
| Capital assets:  |                         |                          |               |                         |
| Land, improvements, and construction in progress           | 3,481,438               | 3,701,707                | 7,183,145     | 574,341                 |
| Other capital assets, net of depreciation                  | 22,010,199              | 21,077,998               | 43,088,197    | 2,843,634               |
| Total capital assets                                       | 25,491,637              | 24,779,705               | 50,271,342    | 3,417,975               |
| Total assets   | 95,903,652              | 49,110,756               | 145,014,408   | 6,376,045               |
| <b>Deferred Outflows of Resources:</b>                     |                         |                          |               |                         |
| OPEB deferrals   | 4,771,042               | 181,913                  | 4,952,955     | 37,069                  |
| Pension deferrals  | 7,763,761               | 192,630                  | 7,956,391     | 140,093                 |
| Charge on refunding of debt                                | 345,920                 | -                        | 345,920       | -                       |
| Total deferred outflows of resources                       | 12,880,723              | 374,543                  | 13,255,266    | 177,162                 |
| <b>Liabilities:</b>  |                         |                          |               |                         |
| Accounts payable and accrued expenses                      | 3,942,804               | 385,653                  | 4,328,457     | 786,672                 |
| Accrued interest payable                                   | 75,836                  | 23,397                   | 99,233        | -                       |
| Due to other governments                                   | 624,217                 | -                        | 624,217       | 146,875                 |
| Due to primary government                                  | -                       | -                        | -             | 440,625                 |
| Accounts payable - payable from restricted assets          | 303,331                 | -                        | 303,331       | -                       |
| Customer deposits - payable from restricted assets         | -                       | 251,206                  | 251,206       | -                       |
| Advances from grantors                                     | 1,236,270               | -                        | 1,236,270     | -                       |
| Due within one year: bonds, notes and compensated absences | 4,847,861               | 400,939                  | 5,248,800     | -                       |
| Non-current liabilities:                                   |                         |                          |               |                         |
| Due in more than one year:                                 |                         |                          |               |                         |
| Net pension liability - LGERS                              | 12,654,929              | 381,946                  | 13,036,875    | 197,173                 |
| Total pension liability - LEOSA                            | 2,896,272               | -                        | 2,896,272     | -                       |
| Total OPEB liability                                       | 55,051,642              | 1,916,971                | 56,968,613    | 1,219,366               |
| Bonds, notes, and compensated absences                     | 13,019,734              | 12,152,362               | 25,172,096    | 46,793                  |
| Total liabilities  | 94,652,896              | 15,512,474               | 110,165,370   | 2,837,504               |

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

WILSON COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
JUNE 30, 2020

|                                       | Primary Government      |                          |               | Component Unit          |
|---------------------------------------|-------------------------|--------------------------|---------------|-------------------------|
|                                       | Governmental Activities | Business-Type Activities | Total         | Wilson County ABC Board |
| <b>Deferred Inflows of Resources:</b> |                         |                          |               |                         |
| OPEB deferrals                        | 9,823,933               | 374,212                  | 10,198,145    | 66,888                  |
| Pension deferrals                     | 574,352                 | 17,127                   | 591,479       | 97                      |
| Prepaid taxes                         | 381,755                 | -                        | 381,755       | -                       |
| Total deferred inflows of resources   | 10,780,040              | 391,339                  | 11,171,379    | 66,985                  |
| <b>Net Position:</b>                  |                         |                          |               |                         |
| Net investment in capital assets      | 24,421,556              | 16,575,503               | 40,997,059    | 3,417,975               |
| Restricted for:                       |                         |                          |               |                         |
| Stabilization by state statute        | 10,020,056              | -                        | 10,020,056    | -                       |
| Public safety                         | 714,351                 | -                        | 714,351       | -                       |
| Register of Deeds                     | 271,676                 | -                        | 271,676       | -                       |
| Register of Deeds' pension plan       | 89,501                  | -                        | 89,501        | -                       |
| Health and human services             | 2,737,192               | -                        | 2,737,192     | -                       |
| Working capital                       | -                       | -                        | -             | 331,082                 |
| Economic development projects         | 1,915,084               | -                        | 1,915,084     | -                       |
| Education                             | 3,961,246               | -                        | 3,961,246     | -                       |
| Unrestricted (deficit)                | (40,779,223)            | 17,005,983               | (23,773,240)  | (100,339)               |
| Total net position                    | \$ 3,351,439            | \$ 33,581,486            | \$ 36,932,925 | \$ 3,648,718            |

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

WILSON COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020

| Functions/Programs                | Expenses       | Program Revenues     |                                    |                                  |
|-----------------------------------|----------------|----------------------|------------------------------------|----------------------------------|
|                                   |                | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary Government:               |                |                      |                                    |                                  |
| Governmental Activities:          |                |                      |                                    |                                  |
| General government                | \$ 10,587,262  | \$ 677,223           | \$ 306,895                         | \$ -                             |
| Public safety                     | 25,819,930     | 4,439,624            | 875,368                            | -                                |
| Transportation                    | 500,225        | 20,981               | 319,768                            | 100,116                          |
| Environmental protection          | 649,335        | -                    | 337,479                            | -                                |
| Economic and physical development | 3,620,033      | -                    | 500,000                            | -                                |
| Human services                    | 31,953,761     | 3,435,615            | 16,420,549                         | -                                |
| Cultural and recreation           | 2,592,768      | -                    | 248,697                            | -                                |
| Education                         | 25,955,838     | -                    | -                                  | -                                |
| Interest on long-term debt        | 288,550        | -                    | -                                  | -                                |
| Total governmental activities     | 101,967,702    | 8,573,443            | 19,008,756                         | 100,116                          |
| Business-Type Activities:         |                |                      |                                    |                                  |
| Landfill                          | 3,281,589      | 3,458,796            | -                                  | -                                |
| Water                             | 2,334,265      | 2,393,730            | 36,716                             | -                                |
| Total business-type activities    | 5,615,854      | 5,852,526            | 36,716                             | -                                |
| Total primary government          | \$ 107,583,556 | \$ 14,425,969        | \$ 19,045,472                      | \$ 100,116                       |
| Component Unit:                   |                |                      |                                    |                                  |
| ABC Board                         | \$ 8,364,451   | \$ 8,608,134         | \$ -                               | \$ -                             |

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



WILSON COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020

|  | Net (Expense) Revenue and Changes in Net Position |                          |                |                         |
|--|---|--------------------------|----------------|-------------------------|
|  | Primary Government                                |                          |                | Component Unit          |
| Functions/Programs   | Governmental Activities                           | Business-Type Activities | Total          | Wilson County ABC Board |
| <b>Primary Government:</b>                                   |   |                          |                |                         |
| <b>Governmental Activities:</b>                              |   |                          |                |                         |
| General government   | \$ (9,603,144)                                    | \$ -                     | \$ (9,603,144) |                         |
| Public safety  | (20,504,938)                                      | -                        | (20,504,938)   |                         |
| Transportation   | (59,360)  | -                        | (59,360)       |                         |
| Environmental protection                                     | (311,856)   | -                        | (311,856)      |                         |
| Economic and physical development                            | (3,120,033)                                       | -                        | (3,120,033)    |                         |
| Human services   | (12,097,597)                                      | -                        | (12,097,597)   |                         |
| Cultural and recreation                                      | (2,344,071)                                       | -                        | (2,344,071)    |                         |
| Education  | (25,955,838)                                      | -                        | (25,955,838)   |                         |
| Interest on long-term debt                                   | (288,550)   | -                        | (288,550)      |                         |
| Total governmental activities                                | (74,285,387)                                      | -                        | (74,285,387)   |                         |
| <b>Business-Type Activities:</b>                             |   |                          |                |                         |
| Landfill   | -   | 177,207                  | 177,207        |                         |
| Water  | -   | 96,181                   | 96,181         |                         |
| Total business-type activities                               | -   | 273,388                  | 273,388        |                         |
| Total primary government                                     | (74,285,387)                                      | 273,388                  | (74,011,999)   |                         |
| <b>Component Unit:</b>                                       |   |                          |                |                         |
| ABC Board  |   |                          |                | \$ 243,683              |
| <b>General Revenues:</b>                                     |   |                          |                |                         |
| Taxes:   |   |                          |                |                         |
| Property taxes, levied for general purpose                   | 57,164,778  | -                        | 57,164,778     | -                       |
| Local option sales tax                                       | 16,455,461  | -                        | 16,455,461     | -                       |
| Other taxes and licenses                                     | 801,466   | -                        | 801,466        | -                       |
| Grants and contributions not restricted to specific programs | 600,000   | -                        | 600,000        | -                       |
| Investment earnings, unrestricted                            | 884,971   | 55,132                   | 940,103        | 1,295                   |
| Miscellaneous  | 594,334   | 51,062                   | 645,396        | 4,752                   |
| Total general revenues                                       | 76,501,010  | 106,194                  | 76,607,204     | 6,047                   |
| Change in net position                                       | 2,215,623   | 379,582                  | 2,595,205      | 249,730                 |
| <b>Net Position:</b>   |   |                          |                |                         |
| Beginning of year - July 1                                   | 1,135,816   | 33,201,904               | 34,337,720     | 3,398,988               |
| End of year - June 30  | \$ 3,351,439                                      | \$ 33,581,486            | \$ 36,932,925  | \$ 3,648,718            |

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

**WILSON COUNTY, NORTH CAROLINA**

**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

|   | <b>Major Funds</b>      |  |  |   |
|---|-------------------------|--|--|---|
|   | <b>General<br/>Fund</b> | <b>Coronavirus<br/>Relief<br/>Grant Fund</b> | <b>Nonmajor<br/>Governmental<br/>Funds</b> | <b>Total<br/>Governmental<br/>Funds</b> |
| <b>Assets:</b>  |                         |  |  |   |
| Cash and cash equivalents   | \$ 43,215,348           | \$ -   | \$ 7,070,053                               | \$ 50,285,401                           |
| Restricted cash   | 633,993                 | 1,460,810                                    | 14   | 2,094,817                               |
| Taxes receivable, net   | 1,557,744               | -  | 47,237                                     | 1,604,981                               |
| Accounts and other receivables, net                                       | 1,772,712               | -  | 231,478                                    | 2,004,190                               |
| Due from other governments  | 7,459,269               | -  | 61,352                                     | 7,520,621                               |
| Due from component unit   | 440,625                 | -  | -  | 440,625                                 |
| Due from other funds  | 54,620                  | -  | -  | 54,620                                  |
| Total assets  | <u>\$ 55,134,311</u>    | <u>\$ 1,460,810</u>                          | <u>\$ 7,410,134</u>                        | <u>\$ 64,005,255</u>                    |
| <b>Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances:</b> |                         |  |  |   |
| <b>Liabilities:</b>   |                         |  |  |   |
| Accounts payable and accrued liabilities                                  | \$ 2,795,529            | \$ -   | \$ 38,956                                  | \$ 2,834,485                            |
| Due to other governments  | -                       | -  | 624,217                                    | 624,217                                 |
| Due to other funds  | -                       | -  | 54,620                                     | 54,620                                  |
| Miscellaneous liabilities   | 96,173                  | -  | -  | 96,173                                  |
| Accounts payable - payable from restricted assets                         | 47,500                  | 255,831                                      | -  | 303,331                                 |
| Advances from grantors  | -                       | 1,204,979                                    | 31,291                                     | 1,236,270                               |
| Total liabilities   | <u>2,939,202</u>        | <u>1,460,810</u>                             | <u>749,084</u>                             | <u>5,149,096</u>                        |
| <b>Deferred Inflows of Resources</b>                                      | <u>1,939,499</u>        | <u>-</u>                                     | <u>47,237</u>                              | <u>1,986,736</u>                        |
| <b>Fund Balances:</b>   |                         |  |  |   |
| Restricted:   |                         |  |  |   |
| Stabilization by state statute  | 9,727,226               | -  | 292,830                                    | 10,020,056                              |
| Register of Deeds   | 271,676                 | -  | -  | 271,676                                 |
| Public safety   | -                       | -  | 714,351                                    | 714,351                                 |
| Human services  | 2,737,192               | -  | -  | 2,737,192                               |
| Economic development projects   | -                       | -  | 1,915,084                                  | 1,915,084                               |
| Education   | 2,128,815               | -  | 1,832,431                                  | 3,961,246                               |
| Committed:  |                         |  |  |   |
| Tax revaluation   | 586,493                 | -  | -  | 586,493                                 |
| Assigned:   |                         |  |  |   |
| Subsequent year's expenditures  | 12,098,503              | -  | -  | 12,098,503                              |
| Human services  | 14,449                  | -  | -  | 14,449                                  |
| Future capital  | -                       | -  | 1,997,067                                  | 1,997,067                               |
| Unassigned  | 22,691,256              | -  | (137,950)                                  | 22,553,306                              |
| Total fund balances   | <u>50,255,610</u>       | <u>-</u>                                     | <u>6,613,813</u>                           | <u>56,869,423</u>                       |
| Total liabilities, deferred inflows of<br>resources, and fund balances    | <u>\$ 55,134,311</u>    | <u>\$ 1,460,810</u>                          | <u>\$ 7,410,134</u>                        | <u>\$ 64,005,255</u>                    |

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

**WILSON COUNTY, NORTH CAROLINA**

**BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2020**

|  | <u><b>Total<br/>Governmental<br/>Funds</b></u> |
|--|--|
| Amounts reported for governmental activities in the Statement of<br>Net Position (Exhibit A) are different because:  |  |
| Total fund balance, governmental funds   | \$ 56,869,423                                  |
| Capital assets used in governmental activities are not financial resources<br>and, therefore, are not reported in the funds.   | 25,491,637                                     |
| The County has a long-term receivable from an interlocal agreement.<br>This asset does not provide a current financial resource and, therefore, is<br>not reported in the funds.                             | 523,514  |
| Net investment in joint venture  | 2,058,909                                      |
| Net pension asset  | 83,047   |
| Deferred outflows of resources related to pensions are not reported in the funds.  | 7,763,761                                      |
| Deferred outflows of resources related to OPEB are not reported in the funds.  | 4,771,042                                      |
| Charges related to refunding bond issue  | 345,920  |
| Other long-term assets are not available to pay for current-period expenditures.   | 250,890  |
| Consolidation of Internal Service Fund   | 2,532,874                                      |
| Deferred inflows of resources related to pensions are not reported in the funds.   | (574,352)                                      |
| Deferred inflows of resources related to OPEB are not reported in the funds.   | (9,823,933)                                    |
| Deferred inflows of resources for taxes receivable   | 1,604,981                                      |
| Total OPEB liability   | (55,051,642)                                   |
| Net pension liability  | (12,654,929)                                   |
| Total pension liability  | (2,896,272)                                    |
| Some liabilities, including notes payable and capital leases, accrued<br>interest, and compensated absences, are not due and payable in the<br>current period and, therefore, are not reported in the funds. | <u>(17,943,431)</u>                            |
| Net position of governmental activities  | <u><u>\$ 3,351,439</u></u>                     |

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

## WILSON COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020

|  | Major Funds          |                               |                             |                          |
|--|----------------------|-------------------------------|-----------------------------|--------------------------|
|  | General Fund         | Coronavirus Relief Grant Fund | Nonmajor Governmental Funds | Total Governmental Funds |
| <b>Revenues:</b>                       |                      |                               |                             |                          |
| Ad valorem taxes                       | \$ 55,185,869        | \$ -                          | \$ 2,153,008                | \$ 57,338,877            |
| Local option sales taxes               | 15,860,697           | -                             | 594,764                     | 16,455,461               |
| Other taxes and licenses               | 801,466              | -                             | -                           | 801,466                  |
| Unrestricted intergovernmental         | 604,766              | -                             | -                           | 604,766                  |
| Restricted intergovernmental           | 16,589,959           | 375,950                       | 1,726,767                   | 18,692,676               |
| Permits and fees                       | 1,779,228            | -                             | -                           | 1,779,228                |
| Sales and service                      | 7,258,952            | -                             | 20,981                      | 7,279,933                |
| Investment earnings                    | 876,204              | -                             | 8,767                       | 884,971                  |
| Miscellaneous                          | 506,622              | -                             | 82,946                      | 589,568                  |
| Total revenues                         | <u>99,463,763</u>    | <u>375,950</u>                | <u>4,587,233</u>            | <u>104,426,946</u>       |
| <b>Expenditures:</b>                   |                      |                               |                             |                          |
| Current:                               |                      |                               |                             |                          |
| General government                     | 9,312,794            | 257,407                       | -                           | 9,570,201                |
| Public safety                          | 20,873,612           | 5,831                         | 3,112,385                   | 23,991,828               |
| Transportation                         | 47,857               | -                             | 531,986                     | 579,843                  |
| Environmental protection               | 243,632              | -                             | 310,187                     | 553,819                  |
| Economic and physical development      | 2,998,139            | -                             | 581,735                     | 3,579,874                |
| Human services                         | 29,633,463           | 90,858                        | -                           | 29,724,321               |
| Cultural and recreation                | 2,369,686            | 21,854                        | -                           | 2,391,540                |
| Intergovernmental:                     |                      |                               |                             |                          |
| Education                              | 25,525,713           | -                             | 430,125                     | 25,955,838               |
| Debt service:                          |                      |                               |                             |                          |
| Principal                              | 2,828,277            | -                             | -                           | 2,828,277                |
| Interest and other charges             | 299,389              | -                             | -                           | 299,389                  |
| Total expenditures                     | <u>94,132,562</u>    | <u>375,950</u>                | <u>4,966,418</u>            | <u>99,474,930</u>        |
| Revenues over (under) expenditures     | <u>5,331,201</u>     | <u>-</u>                      | <u>(379,185)</u>            | <u>4,952,016</u>         |
| <b>Other Financing Sources (Uses):</b> |                      |                               |                             |                          |
| Transfers (to) other funds             | (3,688,617)          | -                             | (1,838,327)                 | (5,526,944)              |
| Transfers from other funds             | -                    | -                             | 5,526,944                   | 5,526,944                |
| Capital lease issued                   | 184,533              | -                             | -                           | 184,533                  |
| Sale of capital assets                 | 37,131               | -                             | -                           | 37,131                   |
| Total other financing sources (uses)   | <u>(3,466,953)</u>   | <u>-</u>                      | <u>3,688,617</u>            | <u>221,664</u>           |
| Net change in fund balances            | 1,864,248            | -                             | 3,309,432                   | 5,173,680                |
| <b>Fund Balances:</b>                  |                      |                               |                             |                          |
| Beginning of year, July 1              | <u>48,391,362</u>    | <u>-</u>                      | <u>3,304,381</u>            | <u>51,695,743</u>        |
| End of year, June 30                   | <u>\$ 50,255,610</u> | <u>\$ -</u>                   | <u>\$ 6,613,813</u>         | <u>\$ 56,869,423</u>     |

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

# WILSON COUNTY, NORTH CAROLINA

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2020

Amounts reported for governmental activities in the Statement of Activities (Exhibit B) are different because:

|  |              |
|--|--------------|
| Net changes in fund balances - total governmental funds (Exhibit D)  | \$ 5,173,680 |
| Exhibit D reports revenues using a current financial resources basis, which generally means revenue is recognized when collected, or is expected to be collected, within 90 days of year-end. Exhibit B reports revenues when the earning process is complete, regardless of when it is collected. This measurement difference causes timing of revenue recognition differences for the following revenue types: |              |
| Property taxes   | (44,730)     |
| Capital outlays are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.   | 1,533,086    |
| The sale/disposal of capital assets is reported as a revenue in the governmental funds statement without subtracting the net book value of the capital assets sold.  | (91,909)     |
| Gain (loss) from the change in net investment in joint venture related to the Rocky Mount/Wilson Airport during the year, not recognized on the modified accrual basis.  | 899,460      |
| Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.  | (2,182,436)  |
| Proceeds from issuance of debt are reported as revenues in the governmental funds statement. However, in the Statement of Activities, it is not a revenue, rather it is an increase in liabilities.  | (184,533)    |
| Pension expense - LEOSA  | (75,014)     |
| Pension expense - LGERS  | (2,688,488)  |
| Pension expense - ROD  | (3,565)      |
| OPEB plan expense  | (1,173,284)  |
| Principal repayments and payments to escrow agent are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, these transactions are not an expense, rather they are a decrease in liabilities.   | 2,828,277    |
| The change in the accrued interest liability account is reported as an expense in the entity-wide financial statements. However, it is not an expenditure in the governmental fund statement.  | 10,839       |
| Consolidation of Internal Service Fund   | (1,469,462)  |
| Changes in capital lease receivable  | (261,756)    |
| Changes in accrued interest receivable   | (129,631)    |
| Expenses related to compensated absences that do not require current financial resources are not reported as expenditures in the governmental funds statement.   | 118,359      |
| Changes in deferred outflow related to bond issuance   | (43,270)     |
| Total change in net position of governmental activities  | \$ 2,215,623 |

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

# WILSON COUNTY, NORTH CAROLINA

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2020

|  | General Fund       |                    |                    |                                      |
|--|--------------------|--------------------|--------------------|--------------------------------------|
|  | Original<br>Budget | Final<br>Budget    | Actual             | Variance<br>with Final<br>Over/Under |
| <b>Revenues:</b>                       |                    |                    |                    |                                      |
| Ad valorem taxes                       | \$ 51,626,558      | \$ 51,626,558      | \$ 55,185,869      | \$ 3,559,311                         |
| Local option sales tax                 | 12,857,558         | 12,857,558         | 15,860,697         | 3,003,139                            |
| Other taxes and licenses               | 701,200            | 701,200            | 801,466            | 100,266                              |
| Unrestricted intergovernmental         | 271,500            | 271,500            | 604,766            | 333,266                              |
| Restricted intergovernmental           | 14,811,108         | 16,367,164         | 16,589,959         | 222,795                              |
| Permits and fees                       | 1,404,592          | 1,709,592          | 1,779,228          | 69,636                               |
| Sales and services                     | 7,044,243          | 7,122,509          | 7,258,952          | 136,443                              |
| Investment earnings                    | 750,000            | 750,000            | 874,526            | 124,526                              |
| Miscellaneous                          | 36,100             | 124,917            | 506,622            | 381,705                              |
| Total revenues                         | <u>89,502,859</u>  | <u>91,530,998</u>  | <u>99,462,085</u>  | <u>7,931,087</u>                     |
| <b>Expenditures:</b>                   |                    |                    |                    |                                      |
| Current:                               |                    |                    |                    |                                      |
| General government                     | 9,894,088          | 9,935,427          | 9,312,794          | 622,633                              |
| Public safety                          | 22,829,429         | 23,190,728         | 20,873,612         | 2,317,116                            |
| Transportation                         | 47,857             | 47,857             | 47,857             | -                                    |
| Environmental protection               | 277,811            | 277,811            | 243,632            | 34,179                               |
| Economic and physical development      | 1,451,322          | 1,454,322          | 1,417,086          | 37,236                               |
| Human services                         | 30,767,197         | 34,598,042         | 29,633,463         | 4,964,579                            |
| Cultural and recreation                | 2,528,123          | 2,565,069          | 2,369,686          | 195,383                              |
| Intergovernmental:                     |                    |                    |                    |                                      |
| Education                              | 25,525,713         | 25,525,713         | 25,525,713         | -                                    |
| Debt service:                          |                    |                    |                    |                                      |
| Principal retirement                   | 3,005,384          | 2,828,281          | 2,828,277          | 4                                    |
| Interest and other charges             | 299,387            | 299,387            | 299,389            | (2)                                  |
| Total expenditures                     | <u>96,626,311</u>  | <u>100,722,637</u> | <u>92,551,509</u>  | <u>8,171,128</u>                     |
| Revenues over (under) expenditures     | <u>(7,123,452)</u> | <u>(9,191,639)</u> | <u>6,910,576</u>   | <u>16,102,215</u>                    |
| <b>Other Financing Sources (Uses):</b> |                    |                    |                    |                                      |
| Transfers to other funds               | (2,178,725)        | (5,642,342)        | (5,417,342)        | 225,000                              |
| Capital lease issued                   | -                  | 176,548            | 184,533            | 7,985                                |
| Sale of capital assets                 | 20,000             | 20,000             | 37,131             | 17,131                               |
| Fund balance appropriated              | 9,282,177          | 14,637,433         | -                  | (14,637,433)                         |
| Total other financing sources (uses)   | <u>7,123,452</u>   | <u>9,191,639</u>   | <u>(5,195,678)</u> | <u>(14,387,317)</u>                  |

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

**WILSON COUNTY, NORTH CAROLINA**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2020**

|   | <b>General Fund</b>        |                         |                      |   |
|---|----------------------------|-------------------------|----------------------|---|
|   | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>        | <b>Variance<br/>with Final<br/>Over/Under</b> |
| Net change in fund balance  | <u>\$ -</u>                | <u>\$ -</u>             | 1,714,898            | <u>\$ 1,714,898</u>                           |
| <b>Fund Balance:</b>  |                            |                         |                      |   |
| Beginning of year, July 1   |                            |                         | <u>47,709,629</u>    |   |
| End of year, June 30  |                            |                         | 49,424,527           |   |
| Legally budgeted Tax Revaluation Fund and Economic Development<br>Fund are consolidated into the General Fund for reporting purposes: |                            |                         |                      |   |
| Investment earnings   |                            |                         | 1,678                |   |
| Transfer in from General Fund   |                            |                         | 1,728,725            |   |
| Expenditures - Economic Development   |                            |                         | (1,581,053)          |   |
| Fund balance, beginning   |                            |                         | <u>681,733</u>       |   |
| Fund balance, ending (Exhibit D)  |                            |                         | <u>\$ 50,255,610</u> |   |

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

WILSON COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2020

|  | Major Enterprise Funds |  |  |               | Governmental Activities |
|--|------------------------|--|--|---------------|-------------------------|
|  | Solid Waste Fund       | Water Distribution Fund Southeast District | Water Distribution Fund Southwest District | Total         | Internal Service Fund   |
| <b>Assets:</b>                                       |                        |  |  |               |                         |
| Current assets:                                      |                        |  |  |               |                         |
| Cash and cash equivalents                            | \$ 20,118,770          | \$ 1,933,297                               | \$ 1,302,830                               | \$ 23,354,897 | \$ 3,605,955            |
| Restricted cash and cash equivalents                 | -                      | 126,427                                    | 124,779                                    | 251,206       | -                       |
| Receivables, net                                     | 105,384                | 156,726                                    | 201,675                                    | 463,785       | 152,501                 |
| Due from other governments                           | 47,727                 | -  | -  | 47,727        | -                       |
| Total current assets                                 | 20,271,881             | 2,216,450                                  | 1,629,284                                  | 24,117,615    | 3,758,456               |
| Capital assets:                                      |                        |  |  |               |                         |
| Land and construction in progress                    | 3,574,649              | 48,389                                     | 78,669                                     | 3,701,707     | -                       |
| Other capital assets, net of depreciation            | 3,512,427              | 6,800,409                                  | 10,765,162                                 | 21,077,998    | -                       |
| Capital assets, net                                  | 7,087,076              | 6,848,798                                  | 10,843,831                                 | 24,779,705    | -                       |
| Total assets   | 27,358,957             | 9,065,248                                  | 12,473,115                                 | 48,897,320    | 3,758,456               |
| <b>Deferred Outflows of Resources:</b>               |                        |  |  |               |                         |
| OPEB deferrals                                       | 146,732                | 18,415                                     | 16,766                                     | 181,913       | -                       |
| Pension deferrals                                    | 145,558                | 23,171                                     | 23,901                                     | 192,630       | -                       |
| Total deferred outflows of resources                 | 292,290                | 41,586                                     | 40,667                                     | 374,543       | -                       |
| <b>Liabilities:</b>                                  |                        |  |  |               |                         |
| Current liabilities:                                 |                        |  |  |               |                         |
| Accounts payable                                     | 150,937                | 108,258                                    | 126,458                                    | 385,653       | 1,012,146               |
| Current portion of notes payable                     | -                      | 24,075                                     | 28,836                                     | 52,911        | -                       |
| Current portion of compensated absences              | 46,146                 | 9,624                                      | 9,624                                      | 65,394        | -                       |
| Current portion of debt                              | 33,843                 | 89,862                                     | 158,929                                    | 282,634       | -                       |
| Accrued interest                                     | -                      | 8,424                                      | 14,973                                     | 23,397        | -                       |
| Total current liabilities                            | 230,926                | 240,243                                    | 338,820                                    | 809,989       | 1,012,146               |
| Non-current liabilities:                             |                        |  |  |               |                         |
| Liabilities payable from restricted assets:          |                        |  |  |               |                         |
| Customer deposits                                    | -                      | 126,427                                    | 124,779                                    | 251,206       | -                       |
| Net pension liability                                | 297,668                | 42,450                                     | 41,828                                     | 381,946       | -                       |
| Accrued landfill closure and post-closure care costs | 4,249,862              | -  | -  | 4,249,862     | -                       |
| Total OPEB liability                                 | 1,548,658              | 185,723                                    | 182,590                                    | 1,916,971     | -                       |
| Notes payable  | -                      | 192,606                                    | 230,689                                    | 423,295       | -                       |
| Limited obligation bond                              | -                      | 2,638,725                                  | 4,840,480                                  | 7,479,205     | -                       |
| Total non-current liabilities                        | 6,096,188              | 3,185,931                                  | 5,420,366                                  | 14,702,485    | -                       |
| Total liabilities                                    | 6,327,114              | 3,426,174                                  | 5,759,186                                  | 15,512,474    | 1,012,146               |

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



WILSON COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2020

|   | Major Enterprise Funds |  |  |                      | Governmental Activities |
|---|------------------------|--|--|----------------------|-------------------------|
|   | Solid Waste Fund       | Water Distribution Fund Southeast District | Water Distribution Fund Southwest District | Total                | Internal Service Fund   |
| <b>Deferred Inflows of Resources:</b>   |                        |  |  |                      |                         |
| OPEB deferrals  | 307,874                | 32,745                                     | 33,593                                     | 374,212              | -                       |
| Pension deferrals   | 8,873                  | 4,149                                      | 4,105                                      | 17,127               | -                       |
| Total deferred inflows of resources   | <u>316,747</u>         | <u>36,894</u>                              | <u>37,698</u>                              | <u>391,339</u>       | <u>-</u>                |
| <b>Net Position:</b>  |                        |  |  |                      |                         |
| Net investment in capital assets  | 7,087,076              | 3,903,530                                  | 5,584,897                                  | 16,575,503           | -                       |
| Unrestricted  | <u>13,920,310</u>      | <u>1,740,236</u>                           | <u>1,132,001</u>                           | <u>16,792,547</u>    | <u>2,746,310</u>        |
| Total net position  | <u>\$ 21,007,386</u>   | <u>\$ 5,643,766</u>                        | <u>\$ 6,716,898</u>                        | <u>33,368,050</u>    | <u>\$ 2,746,310</u>     |
| The assets and liabilities of the Internal Service Fund are not included in the fund financial statements, but are included in the business-type activities of the Statement of Net Position. |                        |  |  | <u>213,436</u>       |                         |
| Total net position - business-type activities   |                        |  |  | <u>\$ 33,581,486</u> |                         |

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

## WILSON COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITON  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2020

|   | Major Enterprise Funds |  |  |               | Governmental<br>Activities  |
|---|------------------------|--|--|---------------|-----------------------------|
|   | Solid<br>Waste<br>Fund | Water<br>Distribution<br>Fund<br>Southeast<br>District | Water<br>Distribution<br>Fund<br>Southwest<br>District | Total         | Internal<br>Service<br>Fund |
| <b>Operating Revenues:</b>  |                        |  |  |               |                             |
| Charges for services  | \$ 3,458,796           | \$ 1,021,380   | \$ 1,372,350   | \$ 5,852,526  | \$ 6,765,497                |
| <b>Operating Expenses:</b>  |                        |  |  |               |                             |
| Salaries and employee benefits  | 1,357,137              | 187,627  | 167,470  | 1,712,234     | -                           |
| Operating expense   | 1,335,684              | 125,294  | 356,729  | 1,817,707     | 8,183,897                   |
| Landfill closure  | 353,736                | -  | -  | 353,736       | -                           |
| Depreciation/amortization   | 227,202                | 269,031  | 369,812  | 866,045       | -                           |
| Water purchase  | -                      | 252,574  | 311,594  | 564,168       | -                           |
| Total operating expenses  | 3,273,759              | 834,526  | 1,205,605  | 5,313,890     | 8,183,897                   |
| Operating income (loss)   | 185,037                | 186,854  | 166,745  | 538,636       | (1,418,400)                 |
| <b>Non-Operating Revenues (Expenses):</b>   |                        |  |  |               |                             |
| Gain (loss) on disposal of assets   | (7,830)                | -  | -  | (7,830)       | -                           |
| Interest/investment revenue   | 55,132                 | -  | -  | 55,132        | -                           |
| Restricted intergovernmental revenue  | -                      | 19,302   | 17,414   | 36,716        | -                           |
| Interest expense  | -                      | (104,876)  | (189,258)  | (294,134)     | -                           |
| Total non-operating revenues (expenses)   | 47,302                 | (85,574)   | (171,844)  | (210,116)     | -                           |
| Change in net position  | 232,339                | 101,280  | (5,099)  | 328,520       | (1,418,400)                 |
| Beginning of year - July 1  | 20,775,047             | 5,542,486  | 6,721,997  | 33,039,530    | 4,164,710                   |
| End of year - June 30   | \$ 21,007,386          | \$ 5,643,766   | \$ 6,716,898   | \$ 33,368,050 | \$ 2,746,310                |
| Change in net position, per above   |                        |  |  | \$ 328,520    |                             |
| Internal service funds are used by management to charge the cost of health insurance to individual funds. A portion of the net revenue (expense) of the Internal Service Fund is reported with the business-type activities of the Statement of Activities. |                        |  |  | 51,062        |                             |
| Total change in net position - business-type activities   |                        |  |  | \$ 379,582    |                             |

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

## WILSON COUNTY, NORTH CAROLINA

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020

|   | Major Enterprise Funds |  |  |               | Governmental<br>Activities  |
|---|------------------------|--|--|---------------|-----------------------------|
|   | Solid<br>Waste<br>Fund | Water<br>Distribution<br>Fund<br>Southeast<br>District | Water<br>Distribution<br>Fund<br>Southwest<br>District | Total         | Internal<br>Service<br>Fund |
| <b>Cash Flows from Operating Activities:</b>  |                        |  |  |               |                             |
| Cash received from customers  | \$ 3,490,316           | \$ 991,581   | \$ 1,345,455   | \$ 5,827,352  | \$ 6,765,497                |
| Cash paid for goods and services  | (1,368,772)            | (311,950)  | (565,121)  | (2,245,843)   | (7,371,071)                 |
| Cash paid to employees for services   | (1,241,867)            | (173,968)  | (155,843)  | (1,571,678)   | -                           |
| Net cash provided (used) by operating activities  | 879,677                | 505,663  | 624,491  | 2,009,831     | (605,574)                   |
| <b>Cash Flows from Capital and<br/>Related Financing Activities:</b>                                      |                        |  |  |               |                             |
| Proceeds from sale of assets  | 11,481                 | -  | -  | 11,481        | -                           |
| Acquisition and construction of capital assets  | (439,548)              | (17,079)   | (17,079)   | (473,706)     | -                           |
| Principal paid on bond maturities and equipment contracts   | -                      | (104,075)  | (178,836)  | (282,911)     | -                           |
| Interest paid on bond maturities equipment contracts  | -                      | (105,212)  | (189,832)  | (295,044)     | -                           |
| Net cash provided (used) by capital and<br>related financing activities                                   | (428,067)              | (226,366)  | (385,747)  | (1,040,180)   | -                           |
| <b>Cash Flows from Non-Capital and Related Activities:</b>  |                        |  |  |               |                             |
| Grants  | -                      | 19,302   | 17,414   | 36,716        | -                           |
| Other non-operating revenues  | (11,481)               | -  | -  | (11,481)      | -                           |
| Net cash provided (used) by non-capital<br>and related financing activities                               | (11,481)               | 19,302   | 17,414   | 25,235        | -                           |
| <b>Cash Flows from Investing Activities:</b>  |                        |  |  |               |                             |
| Interest on investments   | 55,132                 | -  | -  | 55,132        | -                           |
| Net increase (decrease) in cash and cash equivalents  | 495,261                | 298,599  | 256,158  | 1,050,018     | (605,574)                   |
| <b>Cash and Cash Equivalents:</b>   |                        |  |  |               |                             |
| Beginning of year - July 1  | 19,623,509             | 1,761,125  | 1,171,451  | 22,556,085    | 4,211,529                   |
| End of year - June 30   | \$ 20,118,770          | \$ 2,059,724   | \$ 1,427,609   | \$ 23,606,103 | \$ 3,605,955                |
| <b>Reconciliation of Operating Income (Loss) to<br/>Net Cash Provided (Used) by Operating Activities:</b> |                        |  |  |               |                             |
| Operating income (loss)   | \$ 185,037             | \$ 186,854   | \$ 166,745   | \$ 538,636    | \$ (1,418,400)              |
| Adjustments to reconcile operating income (loss) to<br>net cash provided (used) by operating activities:  |                        |  |  |               |                             |
| Depreciation/amortization   | 227,202                | 269,031  | 369,812  | 866,045       | -                           |
| Changes in assets, liabilities, and deferred outflows<br>and inflows of resources:                        |                        |  |  |               |                             |
| (Increase) decrease in accounts receivable  | 31,520                 | (40,348)   | (44,104)   | (52,932)      | -                           |
| (Increase) decrease in deferred outflows<br>of resources for pensions                                     | 43,768                 | 5,544  | 4,814  | 54,126        | -                           |
| Increase (decrease) in deferred inflows<br>of resources for pensions                                      | 2,668                  | 338  | 294  | 3,300         | -                           |
| Increase (decrease) in net pension liability  | 37,326                 | 4,728  | 4,106  | 46,160        | -                           |
| Increase (decrease) in post-closure   | 353,736                | -  | -  | 353,736       | -                           |
| Increase (decrease) in accounts<br>payable and accrued liabilities  | (38,010)               | 74,852   | 118,796  | 155,638       | 812,826                     |
| (Increase) decrease in deferred outflows<br>of resources for OPEB   | (96,244)               | (12,102)   | (10,453)   | (118,799)     | -                           |
| Increase (decrease) in deferred inflows<br>of resources for OPEB  | (49,184)               | (6,216)  | (5,368)  | (60,768)      | -                           |
| Increase (decrease) in OPEB payable   | 181,858                | 22,982   | 19,849   | 224,689       | -                           |
| Total adjustments   | 694,640                | 318,809  | 457,746  | 1,471,195     | 812,826                     |
| Net cash provided (used) by operating activities  | \$ 879,677             | \$ 505,663   | \$ 624,491   | \$ 2,009,831  | \$ (605,574)                |

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

**WILSON COUNTY, NORTH CAROLINA****STATEMENT OF FIDUCIARY NET POSITON  
FIDUCIARY FUNDS  
JUNE 30, 2020**

|                           | <b>Agency<br/>Funds</b> |
|---------------------------|-------------------------|
| <b>Assets:</b>            |                         |
| Cash and cash equivalents | \$ 99,803               |
| Accounts receivable       | <u>28,402</u>           |
| Total assets              | <u>\$ 128,205</u>       |
| <b>Liabilities:</b>       |                         |
| Miscellaneous liabilities | \$ 62,149               |
| Intergovernmental payable | <u>66,056</u>           |
| Total liabilities         | <u>\$ 128,205</u>       |

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

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### I. Summary of Significant Accounting Policies

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

#### A. Reporting Entity

The County, which is governed by a seven-member Board of Commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component unit, a legally separate entity, for which the County is financially accountable. Wilson County Water Districts (the “Districts”) exist to provide and maintain a water system for the County residents within the Districts. The Districts are reported as enterprise funds in the County's financial statements. Wilson County Industrial Facility and Pollution Control Financing Authority (the “Authority”) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. The Wilson County ABC Board, which has a June 30 year-end, is presented as if they are separate proprietary funds of the County (discrete presentation). The blended presentation method presents component units as a department or unit of the County, and offers no separate presentation as with the discrete method.

| Component Unit  | Reporting Method | Criteria for Inclusion   | Separate Financial Statements                                     |
|---|------------------|--|---|
| Wilson County Southeast Water District                                      | Blended          | Under state law [NCGS 162A-89], the County's Board of Commissioners also serves as the governing board for the District. The County has operation responsibility for the District. The rates for user charges and bond issuance are approved by the County's Board of Commissioners. | None issued.  |
| Wilson County Southwest Water District                                      | Blended          | Under state law [NCGS 162A-89], the County's Board of Commissioners also serves as the governing board for the District. The County has operation responsibility for the District. The rates for user charges and bond issuance are approved by the County's Board of Commissioners. | None issued.  |
| Wilson County Industrial Facility and Pollution Control Financing Authority | Discrete         | The Authority is governed by a seven-member Board of Commissioners that is appointed by the County Commissioners. The County can remove any commissioner of the Authority with or without cause.   | None issued.  |
| Wilson County ABC Board   | Discrete         | The members of the ABC Board's governing board are appointed by the County. The ABC Board is required by state statute to distribute its surpluses to the General Fund of the County.  | Wilson County ABC Board<br>P.O. Box 7290<br>Wilson, N.C.<br>27895 |

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### B. Basis of Presentation, Basis of Accounting

#### Measurement Focus – Basis of Accounting

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

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

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

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

The County reports the following major governmental funds:

*General Fund.* This is the County’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Tax Revaluation Fund and the Economic Development Fund are legally budgeted funds under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54, they are consolidated in the General Fund.

## **WILSON COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

*Coronavirus Relief Grant Fund.* This fund is used to account for the grants received to assist in the County's response to the coronavirus global pandemic, COVID-19.

The County reports the following major enterprise funds:

*Southeast District Water Distribution and Southwest District Water Distribution Funds.* These funds are used to account for the operations of the two water districts within the County.

*Solid Waste Fund.* The Landfill Closure and Post-Closure Reserve Fund is a reserve established by the County to accumulate the funds necessary to cover the closure and post-closure care costs that will be incurred by the landfill in the future. The Landfill Closure and Post-Closure Reserve Fund and the Solid Waste Reserve Fund are consolidated with the Landfill Operating Fund for financial reporting purposes. The Solid Waste Reserve Fund is a fund created to accumulate resources from users for the operation of convenience disposal sites.

The County reports the following fund types:

*Internal Service Fund.* The County has a Hospital Self-Insurance Fund for the accumulation and allocation of health insurance costs.

*Agency Funds.* Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains six agency funds: Fines and Forfeitures Fund, which is used to account for fines and forfeitures collected by the County that are required to be remitted to the Wilson County Board of Education; the Deed of Trust Fee Fund, which accounts for the five dollars of each fee collected by the Register of Deeds for registering or filing a deed of trust or mortgage and remitted to the State Treasurer on a monthly basis; the Social Services Trust Fund, which is used to account for monies deposited with the County's Social Services Department for the benefit of certain individuals for whom the County acts as agent; the Tax Collections Held for Municipalities Fund, which is used to account for tax monies collected for the benefit on municipalities located in the County; the Jail Inmate Fund, which is used to account for monies held for inmates; and the Sheriff Agency Fund, which accounts for monies collected by the sheriff's department that are required to be remitted to governmental agencies.

*Nonmajor Funds.* The County maintains seven legally budgeted nonmajor funds. The Emergency Telephone System Fund, the Fire District Fund, the Transportation Fund, and the Economic Development Grant Fund are reported as nonmajor special revenue funds. The School Capital Projects Fund, Capital Reserve Fund, and Public Buildings Fund are reported as capital projects funds.

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

# **WILSON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

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

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

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

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

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

The County considers all revenues available if they are collected within 60 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, state law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina



# **WILSON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates, are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

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

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

### **C. Budgetary Data**

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, Revaluation Fund, Economic Development Fund, Coronavirus Relief Fund, Fire District Fund, Emergency Telephone Service Fund, Economic Development Grant Fund, Public Buildings Fund, School Capital Projects Fund, Capital Reserve Fund, Transportation Fund, and the enterprise funds. All annual appropriations lapse at the fiscal year-end. Project ordinance is adopted for the Solid Waste Capital Project Fund. A financial plan was adopted by the County as part of the Annual Budget ordinance approval for the Internal Service Fund operations as required by General Statutes.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the object level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change departmental appropriations. The governing board must approve all amendments. During the year, several amendments to the original budget were necessary. The County Manager, or her designee, may transfer amounts between expenditure line items within a department's budget without limitation and without a report being required. She may also transfer amounts without limitation between departments within the same fund and between funds; however, an official report on such transfers shall be provided to the Board of Commissioners at the monthly meeting. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

# **WILSON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

### **D. Estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant areas where estimates are made are allowance for doubtful accounts, depreciation, and landfill post-closure care costs.

### **E. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity**

#### **1. Deposits and Investments**

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

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

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

#### **2. Cash and Cash Equivalents**

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

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### 3. Restricted Assets

*Governmental funds:* \$586,493 in the Tax Revaluation Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. \$47,500 in federal asset forfeiture and state-controlled substance funds are also classified as restricted assets because their use is restricted for future law enforcement expenditures. \$1,460,810 in the Coronavirus Relief Grant Fund and \$14 in the Public Buildings Fund are restricted for unspent grant proceeds.

*Enterprise funds:* \$251,206 of customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected.

### 4. Ad Valorem Taxes Receivable

In accordance with state law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2019. As allowed by state law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

### 5. Allowances for Doubtful Accounts

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

### 6. Inventories and Prepaid Items

The inventories of the ABC Board are valued at the lower of cost or net realizable value using the first-in, first-out method. The inventory of the ABC Board consists of materials and supplies held for consumption or resale.

Certain ABC Board payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items and expensed as the items are used.

### 7. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. Minimum capitalization costs are as follows: land, \$10,000; buildings, improvements, substations, lines, and other plant and distribution systems, \$5,000; infrastructure, \$20,000; furniture and equipment, \$5,000; computer software, \$5,000; and vehicles, \$5,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

The County holds title to certain Wilson County Board of Education 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 give the Board of Education 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 after 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 Wilson County Board of Education.

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

| <u>Asset</u>            | <u>Estimated<br/>Useful Lives</u> |
|-------------------------|-----------------------------------|
| Buildings               | 50 years                          |
| Improvements            | 5-25 years                        |
| Infrastructure          | 20-50 years                       |
| Furniture and equipment | 3-10 years                        |
| Vehicles                | 5 years                           |
| Computer equipment      | 3 years                           |
| Computer software       | 5 years                           |

Capital assets of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

| <u>Asset</u>            | <u>Estimated<br/>Useful Lives</u> |
|-------------------------|-----------------------------------|
| Buildings               | 40-50 years                       |
| Furniture and equipment | 3-10 years                        |
| Vehicles                | 3-5 years                         |
| Leasehold improvements  | 5-20 years                        |

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

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has several items that meet this criteria – a charge on refunding, and OPEB and pension related deferrals.

# **WILSON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has three items that meet the criteria for this category – prepaid taxes, and OPEB and other pension related deferrals.

### **9. Long-Term Obligations**

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discounts. Prepaid insurance costs are expensed over the life of the debt.

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

### **10. Compensated Absences**

The vacation policies of the County and the ABC Board provide for the accumulation of up to 240 hours earned vacation leave, with such leave being fully vested when earned. For the County's government-wide and proprietary funds and the ABC Board statements, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.

The sick leave policies of the County and the ABC Board provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since neither the County nor the ABC Board has any obligation for accumulated sick leave until it is actually taken, no accruals for sick leave have been made.

### **11. Net Position/Fund Balances**

#### **Net Position**

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

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### Fund Balances

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

The governmental fund types classify fund balances as follows:

**Non-Spendable Fund Balance** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**Restricted Fund Balance** – This classification includes revenue sources that are restricted to specific purposes externally imposed by creditors or imposed by law.

*Restricted for Stabilization by State Statute* – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by state statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by state statute." *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred inflows arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed to law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding encumbrances are included within RSS. RSS is included as a component of restricted net position and restricted fund balance on the face of the balance sheet.

*Restricted for Register of Deeds* – portion of fund balance that is restricted by revenue source to pay for the computer equipment and imaging technology for the Register of Deeds' office.

*Restricted for Public Safety* – portion of fund balance that is restricted by revenue source for use with Emergency Telephone System Fund.

*Restricted for Human Services* – portion of fund balance that is restricted by revenue source for use with social services.

*Restricted for Economic Development Projects* – portion of fund balance that is restricted by revenue source for use for construction of economic development projects.

## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

*Restricted for Education* – portion of fund balance that is restricted by revenue source for school related debt service and construction.

Restricted fund balance on Exhibit C differs from restricted net position on Exhibit A due to restricted for Register of Deeds' pension plan of \$89,501.

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

*Committed for Tax Revaluation* – portion of fund balance in the General Fund that can only be used for tax revaluation.

**Assigned Fund Balance** – portion of fund balance that the Wilson County governing board has budgeted.

*Assigned for Subsequent Year's Expenditures* – portion of fund balance, that is not already classified in restricted or committed, that has been budgeted by the Board of Commissioners for 2020-2021 expenditures.

*Assigned for Human Services* – portion of fund balance that has been budgeted by the Board for use with social services.

*Assigned for Future Capital* – portion of fund balance that has been budgeted by the Board for future capital construction.

**Unassigned Fund Balance** – portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The General Fund is the only fund that reports a positive unassigned fund balance amount.

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

Wilson County has adopted a minimum fund balance policy for the General Fund, which instructs management to conduct business in such a manner that available fund balance is at least equal to or greater than 18% of General Fund expenditures. Any portion of the General Fund balance in excess of 18% of budgeted expenditures may be appropriated to fund capital, to reduce reliance on debt financing, or pay down outstanding County debt.

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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

|                                   |                             |
|-----------------------------------|-----------------------------|
| Total fund balance - General Fund | \$ 50,255,610               |
| <b>Less:</b>                      |                             |
| Stabilization by state statute    | <u>9,727,226</u>            |
| Total available fund balance      | <u><u>\$ 40,528,384</u></u> |

### 12. Defined Benefit Cost-Sharing Plans

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

## II. Stewardship, Compliance, and Accountability

### Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2020, the expenditures made in the County's Hospital Self-Insurance Fund exceeded the financial plan made by the governing board by \$628,261. This over-expenditure occurred because of claims that were incurred but not reported (IBNR) at June 30. Management will more closely monitor the budget to include an estimate of unreported claims to ensure compliance in future years.



# **WILSON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

### **III. Detail Notes On All Funds**

#### **A. Assets**

##### **1. Deposits**

All of the County's and the ABC Board's deposits are insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's agent or the ABC Board's agent in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and the ABC Board, these deposits are considered to be held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County, the ABC Board, or with the escrow agent. Because of the inability to measure, the exact amount of collateral pledged for the County or the ABC Board under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The State Treasurer enforces standards of minimum capitalization for all Pooling Method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County and relies on the State Treasurer of North Carolina to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County and the ABC Board have no formal policy regarding custodial credit risk for deposits.

At June 30, 2020, the County's deposits had a carrying amount of \$18,632,793 and a bank balance of \$19,014,307. Of the bank balance, \$500,000 was covered by federal depository insurance and the remainder was covered by collateral held under the Pooling Method.

At June 30, 2020, Wilson County had \$4,710 cash on hand.

At June 30, 2020, the carrying amount of deposits for the ABC Board was \$1,752,539, and the bank balance was \$1,749,675. Of the bank balance, \$341,450 was covered by federal depository insurance, and \$1,408,225 was collateralized by institutions using the Pooling Method.

At June 30, 2020, the ABC Board had \$7,900 cash on hand.

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### 2. Investments

As of June 30, 2020, the County had the following investments and maturities:

| <u>Investment Type</u>       | <u>Valuation<br/>Measurement<br/>Method</u> | <u>Fair<br/>Value</u> | <u>Less<br/>Than<br/>6 Months</u> | <u>6-12<br/>Months</u> | <u>Over<br/>1 Year</u> |
|------------------------------|---|-----------------------|-----------------------------------|------------------------|------------------------|
| NC Capital Management Trust: |   |                       |                                   |                        |                        |
| Government Portfolio         | Fair Value-Level 1                          | \$ 37,745,833         | \$ 37,745,833                     | N/A                    | N/A                    |
| Term Portfolio*              | Fair Value-Level 1                          | 23,308,743            | 23,308,743                        | N/A                    | N/A                    |
| Total                        |   | <u>\$ 61,054,576</u>  | <u>\$ 61,054,576</u>              | <u>\$ -</u>            | <u>\$ -</u>            |

\*As of June 30, 2020, the NCCMT Term Portfolio had a duration of 0.15 years. Because the NCCMT Government and Term Portfolio has a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months. The NCCMT Government Portfolio has an AAAM rating from S&P. The NCCMT Term Portfolio has no rating.

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

*Level of Fair Value Hierarchy:* Level 1: debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets.

*Interest Rate Risk.* As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits at least half of the County's investment portfolio to maturities of less than 12 months. Also, the County's investment policy requires purchases of securities to be laddered with staggered maturity dates and limits all securities to a final maturity of no more than three years.

*Credit Risk.* The County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. The County's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2020. The County's investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the US government and agencies and in high-grade money market instruments as permitted under North Carolina General Statutes 159-30 as amended.

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

At June 30, 2020, the ABC Board had no investments.

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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

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

| <u>Year Levied</u> | <u>Tax</u>          | <u>Interest</u>   | <u>Total</u>        |
|--------------------|---------------------|-------------------|---------------------|
| 2017               | \$ 1,523,600        | \$ 361,857        | \$ 1,885,457        |
| 2018               | 1,529,415           | 225,590           | 1,755,005           |
| 2019               | 1,528,860           | 87,911            | 1,616,771           |
| 2020               | 1,542,270           | -                 | 1,542,270           |
| Total              | <u>\$ 6,124,145</u> | <u>\$ 675,358</u> | <u>\$ 6,799,503</u> |

### 4. Receivables

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

|                                  | <u>Accounts</u>     | <u>Taxes and<br/>Related<br/>Accrued<br/>Interest</u> | <u>Due from<br/>Other<br/>Governments</u> | <u>Total</u>         |
|----------------------------------|---------------------|---|---|----------------------|
| <b>Governmental Activities:</b>  |                     |   |   |                      |
| General                          | \$ 2,644,408        | \$ 2,763,046  | \$ 7,459,269                              | \$ 12,866,723        |
| Other governmental               | 231,478             | 66,648  | 61,352                                    | 359,478              |
| Total receivables                | 2,875,886           | 2,829,694   | 7,520,621                                 | 13,226,201           |
| Allowance for doubtful accounts  | (719,195)           | (973,823)   | -   | (1,693,018)          |
| Total governmental activities    | <u>\$ 2,156,691</u> | <u>\$ 1,855,871</u>                                   | <u>\$ 7,520,621</u>                       | <u>\$ 11,533,183</u> |
| <b>Business-Type Activities:</b> |                     |   |   |                      |
| Landfill                         | \$ 125,647          | \$ -  | \$ 47,727                                 | \$ 173,374           |
| Water and sewer                  | 550,002             | -   | -   | 550,002              |
| Total receivables                | 675,649             | -   | 47,727                                    | 723,376              |
| Allowance for doubtful accounts  | (211,864)           | -   | -   | (211,864)            |
| Total business-type activities   | <u>\$ 463,785</u>   | <u>\$ -</u>   | <u>\$ 47,727</u>                          | <u>\$ 511,512</u>    |

## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Due from other governments that is owed to the County consists of the following:

|  | <b>Governmental<br/>Activities</b> | <b>Business-Type<br/>Activities</b> |
|--|------------------------------------|-------------------------------------|
| Local option sales tax                                   | \$ 3,003,385                       | \$ -                                |
| White goods disposal tax                                 | -                                  | 9,523                               |
| Scrap tire tax   | -                                  | 24,900                              |
| North Carolina administrative<br>reimbursement and other | 3,658,940                          | 13,304                              |
| DMV tax distribution                                     | 816,927                            | -                                   |
| Emergency telephone                                      | 41,369                             | -                                   |
| Total  | <u>\$ 7,520,621</u>                | <u>\$ 47,727</u>                    |

Wilson County and the City of Wilson entered into an interlocal agreement (agreement) to jointly purchase 829 acres of an economic development park. The County is the sole record owner of the land in consideration for the debt obligation of the County totaling \$5,235,125; however, the agreement indicates the City has a lien in the amount of one-half the value of the land, and the City and the County shall be responsible for an equal share, being one-half each of the debt obligation arising under the County loan, including principal and interest for the life of the County loan. The County will carry the land at \$2,617,563 with a receivable from the City with an initial balance of \$2,617,562 with payments over 10 years each of which represents one-half of the value. The purpose of the transaction was for economic development.

The future minimum lease payments receivable as of June 30, 2020 were as follows:

| <b>Year Ending<br/>June 30</b> | <b>Amount</b>     |
|--------------------------------|-------------------|
| 2021                           | \$ 261,756        |
| 2022                           | <u>261,758</u>    |
| Total                          | <u>\$ 523,514</u> |

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### 5. Capital Assets

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

|  | <u>July 1, 2019</u>  | <u>Increases</u>    | <u>Decreases</u>  | <u>Transfers</u>   | <u>June 30, 2020</u> |
|--|----------------------|---------------------|-------------------|--------------------|----------------------|
| <b>Governmental Activities:</b>        |                      |                     |                   |                    |                      |
| <b>Non-Depreciable Capital Assets:</b> |                      |                     |                   |                    |                      |
| Land                                   | \$ 3,399,703         | \$ -                | \$ -              | \$ -               | \$ 3,399,703         |
| Construction in progress               | 2,656,858            | 81,735              | 47,481            | (2,609,377)        | 81,735               |
| Total non-depreciable assets           | <u>6,056,561</u>     | <u>81,735</u>       | <u>47,481</u>     | <u>(2,609,377)</u> | <u>3,481,438</u>     |
| <b>Depreciable Capital Assets:</b>     |                      |                     |                   |                    |                      |
| Buildings                              | 25,270,707           | -                   | -                 | -                  | 25,270,707           |
| Other improvements                     | 7,764,126            | 405,213             | -                 | 1,735,444          | 9,904,783            |
| Furniture and equipment                | 10,531,844           | 372,564             | 146,733           | 873,933            | 11,631,608           |
| Vehicles                               | 6,468,743            | 673,574             | 415,407           | -                  | 6,726,910            |
| Total depreciable assets               | <u>50,035,420</u>    | <u>1,451,351</u>    | <u>562,140</u>    | <u>2,609,377</u>   | <u>53,534,008</u>    |
| <b>Less Accumulated Depreciation:</b>  |                      |                     |                   |                    |                      |
| Buildings                              | 13,072,234           | 476,946             | -                 | -                  | 13,549,180           |
| Other improvements                     | 3,440,078            | 312,168             | -                 | -                  | 3,752,246            |
| Furniture and equipment                | 8,264,073            | 895,711             | 132,280           | -                  | 9,027,504            |
| Vehicles                               | 5,082,700            | 497,611             | 385,432           | -                  | 5,194,879            |
| Total accumulated depreciation         | <u>29,859,085</u>    | <u>\$ 2,182,436</u> | <u>\$ 517,712</u> | <u>\$ -</u>        | <u>31,523,809</u>    |
| Total depreciable capital assets, net  | <u>20,176,335</u>    |                     |                   |                    | <u>22,010,199</u>    |
| <b>Governmental Activities</b>         |                      |                     |                   |                    |                      |
| <b>Capital Assets, Net</b>             | <u>\$ 26,232,896</u> |                     |                   |                    | <u>\$ 25,491,637</u> |

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

|                                   |                     |
|-----------------------------------|---------------------|
| General government                | \$ 361,269          |
| Public safety                     | 1,074,989           |
| Economic and physical development | 33,024              |
| Human services                    | 527,393             |
| Cultural and recreation           | 155,039             |
| Transportation                    | 30,722              |
| Total                             | <u>\$ 2,182,436</u> |

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

|   | <u>July 1, 2019</u> | <u>Additions</u>  | <u>Decreases</u>  | <u>Transfers</u> | <u>June 30, 2020</u> |
|---|---------------------|-------------------|-------------------|------------------|----------------------|
| <b>Business-Type Activities:</b>                        |                     |                   |                   |                  |                      |
| <b>Solid Waste:</b>                                     |                     |                   |                   |                  |                      |
| <b>Non-Depreciable Capital Assets:</b>                  |                     |                   |                   |                  |                      |
| Land  | \$ 3,081,656        | \$ -              | \$ -              | \$ -             | \$ 3,081,656         |
| Construction in progress                                | 264,068             | 439,548           | 7,830             | (202,793)        | 492,993              |
| Total non-depreciable assets                            | <u>3,345,724</u>    | <u>439,548</u>    | <u>7,830</u>      | <u>(202,793)</u> | <u>3,574,649</u>     |
| <b>Depreciable Capital Assets:</b>                      |                     |                   |                   |                  |                      |
| Buildings   | 1,735,292           | -                 | -                 | -                | 1,735,292            |
| Infrastructure  | 1,146,778           | -                 | -                 | 202,793          | 1,349,571            |
| Furniture and equipment                                 | 2,872,289           | -                 | 31,363            | -                | 2,840,926            |
| Vehicles  | 992,664             | -                 | 101,760           | -                | 890,904              |
| Total depreciable assets                                | <u>6,747,023</u>    | <u>-</u>          | <u>133,123</u>    | <u>202,793</u>   | <u>6,816,693</u>     |
| <b>Less Accumulated Depreciation:</b>                   |                     |                   |                   |                  |                      |
| Buildings   | 237,078             | 40,230            | -                 | -                | 277,308              |
| Infrastructure  | 224,764             | 25,894            | -                 | -                | 250,658              |
| Furniture and equipment                                 | 2,047,420           | 102,576           | 36,286            | -                | 2,113,710            |
| Vehicles  | 700,925             | 58,502            | 96,837            | -                | 662,590              |
| Total accumulated depreciation                          | <u>3,210,187</u>    | <u>\$ 227,202</u> | <u>\$ 133,123</u> | <u>\$ -</u>      | <u>3,304,266</u>     |
| Total depreciable capital assets, net                   | <u>3,536,836</u>    |                   |                   |                  | <u>3,512,427</u>     |
| <b>Solid Waste Capital Assets, Net</b>                  | <u>6,882,560</u>    |                   |                   |                  | <u>7,087,076</u>     |
| <b>Southeast Water District:</b>                        |                     |                   |                   |                  |                      |
| <b>Non-Depreciable Capital Assets:</b>                  |                     |                   |                   |                  |                      |
| Land  | 48,389              | \$ -              | \$ -              | \$ -             | 48,389               |
| <b>Depreciable Capital Assets:</b>                      |                     |                   |                   |                  |                      |
| Plant and distribution system                           | 10,864,951          | -                 | -                 | -                | 10,864,951           |
| Office and maintenance equipment                        | 16,420              | -                 | 2,947             | -                | 13,473               |
| Vehicles  | 40,794              | 17,079            | -                 | -                | 57,873               |
| Total depreciable assets                                | <u>10,922,165</u>   | <u>17,079</u>     | <u>2,947</u>      | <u>-</u>         | <u>10,936,297</u>    |
| <b>Less Accumulated Depreciation:</b>                   |                     |                   |                   |                  |                      |
| Plant and distribution system                           | 3,811,291           | 271,435           | -                 | -                | 4,082,726            |
| Office and maintenance equipment                        | 12,857              | 750               | 2,947             | -                | 10,660               |
| Vehicles  | 40,794              | 1,708             | -                 | -                | 42,502               |
| Total accumulated depreciation                          | <u>3,864,942</u>    | <u>\$ 273,893</u> | <u>\$ 2,947</u>   | <u>\$ -</u>      | <u>4,135,888</u>     |
| Total depreciable capital assets, net                   | <u>7,057,223</u>    |                   |                   |                  | <u>6,800,409</u>     |
| <b>Southeast Water District<br/>Capital Assets, Net</b> | <u>7,105,612</u>    |                   |                   |                  | <u>6,848,798</u>     |

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

|  | <u>July 1, 2019</u>  | <u>Additions</u>  | <u>Decreases</u> | <u>Transfers</u> | <u>June 30, 2020</u> |
|--|----------------------|-------------------|------------------|------------------|----------------------|
| <b>Business-Type Activities (continued):</b> |                      |                   |                  |                  |                      |
| <b>Southwest Water District:</b>             |                      |                   |                  |                  |                      |
| <b>Non-Depreciable Capital Assets:</b>       |                      |                   |                  |                  |                      |
| Land   | <u>78,669</u>        | <u>\$ -</u>       | <u>\$ -</u>      | <u>\$ -</u>      | <u>78,669</u>        |
| <b>Depreciable Capital Assets:</b>           |                      |                   |                  |                  |                      |
| Plant and distribution system                | 15,859,141           | -                 | -                | -                | 15,859,141           |
| Office and maintenance equipment             | 14,628               | -                 | -                | -                | 14,628               |
| Vehicles                                     | <u>40,794</u>        | <u>17,079</u>     | <u>-</u>         | <u>-</u>         | <u>57,873</u>        |
| Total depreciable assets                     | <u>15,914,563</u>    | <u>17,079</u>     | <u>-</u>         | <u>-</u>         | <u>15,931,642</u>    |
| <b>Less Accumulated Depreciation:</b>        |                      |                   |                  |                  |                      |
| Plant and distribution system                | 4,735,879            | 376,283           | -                | -                | 5,112,162            |
| Office and maintenance equipment             | 11,066               | 750               | -                | -                | 11,816               |
| Vehicles                                     | <u>40,794</u>        | <u>1,708</u>      | <u>-</u>         | <u>-</u>         | <u>42,502</u>        |
| Total accumulated depreciation               | <u>4,787,739</u>     | <u>\$ 378,741</u> | <u>\$ -</u>      | <u>\$ -</u>      | <u>5,166,480</u>     |
| Total depreciable capital assets, net        | <u>11,126,824</u>    |                   |                  |                  | <u>10,765,162</u>    |
| <b>Southwest Water District</b>              |                      |                   |                  |                  |                      |
| <b>Capital Assets, Net</b>                   | <u>11,205,493</u>    |                   |                  |                  | <u>10,843,831</u>    |
| <b>Business-Type Activities</b>              |                      |                   |                  |                  |                      |
| <b>Capital Assets, Net</b>                   | <u>\$ 25,193,665</u> |                   |                  |                  | <u>\$ 24,779,705</u> |

### Construction Commitments

The government has active construction projects as of June 30, 2020. The County's commitments with contractors are listed as follows for the following projects:

| <u>Project</u>          | <u>Spent-to-Date</u> | <u>Remaining Commitment</u> |
|-------------------------|----------------------|-----------------------------|
| 2017 School Improvement | \$ 5,858,368         | \$ 62,213                   |
| 2020 School Improvement | 292,262              | 1,769,951                   |
| Solid Waste Westside 2  | 236,755              | 842,645                     |
| EMS Substation          | 136,350              | 409,888                     |
| Animal Shelter          | <u>423,195</u>       | <u>791,459</u>              |
| Total                   | <u>\$ 6,946,930</u>  | <u>\$ 3,876,156</u>         |

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### Discretely Presented Component Unit

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

|  | <u>July 1, 2019</u> | <u>Increases</u>  | <u>Decreases</u>  | <u>June 30, 2020</u> |
|--|---------------------|-------------------|-------------------|----------------------|
| <b>Wilson County ABC Board:</b>        |                     |                   |                   |                      |
| <b>Non-Depreciable Capital Assets:</b> |                     |                   |                   |                      |
| Land                                   | \$ 574,341          | \$ -              | \$ -              | \$ 574,341           |
| <b>Depreciable Capital Assets:</b>     |                     |                   |                   |                      |
| Buildings                              | 3,296,623           | -                 | 11,712            | 3,284,911            |
| Furniture and equipment                | 595,666             | 59,526            | 219,249           | 435,943              |
| Vehicles                               | 108,905             | -                 | -                 | 108,905              |
| Leasehold improvements                 | 42,203              | -                 | 6,810             | 35,393               |
| Total depreciable assets               | <u>4,043,397</u>    | <u>59,526</u>     | <u>237,771</u>    | <u>3,865,152</u>     |
| <b>Less Accumulated Depreciation:</b>  |                     |                   |                   |                      |
| Buildings                              | 630,116             | 67,237            | 10,549            | 686,804              |
| Furniture and equipment                | 426,142             | 44,261            | 217,110           | 253,293              |
| Vehicles                               | 31,601              | 16,677            | -                 | 48,278               |
| Leasehold improvements                 | 36,601              | 3,352             | 6,810             | 33,143               |
| Total accumulated depreciation         | <u>1,124,460</u>    | <u>\$ 131,527</u> | <u>\$ 234,469</u> | <u>1,021,518</u>     |
| Total depreciable capital assets, net  | <u>2,918,937</u>    |                   |                   | <u>2,843,634</u>     |
| <b>ABC Board Capital Assets, Net</b>   | <u>\$ 3,493,278</u> |                   |                   | <u>\$ 3,417,975</u>  |

### B. Liabilities

#### 1. Payables

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

|                                  | <u>Vendors</u>      | <u>Salaries<br/>and<br/>Benefits</u> | <u>Accrued<br/>Interest</u> | <u>Due to<br/>Other<br/>Governments</u> | <u>Total</u>        |
|----------------------------------|---------------------|--------------------------------------|-----------------------------|---|---------------------|
| <b>Governmental Activities:</b>  |                     |                                      |                             |   |                     |
| General                          | \$ 3,726,789        | \$ 177,059                           | \$ 75,836                   | \$ -                                    | \$ 3,979,684        |
| Other governmental               | <u>38,956</u>       | <u>-</u>                             | <u>-</u>                    | <u>624,217</u>                          | <u>663,173</u>      |
| Total governmental activities    | <u>\$ 3,765,745</u> | <u>\$ 177,059</u>                    | <u>\$ 75,836</u>            | <u>\$ 624,217</u>                       | <u>\$ 4,642,857</u> |
| <b>Business-Type Activities:</b> |                     |                                      |                             |   |                     |
| Solid waste                      | \$ 110,067          | \$ 40,870                            | \$ -                        | \$ -                                    | \$ 150,937          |
| Water distribution funds:        |                     |                                      |                             |   |                     |
| Southeast district               | 107,685             | 573                                  | 8,424                       | -                                       | 116,682             |
| Southwest district               | <u>125,885</u>      | <u>573</u>                           | <u>14,973</u>               | <u>-</u>                                | <u>141,431</u>      |
| Total business-type activities   | <u>\$ 343,637</u>   | <u>\$ 42,016</u>                     | <u>\$ 23,397</u>            | <u>\$ -</u>                             | <u>\$ 409,050</u>   |



# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### 2. Pension Plan Obligations

#### Local Governmental Employees' Retirement System

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

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

## **WILSON COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

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 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 G.S. 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2020 was 9.70% of compensation for law enforcement officers and 8.95% for general employees, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$2,868,545 for the year ended June 30, 2020.

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

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

At June 30, 2020, the County reported a liability of \$13,036,875 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2020, the County's proportion was 0.47738% (measured as of June 30, 2019), which was a decrease of 0.01971% from its proportion as of June 30, 2019 (measured as of June 30, 2018).

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

For the year ended June 30, 2020, the County recognized pension expense of \$5,660,620. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|--|---|--|
| Differences between expected and actual experience   | \$ 2,232,243                                  | \$ -   |
| Changes of assumptions   | 2,124,795                                     | -  |
| Net difference between projected and actual earnings on<br>pension plan investments                            | 317,987                                       | -  |
| Changes in proportion and differences between County<br>contributions and proportionate share of contributions | -   | 493,450                                      |
| County contributions subsequent to the measurement date  | 2,868,545                                     | -  |
| Total  | <u>\$ 7,543,570</u>                           | <u>\$ 493,450</u>                            |

\$2,868,545 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Year Ending<br/>June 30</b> | <b>Total</b>        |
|--------------------------------|---------------------|
| 2021                           | \$ 2,173,023        |
| 2022                           | 570,826             |
| 2023                           | 1,140,152           |
| 2024                           | 297,574             |
| 2025                           | -                   |
| Thereafter                     | -                   |
| Total                          | <u>\$ 4,181,575</u> |

**Actuarial Assumptions.** The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                           |  |
|---------------------------|--|
| Inflation                 | 3.0 percent  |
| Salary increase           | 3.50 to 8.10 percent, including inflation and<br>productivity factor         |
| Investment rate of return | 7.00 percent, net of pension plan investment<br>expense, including inflation |

## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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

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

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

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

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2019 are summarized in the following table:

| <b>Asset Class</b>   | <b>Target<br/>Allocation</b> | <b>Long-Term<br/>Expected Real<br/>Rate of Return</b> |
|----------------------|------------------------------|---|
| Fixed income         | 29.0%                        | 1.4%  |
| Global equity        | 42.0%                        | 5.3%  |
| Real estate          | 8.0%                         | 4.3%  |
| Alternatives         | 8.0%                         | 8.9%  |
| Credit               | 7.0%                         | 6.0%  |
| Inflation protection | 6.0%                         | 4.0%  |
| Total                | <u>100.0%</u>                |   |

The information above is based on 30-year expectations developed with the consulting actuary for the 2019 asset, liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

**Discount Rate.** The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contribution 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 benefits payments to determine the total pension liability.

*Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.* The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.00%, 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 (6.00%) or one percentage point higher (8.00%) than the current rate:

|  | <b>1%<br/>Decrease<br/>(6.00%)</b> | <b>Discount<br/>Rate<br/>(7.00%)</b> | <b>1%<br/>Increase<br/>(8.00%)</b> |
|--|------------------------------------|--------------------------------------|------------------------------------|
| County's proportionate share of the<br>net pension liability (asset) | <u>\$ 29,817,718</u>               | <u>\$ 13,036,875</u>                 | <u>\$ (911,404)</u>                |

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

#### **Law Enforcement Officers' Special Separation Allowance**

**Plan Description.** Wilson County administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85% 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 was not issued for the plan.

## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

All full-time law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2018, the Separation Allowance's membership consisted of:

|  |           |
|--|-----------|
| Inactive members currently<br>receiving benefits | 14        |
| Active members                                   | <u>77</u> |
| Total  | <u>91</u> |

#### Summary of Significant Accounting Policies

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

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

#### Actuarial Assumptions

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

|                  |  |
|------------------|--|
| Inflation        | 2.50 percent   |
| Salary increases | 3.50 to 7.35 percent, including inflation and<br>productivity factor |
| Discount rate    | 3.26 percent   |

The discount rate used to measure the TPL is the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2019.

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

**Deaths After Retirement (Healthy):** RP-2014 Healthy Annuitant base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 104% for males and 100% for females.

**Deaths Before Retirement:** RP-2014 Employee base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015.

## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

**Deaths After Retirement (Beneficiary):** RP-2014 Healthy Annuitant base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 123% for males and females.

**Deaths After Retirement (Disabled):** RP-2014 Disabled Retiree base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 103% for males and 99% for females.

**Contributions.** The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and, at present, has chosen to fund the benefit payments on a pay-as-you-go basis through appropriations made in the General Fund operating budget. There were no contributions made by the employees. The County's obligation to contribute to this Plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$203,749 as benefits came due for the reporting period.

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

At June 30, 2020, the County reported a total pension liability of \$2,896,272. The total pension liability was measured as of December 31, 2019 based on a December 31, 2018 actuarial valuation. The total pension liability was rolled forward to December 31, 2019 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2020, the County recognized pension expense of \$267,677.

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

|  | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|--|---|--|
| Differences between expected and actual experience   | \$ 151,919                                    | \$ -   |
| Changes of assumptions and other inputs  | 157,637                                       | 94,024                                       |
| County benefit payments and plan administrative expenses made subsequent to the measurement date | 92,806  | -  |
| Total  | <u>\$ 402,362</u>                             | <u>\$ 94,024</u>                             |

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

\$92,806 reported as deferred outflows of resources related to pensions resulting from the County benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ending June 30, 2021. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Year Ending</b> |                   |
|--------------------|-------------------|
| <b>June 30</b>     | <b>Amount</b>     |
| 2021               | \$ 54,704         |
| 2022               | 54,704            |
| 2023               | 58,636            |
| 2024               | 24,116            |
| 2025               | 23,372            |
| Total              | <u>\$ 215,532</u> |

*Sensitivity of the County's Total Pension Liability to Changes in the Discount Rate.* The following presents the County's total pension liability calculated using the discount rate of 3.26%, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26%) or 1-percentage-point higher (4.26%) than the current rate:

|                         | <b>1%<br/>Decrease<br/>(2.26%)</b> | <b>Current<br/>Discount<br/>Rate (3.26%)</b> | <b>1%<br/>Increase<br/>(4.26%)</b> |
|-------------------------|------------------------------------|--|------------------------------------|
| Total pension liability | <u>\$ 3,151,560</u>                | <u>\$ 2,896,272</u>                          | <u>\$ 2,664,877</u>                |

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

|  | <b>2020</b>         |
|--|---------------------|
| Beginning balance  | \$ 2,695,167        |
| Service cost   | 117,711             |
| Interest on the total pension liability  | 94,396              |
| Differences between expected and actual experience in the measurement of the total pension liability | 102,094             |
| Changes of assumptions and other inputs  | 90,653              |
| Benefit payments   | <u>(203,749)</u>    |
| Ending balance of the total pension liability  | <u>\$ 2,896,272</u> |



# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

*Changes of Assumptions.* Changes of assumptions and other inputs reflect a change in the Municipal Bond Index Rate from 3.64 percent at December 31, 2018 to 3.26 percent at December 31, 2019.

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

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

### **Supplemental Retirement Income Plan for Law Enforcement Officers**

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

**Funding Policy.** Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to 5% of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan.

The County contributed \$321,543 for the reporting year. No amounts were forfeited.

### **Registers of Deeds' Supplemental Pension Fund**

**Plan Description.** The County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a non-contributory, 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

## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Deeds' Supplemental Pension Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The state's CAFR includes financial statements and required supplementary information for the Register 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. Register 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 \$5,162 for the year ended June 30, 2020.

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

At June 30, 2020, the County reported an asset of \$83,047 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2019. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension 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, 2019, the County's proportion was 0.42066%, which was a decrease of 0.02416% from its proportion measured as of June 30, 2018.

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

For the year ended June 30, 2020, the County recognized pension expense of \$8,725. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|---|---|--|
| Differences between expected and actual experience  | \$ -  | \$ 4,005                                     |
| Net difference between projected and actual earnings on pension plan investments                            | 850   | -  |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 4,447   | -  |
| County contributions subsequent to the measurement date   | 5,162   | -  |
| Total   | <u>\$ 10,459</u>                              | <u>\$ 4,005</u>                              |

\$5,162 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ending June 30, 2021. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Year Ending<br/>June 30</b> | <b>Amount</b>   |
|--------------------------------|-----------------|
| 2021                           | \$ 493          |
| 2022                           | 1,990           |
| 2023                           | 450             |
| 2024                           | (1,641)         |
| 2025                           | -               |
| Thereafter                     | -               |
| Total                          | <u>\$ 1,292</u> |

**Actuarial Assumptions.** The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                           |   |
|---------------------------|---|
| Inflation                 | 3.0 percent   |
| Salary increase           | 3.50 to 7.75 percent, including inflation and productivity factor         |
| Investment rate of return | 3.75 percent, net of pension plan investment expense, including inflation |

## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

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

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

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2019 is 1.4%.

The information above is based on 30-year expectations developed with the consulting actuary for the 2019 asset, liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

**Discount Rate.** The discount rate used to measure the total pension asset was 3.75%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

*Sensitivity of the County's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate.* The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.75 percent, as well as what the County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

|  | <b>1%<br/>Decrease<br/>(2.75%)</b> | <b>Discount<br/>Rate<br/>(3.75%)</b> | <b>1%<br/>Increase<br/>(4.75%)</b> |
|--|------------------------------------|--------------------------------------|------------------------------------|
| County's proportionate share of the<br>net pension liability (asset) | <u>\$ (68,648)</u>                 | <u>\$ (83,047)</u>                   | <u>\$ (95,221)</u>                 |

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

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

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

|   | <b>LGERS</b>  | <b>ROD</b>  | <b>LEOSSA</b> | <b>Total</b>  |
|---|---------------|-------------|---------------|---------------|
| Proportionate share of net<br>pension liability (asset) | \$ 13,036,875 | \$ (83,047) | \$ -          | \$ 12,953,828 |
| Proportion of the net pension<br>liability (asset)      | 0.47738%      | 0.42066%    | n/a           | -             |
| Total pension liability                                 | -             | -           | 2,896,272     | 2,896,272     |
| Pension expense   | 5,660,620     | 8,725       | 267,677       | 5,937,022     |

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

|   | <u>LGERS</u>        | <u>ROD</u>       | <u>LEOSSA</u>     | <u>Total</u>        |
|---|---------------------|------------------|-------------------|---------------------|
| <b>Deferred Outflows of Resources:</b>  |                     |                  |                   |                     |
| Pensions - difference between<br>expected and actual experience   | \$ 2,232,243        | \$ -             | \$ 151,919        | \$ 2,384,162        |
| Pensions - difference between projected<br>and actual investment earnings   | 317,987             | 850              | -                 | 318,837             |
| Changes of assumptions  | 2,124,795           | -                | 157,637           | 2,282,432           |
| Pensions - change in proportion and<br>and difference between employer<br>contributions and proportionate<br>share of contributions | -                   | 4,447            | -                 | 4,447               |
| County contributions (LGERS, ROD)/<br>benefit payments and administration<br>costs (LEOSSA) subsequent<br>to the measurement date   | <u>2,868,545</u>    | <u>5,162</u>     | <u>92,806</u>     | <u>2,966,513</u>    |
| Total   | <u>\$ 7,543,570</u> | <u>\$ 10,459</u> | <u>\$ 402,362</u> | <u>\$ 7,956,391</u> |

|   |                   |                 |                  |                   |
|---|-------------------|-----------------|------------------|-------------------|
| <b>Deferred Inflows of Resources:</b>   |                   |                 |                  |                   |
| Pensions - difference between<br>expected and actual experience   | \$ -              | \$ 4,005        | \$ -             | \$ 4,005          |
| Changes of assumptions  | -                 | -               | 94,024           | 94,024            |
| Pensions - change in proportion<br>and difference between employer<br>and proportionate share of<br>contributions | <u>493,450</u>    | <u>-</u>        | <u>-</u>         | <u>493,450</u>    |
| Total   | <u>\$ 493,450</u> | <u>\$ 4,005</u> | <u>\$ 94,024</u> | <u>\$ 591,479</u> |

### Other Post-Employment Benefits – Healthcare Benefits Plan

**Plan Description.** Under the terms of a County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). This Plan provides healthcare benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least 15 years of creditable service with the County, with at least ten years being continuous and uninterrupted immediately prior to retirement. In addition to the 15 years of minimum service, the employee must qualify to receive an unreduced retirement benefit from the System. Also, the County's retirees can purchase coverage for their dependents at the County's group rates. The County Commissioners may amend the provisions.

As eligible retirees hired before July 1, 2015 go on Medicare at the age of 65, the County will only pay the Medicare supplement. This amount is a reduced amount from the normal health care plan covered by the County. This benefit is not offered to employees hired on or after July 1, 2015.

A separate report was not issued for the plan. No assets were accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Membership of the HCB Plan consisted of the following at June 30, 2018, the date of the latest actuarial valuation:

|   |            |
|---|------------|
| Retirees and dependents receiving benefits                              | 189        |
| Terminated plan members entitled to,<br>but not yet receiving, benefits | -          |
| Active plan members   | 658        |
| Total   | <u>847</u> |

**Funding Policy.** The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees under a County resolution that can be amended by the County Commissioners. The County's members pay monthly for dependent coverage in accordance with the provisions of the insurance contracts. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis.

**Summary of Significant Accounting Policies.** Post-employment expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

#### Total OPEB Liability

The County's total OPEB liability of \$56,968,613 was measured as of June 30, 2019 and was determined by an actuarial valuation as of June 30, 2018.

**Actuarial Assumptions and Other Inputs.** The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

|  |   |
|--|---|
| Inflation                                  | 2.50 percent  |
| Real wage growth                           | 1.00 percent  |
| Wage inflation                             | 3.50 percent  |
| Salary increases, including wage inflation |   |
| General employees                          | 3.50 to 7.75 percent  |
| Law enforcement officers                   | 3.50 to 7.35 percent  |
| Municipal Bond Index Rate                  |   |
| Prior measurement date                     | 3.89 percent  |
| Measurement date                           | 3.50 percent  |
| Healthcare cost trends                     |   |
| Pre-Medicare medical and prescription drug | 7.25 percent for 2018 decreasing to an ultimate rate of 4.75% by 2028 |
| Medicare medical and prescription drug     | 5.38 percent for 2018 decreasing to an ultimate rate of 4.75% by 2022 |

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### Changes in the Total OPEB Liability

|  | <b>Total OPEB<br/>Liability</b> |
|--|---------------------------------|
| <b>Balance at June 30, 2019</b>                    | <b>\$ 50,909,788</b>            |
| <b>Changes for the year:</b>                       |                                 |
| Service cost*                                      | 1,523,584                       |
| Interest   | 1,963,277                       |
| Differences between expected and actual experience | (353,713)                       |
| Changes of assumptions or other inputs             | 3,814,033                       |
| Net benefit payments                               | (888,356)                       |
| <b>Net changes</b>                                 | <b>6,058,825</b>                |
| <b>Balance at June 30, 2020</b>                    | <b>\$ 56,968,613</b>            |

\*The service cost includes interest for the year.

Changes in assumptions and other inputs reflect a change in the Municipal Bond Index Rate from 3.89% to 3.50%.

The County selected a Municipal Bond Index Rate equal to the Bond Buyer 20-year General Obligation Bond Index published at the last Thursday of June by The Bond Buyer, and the Municipal Bond Index Rate as of the measurement date as the discount rate used to measure the TOL.

Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2015.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014, adopted by the LGERS Board.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2018 valuation were based on a review of recent plan experience done concurrently with the June 30, 2018 valuation.



# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

*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 (2.50 percent) or 1-percentage-point higher (4.50 percent) than the current discount rate:

|                      | <b>1%<br/>Decrease<br/>(2.50%)</b> | <b>Current<br/>Discount Rate<br/>(3.50%)</b> | <b>1%<br/>Increase<br/>(4.50%)</b> |
|----------------------|------------------------------------|--|------------------------------------|
| Total OPEB liability | <u>\$ 68,702,424</u>               | <u>\$ 56,968,613</u>                         | <u>\$ 47,886,113</u>               |

*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%<br/>Decrease</b> | <b>Current</b>       | <b>1%<br/>Increase</b> |
|----------------------|------------------------|----------------------|------------------------|
| Total OPEB liability | <u>\$ 46,750,375</u>   | <u>\$ 56,968,613</u> | <u>\$ 70,480,037</u>   |

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

For the year ended June 30, 2020, the County recognized OPEB expense of \$2,118,028. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|---|---|--|
| Differences between expected and actual experience  | \$ 527,741                                    | \$ 4,030,593                                 |
| Changes of assumptions  | 3,307,521                                     | 6,167,552                                    |
| Benefit payments and plan administrative expense<br>made subsequent to the measurement date | <u>1,117,693</u>                              | <u>-</u>                                     |
| Total   | <u>\$ 4,952,955</u>                           | <u>\$ 10,198,145</u>                         |

## **WILSON COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

\$1,117,693 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <b>Year Ending</b> |                       |
|--------------------|-----------------------|
| <b>June 30</b>     | <b>Total</b>          |
| 2021               | \$ (1,368,833)        |
| 2022               | (1,368,833)           |
| 2023               | (1,368,833)           |
| 2024               | (1,368,833)           |
| 2025               | (1,009,869)           |
| Thereafter         | 122,318               |
| Total              | <u>\$ (6,362,883)</u> |

#### **Other Employment Benefits**

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

#### **3. Closure and Post-Closure Care Costs – Wilson County Solid Waste Facility**

Federal and state laws and regulations require the County to place a final cover on its landfill facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. The landfill stopped accepting solid waste on January 1, 1998.

## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

The County is also permitted to accept construction and demolition waste on top of a closed landfill site for maximum period of five years or until maximum capacity has been reached. The estimated future costs to close the construction and demolition area and subsequent post-closure costs based on remaining capacity at June 30, 2020 are \$4,283,705.

The County has met the requirements of a local government financial test that is one option under federal and state laws and regulations that help determine if a unit is financially able to meet closure and post-closure care requirements. However, the County has also elected to establish a reserve fund that accumulates resources through annual contributions for the payment of closure and post-closure care costs. At June 30, 2020, those funds are held in investments with a cost and market value of \$5,153,510. The County expects that future inflation costs will be paid from the interest earnings on these annual contributions. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or by future tax revenues.

#### 4. Deferred Outflows and Inflows of Resources

The balance in deferred inflows of resources on the fund statements and on the government-wide statements at year-end is composed of the following elements:

|   | <b>Deferred<br/>Inflows</b> |
|---|-----------------------------|
| Prepaid taxes not yet earned  | \$ 381,755                  |
| Taxes receivable, net (General Fund)  | 1,557,744                   |
| Taxes receivable, net (special revenue)   | 47,237                      |
| Differences between expected and actual experience<br>OPEB and ROD  | 4,034,598                   |
| Changes of assumptions<br>LEOSSA and OPEB   | 6,261,576                   |
| Changes in proportion and differences between County<br>contributions and proportionate share of contributions<br>LGERS | 493,450                     |
| Total   | <u>\$ 12,776,360</u>        |

## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Deferred outflows of resources at year-end are comprised of the following:

|   | <b>Deferred<br/>Outflows</b> |
|---|------------------------------|
| Charge on refunding of debt   | \$ 345,920                   |
| Differences between expected and actual experience<br>LGERS, LEOSA, and OPEB  | 2,911,903                    |
| Changes of assumptions<br>LGERS, LEOSA, and OPEB  | 5,589,953                    |
| Net difference between projected and actual earnings on<br>pension plan investments<br>LGERS and ROD                  | 318,837                      |
| Changes in proportion and differences between County<br>contributions and proportionate share of contributions<br>ROD | 4,447                        |
| Benefit payments for the OPEB plan paid<br>subsequent to the measurement date   | 1,117,693                    |
| Contributions to pension plan in current fiscal year<br>(LGERS and ROD)   | 2,873,707                    |
| Benefit payments/administration costs paid<br>subsequent to the measurement date (LEOSA)                              | 92,806                       |
| Total   | <u>\$ 13,255,266</u>         |

#### 5. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in two self-funded risk-financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$200 million for any one occurrence, general, auto, professional, and employment practices liability coverage of \$2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 per occurrence, and workers' compensation coverage up to the statutory limits. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. Both of the pools are reinsured through multi-state public entity captive for single occurrence losses in excess of \$600,000 retention up to a \$2 million limit for liability coverage and \$1,750,000 of each loss in excess of \$250,000 per occurrence retention for property and auto physical damage. The County is self-funded for Workers' Compensation and contracts with Compensation Claims Solution to administer the claims through statutory limits. Safety National Casualty Corporation provides excess insurance for single occurrence losses in excess of \$600,000 for employees up to a limit of \$1 million per occurrence.

## **WILSON COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

The County carries flood insurance through the National Flood Insurance Plan (NFIP). Because the County is in an area of the state that has been mapped and designated an "A" area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency, the County is eligible to purchase coverage of \$500,000 per structure through the NFIP. The County also is eligible to and has purchased commercial flood insurance of \$268,100 on one structure.

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

The County carries commercial 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.

The County operates a limited risk, self-insurance program to provide health benefits to County employees. Premiums are paid into the General 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. Administrative services are contracted with BCBSNC. Aggregate stop/loss is purchased in the amount of 125% of expected annual claims and losses above \$138,000 on any one claim.

Premiums are paid to the fund by the County for employees and by the employee for dependents. A total of \$8,168,461 in claims was incurred for benefits during the year ended June 30, 2020. Changes in the fund's claims liability amount were as follows:

|                                   | <b>June 30, 2020</b> | <b>June 30, 2019</b> |
|-----------------------------------|----------------------|----------------------|
| Unpaid claims, beginning of year  | \$ 199,320           | \$ 785,379           |
| Incurred claims (including IBNRs) | 8,168,461            | 7,508,971            |
| Claim payments                    | (7,355,635)          | (8,095,030)          |
| Unpaid claims, end of year        | <u>\$ 1,012,146</u>  | <u>\$ 199,320</u>    |

The Wilson County ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The ABC Board has commercial property, general liability, auto liability, workers' compensation, public officials, employment practices liability, and employee health coverage. The ABC Board also has liquor legal liability coverage. There have been no significant reductions in insurance coverage from the previous year, and settled claims have not exceeded coverage in any of the past three fiscal years.

## **WILSON COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

In accordance with G.S. 18B-700(i), each Board member and the employees designated as the General Manager and the Finance Officer are bonded in the amount of \$50,000 secured by a corporate surety. Also in accordance with G.S. 18B-803(b), each store manager is bonded in the amount of \$50,000 secured by a corporate surety.

#### **6. Contingent Liabilities**

At June 30, 2020, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate outcome of these legal matters will not have a material adverse effect on the County's financial position.

#### **7. Long-Term Obligations**

##### **Capital Leases**

The County has entered into agreements to lease certain equipment. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

1. Lease executed on December 1, 2006 for the Miller Road building requiring 180 monthly installments starting at \$7,233 with an estimated annual CPI adjustment of 2%. At the end of the lease, the County has a purchase option of \$250,000.
2. Lease executed January 13, 2016 for monitors and defibrillators requiring five annual installments of \$75,157;
3. Lease executed on January 26, 2016 for voting machines requiring five annual installments of \$75,547;
4. Lease executed on July 1, 2016 for laptops requiring three annual installments of \$51,531;
5. Lease executed on December 1, 2017 for software requiring thirty-six monthly installments of \$308.
6. Lease executed on October 1, 2017 for computer equipment requiring three annual installments of \$11,314.
7. Lease executed on October 1, 2019 for computer equipment requiring three annual installments of \$56,760.
8. Lease executed on July 1, 2019 for copier requiring thirty-six monthly installments of \$396.

## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

The following is an analysis of the assets recorded under capital leases in the County's capital assets at June 30:

| <u>Classes of Property</u> | <u>Cost</u>         | <u>Accumulated<br/>Depreciation</u> | <u>Net Book<br/>Value</u> |
|----------------------------|---------------------|-------------------------------------|---------------------------|
| Equipment                  | \$ 1,115,516        | \$ 887,197                          | \$ 228,319                |
| Buildings                  | 1,091,055           | 296,403                             | 794,652                   |
| Total                      | <u>\$ 2,206,571</u> | <u>\$ 1,183,600</u>                 | <u>\$ 1,022,971</u>       |

For Wilson County, the future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2020 were as follows:

| <u>Year Ending<br/>June 30</u>              | <u>Governmental<br/>Activities</u> |
|---|------------------------------------|
| 2021  | \$ 150,158                         |
| 2022  | 104,911                            |
| Total minimum lease payments                | 255,069                            |
| Less: amount representing interest          | (13)                               |
| Present value of the minimum lease payments | <u>\$ 255,056</u>                  |

#### General Obligation Indebtedness

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

In November 2012, the Water Districts (a blended component unit of the County) issued GO debt (30 year), the proceeds of which are used to refund existing USDA District debt. The original issue amount of the GO debt was \$9,190,000 with annual installments of \$190,000 to \$410,000; plus interest at 2 to 4.5 percent through June 1, 2042. The balance at June 30, 2016 was \$8,275,000. The County then issued limited obligation bonds in an amount sufficient enough to purchase all the Districts GO debt. Both the District and the County assign their rights to a third-party trustee that received the debt payments from the District and uses those funds to make the debt service payments on the LOBs.

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

The Water Districts are responsible for accounting for the limited obligation bonds.

### Limited Obligations- Direct Placement - Water Funds:

Serviced by the County's Water Districts:

\$9,190,000 2012 limited obligation water bonds;

due in annual installments of \$190,000 to \$410,000;

plus interest at 2.0% to 4.5% through June 1, 2042 \$ 7,420,000

The County has financed capital improvements throughout the years with financing agreements with local banks.

| Year Ending<br>June 30 | Business-Type Activities |                     |
|------------------------|--------------------------|---------------------|
|                        | Principal                | Interest            |
| 2021                   | \$ 235,000               | \$ 274,713          |
| 2022                   | 245,000                  | 265,313             |
| 2023                   | 255,000                  | 255,513             |
| 2024                   | 260,000                  | 245,313             |
| 2025                   | 275,000                  | 234,913             |
| 2026-2030              | 1,515,000                | 1,011,613           |
| 2031-2035              | 1,795,000                | 734,781             |
| 2036-2040              | 2,030,000                | 358,425             |
| 2041-2042              | 810,000                  | 42,525              |
| Total                  | <u>\$ 7,420,000</u>      | <u>\$ 3,423,109</u> |

The County's outstanding notes from direct placement related to business-type activities limited obligation bonds in the amount of \$7,420,000 is secured by a deed of trust. The borrowing contains provisions that in the event of a default the bank may exercise any one of the following remedies:

- Declare the unpaid portion of the principal and interest components of installment payments immediately due and payable without notice or demand to the County;
- Proceed by appropriate court action to enforce performance by the County of the applicable covenants of this contract or to recover for the breach thereof;
- Exercise or direct the trustee to exercise all the rights and remedies of a secured party or creditor under the Uniform Commercial code of the state and the general laws of the state with respect to the enforcement of the security interest granted or reserved under this contract, including enforcing payment on the district bonds and/or selling such district bonds.



## WILSON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

The County's financing debt at June 30, 2020 is comprised of the following:

|   | <b><u>Balance</u></b><br><b><u>June 30, 2020</u></b> |
|---|--|
| <b>Notes Payable- Direct Placement:</b>   |  |
| \$322,370 Financing Agreement - Energy Conservation -<br>August 21, 2007, due in annual principal and interest<br>payments of \$29,317 through January 2022; interest at 4.353%   | \$ 54,860  |
| \$14,495,000 2016 Financing Agreement- Advance Refunding of<br>2007 Certificates of Participation semi-annual principal and<br>interest payments beginning October 1, 2016 through April 1,<br>2028; interest rate of 2.16%   | 9,210,000  |
| \$5,235,125 Economic Development Park - backed by an<br>interlocal agreement between the County of Wilson and<br>the City of Wilson, each sharing one-half the amount of<br>annual debt service; annual principal and interest payments<br>of \$523,513, beginning June 8, 2013 through June 8, 2022;<br>interest rate of 3.69% | 1,047,025  |
| \$5,164,427 School Improvements QZAB - June 13, 2017; due in<br>annual fixed principal payments of \$16,629 first two years and<br>\$394,705 thereafter, through June 2032; without interest  | 4,736,464  |
| \$874,536 General Government - Sheriff Viper Radio - March 14, 2018;<br>due in annual fixed principal payments of \$291,513, plus interest<br>at 1.95% through March 2021   | 291,513  |
| Total   | <u>\$ 15,339,862</u>                                 |

The County's outstanding notes from direct placement related to General Fund activities in the amount of \$54,860 is secured by a deed of trust.

The County's outstanding notes from direct placement related to General Fund advance refunding in the amount of \$9,210,000 is secured by a deed of trust. The note contains provisions that in the event of default the bank may exercise any one of the following remedies:

- (a) Declare the interest rate on the installment payments to be the default rate (provided such rate shall be retroactive to the date of the event of default)
- (b) Declare the unpaid portion of the then outstanding principal components of the installment payments immediately due and payable, without notice or demand to the County
- (c) Proceed by appropriate court action to enforce the performance by the County of the applicable covenants of the contract or to recover for any breach thereof

## **WILSON COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

- (d) Exercise or direct the Deed of Trust Trustee to exercise all the rights and remedies of a secured party or creditor under the Uniform Commercial Code of the state and the general laws of the state with respect to the enforcement of the security interest granted or reserved hereunder and under the deed of trust including, without limitation, to the extent permitted by law, re-enter and take possession of the mortgaged property without any court order or other process of law and without liability for entering the premises and to sell, lease, sublease or make other disposition of the same in a commercially reasonable manner for the account of the County, and apply the proceeds of any such sale, lease, sublease, or other disposition, after deducting all costs and expenses, including court costs and attorneys' fees, incurred with the recovery, repair, storage and other sale, lease, sublease or other disposition, toward the balance due under the contract and, thereafter to pay any remaining proceeds to the County
- (e) Enforce its security interest or direct the deed of trust trustee to institute foreclosure proceedings under the deed of trust and sell the mortgaged property.

The County's outstanding notes from direct placement related to General Fund Economic Development Park in the amount of \$1,047,025 is secured by a deed of trust. The borrowing contains provisions that in the event of default the bank may exercise any one of the following remedies:

- (a) Declare the unpaid principal components of the installment payments immediately due and payable
- (b) Proceed by appropriate court action to enforce the County's performance of the applicable covenants of the agreement or to recover for the breach thereof
- (c) Avail itself of all available remedies under the agreement, including execution and foreclosure, and recovery of attorneys' fees and other expenses.

The County's outstanding notes from direct placement related to General Fund school improvements in the amount of \$4,736,464 is secured by a deed of trust and security interest in the Forest Hills Middle School. The borrowing contains provisions that in the event of default the bank may exercise any one of the following remedies:

- (a) Declare the unpaid portion of the then outstanding principal components of the installment payments immediately due and payable, without notice or demand to the County
- (b) Proceed by appropriate court action to enforce the performance by the County of the applicable covenants of the contract or to recover for any breach thereof
- (c) Exercise of direct the deed of trust trustee to exercise all the rights and remedies of a secured party or creditor under the Uniform Commercial Code of the state and the general laws of the state with respect to the enforcement of the security interest granted or reserved hereunder and under the deed of trust including, without limitation, to the extent permitted by law, re-enter and take possession of the mortgaged property without any court order or other process of law and without liability for entering the premises and to sell, lease, sublease or make other disposition of the same in a commercially reasonable manner for the account of the County, and apply the proceeds of any such sale, lease, sublease or other disposition, after deducting all costs and expenses, including court costs and attorneys' fees, incurred with the recovery, repair, storage and other sale, lease,

## **WILSON COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

sublease or other disposition, toward the balance due under this contract and, thereafter, to pay any remaining proceeds to the County

- (d) Enforce its security interest of direct the deed of trust trustee to institute foreclosure proceedings under the deed of trust and see the mortgaged property.

The County's outstanding notes from direct placement related to General Fund sheriff equipment in the amount of \$291,513 is secured by a deed of trust. The borrowing contains provisions that in the event of default the bank may exercise any one of the following remedies:

- (a) Declare the entire principal amount of the installment payments and all accrued interest and other charges immediately due and payable without notice or demand to the borrower
- (b) Proceed by appropriate court action to enforce performance by the borrower of the applicable covenants of this contract or to recover for the breach thereof;
- (c) Exercise all the rights and remedies of a secured party or creditor under the Uniform commercial Code of the State of North Carolina and the general laws of the State of North Carolina with respect to the enforcement of the security interest granted or reserved hereunder, including, without limitation, to the extent permitted by law, take possession of any collateral without any court order or other process of law and without liability for entering the premises and sell, lease, sublease or make other disposition of the same in a commercially reasonable manner for the account of the borrower, and apply the proceeds of any such sale, lease, sublease or other disposition, after deducting all costs and expenses, including court costs and attorneys' fees, incurred with the recovery, repair, storage and other sale, lease, sublease or other disposition costs, toward the balance due under this contract and, thereafter, shall pay any remaining proceeds to the borrower;
- (d) Terminate the contract as to all or any part of the equipment and use, operate, lease or hold all or any part of the equipment as the bank in its sole discretion may decide
- (e) Take possession of any proceeds of the equipment, including net proceeds

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

|   | <b>Balance<br/>June 30, 2020</b> |
|---|----------------------------------|
| <b>Notes Payable- Direct Borrowing - Water Funds:</b>   |                                  |
| Serviced by the Southwest Water District; 2009 DENR Drinking Water Revolving loan; \$576,724 due in annual installments of \$28,837; beginning 2009; plus interest at 2.10% through May 1, 2029 | \$ 259,525                       |
| Serviced by the Southeast Water District; 2009 DENR Drinking Water Revolving loan; \$481,507 due in annual installments of \$24,076; beginning 2009; plus interest at 2.10% through May 1, 2029 | 216,681                          |
| <b>Total</b>  | <b>\$ 476,206</b>                |

In 2009, the County was approved for a direct borrowing with a maximum loan amount of \$1,058,321 from the U.S. Department of Environment and Natural Resources. The loan bears interest at 2.10% per annum and calls for annual payments or principal beginning in 2009 through May 2029. The County agrees that any other monies due to the unit of local government from the state may be withheld by the state and applied to the payment of this obligation whenever the unit fails to pay any payment of principal or interest when this note is due.

The annual requirements to amortize installment purchase contracts and notes payable outstanding as of June 30, 2020, including interest payments, are as follows:

| Year Ending<br>June 30 | Governmental Activities |                   | Business-Type Activities |                  | Total                |                     |
|------------------------|-------------------------|-------------------|--------------------------|------------------|----------------------|---------------------|
|                        | Principal               | Interest          | Principal                | Interest         | Principal            | Interest            |
| 2021                   | \$ 2,486,550            | \$ 245,753        | \$ 52,911                | \$ 10,000        | \$ 2,539,461         | \$ 255,753          |
| 2022                   | 2,176,258               | 192,530           | 52,911                   | 8,889            | 2,229,169            | 201,419             |
| 2023                   | 1,594,705               | 165,962           | 52,911                   | 7,778            | 1,647,616            | 173,740             |
| 2024                   | 1,564,705               | 119,448           | 52,911                   | 6,667            | 1,617,616            | 126,115             |
| 2025                   | 1,529,705               | 94,176            | 52,911                   | 5,556            | 1,582,616            | 99,732              |
| 2026-2030              | 5,198,527               | 138,240           | 211,651                  | 11,111           | 5,410,178            | 149,351             |
| 2031-2034              | 789,412                 | -                 | -                        | -                | 789,412              | -                   |
| <b>Total</b>           | <b>\$ 15,339,862</b>    | <b>\$ 956,109</b> | <b>\$ 476,206</b>        | <b>\$ 50,001</b> | <b>\$ 15,816,068</b> | <b>\$ 1,006,110</b> |

At June 30, 2020, the County had a legal debt margin of \$572,946,069.

**Debt Related to Capital Activities** – Of the total governmental activities' debt listed, only \$1,070,081 relates to assets the County holds title.

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### Long-Term Obligation Activity

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

|  | <b>Balance<br/>July 1, 2019</b> | <b>Additions</b>    | <b>Retirements</b>  | <b>Balance<br/>June 30, 2020</b> | <b>Current<br/>Portion of<br/>Balance</b> |
|--|---------------------------------|---------------------|---------------------|----------------------------------|---|
| <b>Governmental Activities:</b>            |                                 |                     |                     |                                  |   |
| Capitalized leases                         | \$ 393,420                      | \$ 184,533          | \$ 322,897          | \$ 255,056                       | \$ 88,634                                 |
| Notes payable - direct placement           | 17,845,242                      | -                   | 2,505,380           | 15,339,862                       | 2,486,550                                 |
| Compensated absences                       | 2,391,036                       | 2,278,173           | 2,396,532           | 2,272,677                        | 2,272,677                                 |
| Net pension liability (LGERS)              | 11,456,890                      | 1,198,039           | -                   | 12,654,929                       | -   |
| Total pension liability (LEOSSA)           | 2,695,167                       | 201,105             | -                   | 2,896,272                        | -   |
| Total OPEB liability                       | <u>49,217,506</u>               | <u>5,834,136</u>    | <u>-</u>            | <u>55,051,642</u>                | <u>-</u>                                  |
| Total governmental activities              | <u>\$ 83,999,261</u>            | <u>\$ 9,695,986</u> | <u>\$ 5,224,809</u> | <u>\$ 88,470,438</u>             | <u>\$ 4,847,861</u>                       |
| <b>Business-Type Activities:</b>           |                                 |                     |                     |                                  |   |
| <b>Southeast Water District:</b>           |                                 |                     |                     |                                  |   |
| Limited obligation bond - direct placement | \$ 2,700,000                    | \$ -                | \$ 80,000           | \$ 2,620,000                     | \$ 85,000                                 |
| Notes payable - direct placement           | 240,756                         | -                   | 24,075              | 216,681                          | 24,075                                    |
| Bond premium                               | 113,449                         | -                   | 4,862               | 108,587                          | 4,862                                     |
| Compensated absences                       | 11,239                          | 10,175              | 11,790              | 9,624                            | 9,624                                     |
| Net pension liability (LGERS)              | 37,722                          | 4,728               | -                   | 42,450                           | -   |
| Total OPEB liability                       | <u>162,741</u>                  | <u>22,982</u>       | <u>-</u>            | <u>185,723</u>                   | <u>-</u>                                  |
| Total Southeast Water District             | <u>3,265,907</u>                | <u>37,885</u>       | <u>120,727</u>      | <u>3,183,065</u>                 | <u>123,561</u>                            |
| <b>Business-Type Activities:</b>           |                                 |                     |                     |                                  |   |
| <b>Southwest Water District:</b>           |                                 |                     |                     |                                  |   |
| Limited obligation bond - direct placement | \$ 4,950,000                    | \$ -                | \$ 150,000          | \$ 4,800,000                     | \$ 150,000                                |
| Notes payable - direct placement           | 288,361                         | -                   | 28,836              | 259,525                          | 28,836                                    |
| Bond premium                               | 208,338                         | -                   | 8,929               | 199,409                          | 8,929                                     |
| Compensated absences                       | 11,239                          | 10,175              | 11,790              | 9,624                            | 9,624                                     |
| Net pension liability (LGERS)              | 37,722                          | 4,106               | -                   | 41,828                           | -   |
| Total OPEB liability                       | <u>162,741</u>                  | <u>19,849</u>       | <u>-</u>            | <u>182,590</u>                   | <u>-</u>                                  |
| Total Southwest Water District             | <u>5,658,401</u>                | <u>34,130</u>       | <u>199,555</u>      | <u>5,492,976</u>                 | <u>197,389</u>                            |

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

|   | <u>Balance</u><br><u>July 1, 2019</u> | <u>Additions</u>  | <u>Retirements</u> | <u>Balance</u><br><u>June 30, 2020</u> | <u>Current</u><br><u>Portion of</u><br><u>Balance</u> |
|---|---------------------------------------|-------------------|--------------------|--|---|
| <b>Solid Waste:</b>                                     |                                       |                   |                    |  |   |
| Accrued landfill closure<br>and post-closure care costs | \$ 3,929,969                          | \$ 417,543        | \$ 63,807          | \$ 4,283,705                           | \$ 33,843   |
| Compensated absences                                    | 51,068                                | 40,490            | 45,412             | 46,146                                 | 46,146  |
| Net pension liability (LGERS)                           | 260,342                               | 37,326            | -                  | 297,668                                | -   |
| Total OPEB liability                                    | <u>1,366,800</u>                      | <u>181,858</u>    | <u>-</u>           | <u>1,548,658</u>                       | <u>-</u>  |
| Total solid waste                                       | <u>5,608,179</u>                      | <u>677,217</u>    | <u>109,219</u>     | <u>6,176,177</u>                       | <u>79,989</u>   |
|   |                                       |                   |                    |  |   |
| Total business-type<br>activities                       | <u>\$ 14,532,487</u>                  | <u>\$ 749,232</u> | <u>\$ 429,501</u>  | <u>\$ 14,852,218</u>                   | <u>\$ 400,939</u>                                     |
|   |                                       |                   |                    |  |   |
|   | <u>Balance</u><br><u>July 1, 2019</u> | <u>Additions</u>  | <u>Retirements</u> | <u>Balance</u><br><u>June 30, 2020</u> | <u>Current</u><br><u>Portion</u><br><u>of Balance</u> |
| <b>Discretely Presented</b>                             |                                       |                   |                    |  |   |
| <b>Component Unit:</b>                                  |                                       |                   |                    |  |   |
| <b>Long-Term Liabilities:</b>                           |                                       |                   |                    |  |   |
| Compensated absences                                    | \$ 51,920                             | \$ -              | \$ 5,127           | \$ 46,793                              | \$ -  |
| Net pension liability (LGERS)                           | 192,160                               | 5,013             | -                  | 197,173                                | -   |
| Total OPEB liability                                    | <u>1,331,608</u>                      | <u>-</u>          | <u>112,242</u>     | <u>1,219,366</u>                       | <u>-</u>  |
| Total long-term liabilities                             | <u>\$ 1,575,688</u>                   | <u>\$ 5,013</u>   | <u>\$ 117,369</u>  | <u>\$ 1,463,332</u>                    | <u>\$ -</u>   |

Compensated absences and other post-employment liability typically have been liquidated in the General Fund and are accounted for on an LIFO basis, assuming that employees are taking leave time as it is earned.

### 8. Interfund Balances and Activity

Due to the General Fund from Transportation Fund at June 30, 2020 of \$54,620 was for time lag related to when reimbursable expenditures were received.

# WILSON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Transfers to/from other funds for year ended June 30, 2020 consist of the following:

|  |                     |
|--|---------------------|
| From the General Fund to the Economic Development Grant Fund for County match of project funding | \$ 838,077          |
| From the General Fund to the Capital Reserve Fund to set aside funds for future construction     | 788,327             |
| From Capital Reserve Fund to Public Buildings Fund for local contribution to projects            | 1,838,327           |
| From the General Fund to the School Capital Project Fund for local contribution to schools       | <u>2,062,213</u>    |
| Total  | <u>\$ 5,526,944</u> |

### 9. Net Investment in Capital Assets

|  | <u>Governmental<br/>Activities</u> | <u>Business-Type<br/>Activities</u> |
|--|------------------------------------|-------------------------------------|
| Capital assets   | <u>\$ 25,491,637</u>               | <u>\$ 24,779,705</u>                |
| Long-term debt gross   | 15,594,918                         | 8,204,202                           |
| Less: Long-term debt related to assets not owned by the County | (13,946,464)                       | -                                   |
| Less: Other debt not issued for capital                        | <u>(578,373)</u>                   | <u>-</u>                            |
| Capital debt, net  | <u>1,070,081</u>                   | <u>8,204,202</u>                    |
| Net investment in capital assets                               | <u>\$ 24,421,556</u>               | <u>\$ 16,575,503</u>                |

Deferred charge on refunding of \$345,920 is related to debt for assets not owned by the County and is excluded from the above calculation.

## **WILSON COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

#### **IV. Joint Ventures**

##### **Wilson Economic Development Council**

The County is a participant with the City of Wilson (the "City") in a joint venture to promote industrial and commercial development of the County and the City. The Council is managed by a nine-member Board composed of four appointees from the County, four appointees from the City, and a Chairman from either the County or the City based on election by the Board. The bylaws of the Council state that the County and the City are to provide funding for the financial requirements and operations of the Council. In accordance with the joint venture agreement, the County contributed \$365,795 to the Council for the fiscal year ended June 30, 2020. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2020. Complete financial statements for the Council can be obtained from the Council's administrative offices at 126 West Nash Street, Wilson, North Carolina 27893.

##### **Rocky Mount-Wilson Airport Authority**

The County, in conjunction with the City of Rocky Mount, City of Wilson, Edgecombe County, and Nash County, participates in a joint venture to operate the Rocky Mount/Wilson Airport Authority (Authority). Each of the entities appoints members of the seven-member Board of Commissioners of the Authority. The County appoints one of the seven Board members. The County has an ongoing financial responsibility for the Authority. The County contributed \$225,336 to the Authority's operating purposes during the year ended June 30, 2020. The participants in the joint venture have an equity interest in the Authority's real property; therefore, an equity interest of \$2,058,909 has been reported in the governmental activities in the County's basic financial statements at June 30, 2020. Complete financial statements for the Authority may be obtained from the Authority's administrative offices at 250 Airport Drive, Elm County, North Carolina 27822.

The County, in conjunction with the State of North Carolina and the Wilson County Board of Education, participates in a joint venture to operate the Wilson Technical Community College. Each of the three participants appoints four members of the thirteen-member Board of Trustees of the Community College. The President of the Community College's student government serves as an ex officio non-voting member of the Community College's Board of Trustees. The Community College is included as a component unit of the state. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. The County has an ongoing financial responsibility for the Community College because of the statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$2,823,366 to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2020. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2020. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at 902 Herring Avenue, Wilson, North Carolina 27893.



## **WILSON COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

#### **Eastpoint**

Wilson County, in conjunction with Bladen, Columbus, Duplin, Edgecombe, Nash, Lenoir, Robeson, Sampson, Scotland, Wayne, and Greene counties, participate in a joint venture to operate Eastpoint, a Local Management Entity (LME) and Managed Care Organization (MCO) of Mental Health, Developmental Disabilities, and Substance Abuse Services. The area Board consists of up to twenty-seven (27) members, with the ability to increase its membership as needed. Each of the counties will have either two or three representatives based on population as published by the NC Department of Health and Human Services. Wilson County has two representatives on the Board. Each participant in the joint venture makes an annual appropriation to the joint venture, but the majority of its funding comes from other sources. During the fiscal year ended June 30, 2020, Wilson County contributed \$331,317 to Eastpoint. None of the participating governments have an equity interest in Eastpoint, so no equity interest has been reflected in the financial statements at June 30, 2020. Complete financial statements for Eastpoint may be obtained from Eastpoint's corporate office at 514 East Main Street, PO Box 369, Beulaville, North Carolina 28518.

#### **V. Jointly Governed Organizations**

##### **Upper Coastal Plain Council of Governments**

The County, in conjunction with five other counties and 35 municipalities, established the Upper Coastal Plain Council of Governments (the "Council"). The participating governments established the Council to coordinate various funding received from federal and state agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees and other costs of \$37,003 to the Council during the fiscal year ended June 30, 2020.

##### **Wilson County Tourism Development Authority**

The County of Wilson and the City of Wilson created the Wilson County Tourism Development Authority (the "Authority"), a public authority established to promote the growth of tourism and travel related industry. The Authority is funded by occupancy sales tax on motel and bed and breakfast rentals. The Authority receives no financial support from the County.

#### **VI. Summary Disclosure of Significant Commitments and Contingencies**

##### **Federal and State Assisted Programs**

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

# **WILSON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020**

### **VII. Subsequent Event**

In March 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19), a pandemic. As a result, economic uncertainties have arisen, which are likely to negatively impact County revenues. At the current time, we are unable to quantify the potential effects of this pandemic.

# REQUIRED SUPPLEMENTAL FINANCIAL DATA

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

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Schedule of Changes in the Total OPEB Liability and Related Ratios

Schedule of Local Governmental Employees' Retirement System Proportionate  
Share of Net Pension Liability

Schedule of Local Governmental Employees' Retirement System Employer  
Contributions Last Five Fiscal Years

Schedule of Register of Deeds' Supplemental Pension Fund Employers  
Proportionate Share of Net Pension Liability

Schedule of Register of Deeds' Supplemental Pension Fund Employers  
Contributions Last Five Fiscal Years

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

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

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## WILSON COUNTY, NORTH CAROLINA

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY  
AND RELATED RATIOS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST THREE FISCAL YEARS**

|   | <b>Total OPEB Liability</b> |                      |                      |
|---|-----------------------------|----------------------|----------------------|
|   | <b>2020</b>                 | <b>2019</b>          | <b>2018</b>          |
| Beginning balance                                       | \$ 50,909,788               | \$ 56,882,100        | \$ 60,269,724        |
| Service cost  | 1,523,584                   | 1,972,998            | 2,269,163            |
| Interest on TOL and cash flows                          | 1,963,277                   | 1,995,199            | 1,785,134            |
| Differences between expected and actual experience      | (353,713)                   | (5,070,636)          | 878,786              |
| Changes of assumptions or other inputs                  | 3,814,033                   | (3,180,724)          | (6,380,406)          |
| Benefit payments  | (888,356)                   | (1,689,149)          | (1,940,301)          |
| Ending balance of the total OPEB liability              | <u>\$ 56,968,613</u>        | <u>\$ 50,909,788</u> | <u>\$ 56,882,100</u> |
| Covered payroll   | \$ 27,375,770               | \$ 27,375,770        | \$ 27,051,216        |
| Total OPEB liability as a percentage of covered payroll | 208.10%                     | 185.97%              | 210.28%              |

**Notes to Schedule:**

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

| <b>Fiscal Year</b> | <b>Rate</b> |
|--------------------|-------------|
| 2020               | 3.50%       |
| 2019               | 3.89%       |
| 2018               | 3.56%       |

Note: This schedule is intended to show information for ten years.  
Additional years' information will be displayed as it becomes available.

**WILSON COUNTY, NORTH CAROLINA**
**WILSON COUNTY'S PROPORTIONATE SHARE  
 OF NET PENSION LIABILITY (ASSET)  
 REQUIRED SUPPLEMENTARY INFORMATION  
 LAST SEVEN FISCAL YEARS\***

|  | <b>Local Governmental Employees' Retirement System</b> |               |               |               |               |                |               |
|--|--|---------------|---------------|---------------|---------------|----------------|---------------|
|  | <b>2020</b>  | <b>2019</b>   | <b>2018</b>   | <b>2017</b>   | <b>2016</b>   | <b>2015</b>    | <b>2014</b>   |
| County's proportion of the net pension liability (asset) (%)   | 0.47738%   | 0.49709%      | 0.51866%      | 0.51955%      | 0.50807%      | 0.51274%       | 0.50750%      |
| County's proportion of the net pension liability (asset) (\$)  | \$ 13,036,875  | \$ 11,792,675 | \$ 7,923,689  | \$ 11,026,592 | \$ 2,280,188  | \$ (3,023,866) | \$ 6,117,324  |
| County's covered payroll   | \$ 30,869,473  | \$ 30,732,875 | \$ 30,890,267 | \$ 29,830,699 | \$ 28,732,521 | \$ 28,860,961  | \$ 26,563,359 |
| County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 42.23%   | 38.37%        | 25.65%        | 36.96%        | 7.94%         | -10.48%        | 23.03%        |
| Plan fiduciary net position as a percentage of the total pension liability**                             | 90.86%   | 91.63%        | 94.18%        | 91.47%        | 98.09%        | 102.64%        | 94.35%        |

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

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

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**WILSON COUNTY, NORTH CAROLINA****WILSON COUNTY'S CONTRIBUTIONS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST SEVEN FISCAL YEARS**

|   | <b>Local Governmental Employees' Retirement System</b> |                  |                  |                  |                  |                  |                  |
|---|--|------------------|------------------|------------------|------------------|------------------|------------------|
|   | <b>2020</b>  | <b>2019</b>      | <b>2018</b>      | <b>2017</b>      | <b>2016</b>      | <b>2015</b>      | <b>2014</b>      |
| Contractually required contribution                                     | \$ 2,868,545   | \$ 2,435,062     | \$ 2,346,286     | \$ 2,287,136     | \$ 2,046,962     | \$ 2,057,877     | \$ 2,046,767     |
| Contributions in relation to the<br>contractually required contribution | <u>2,868,545</u>                                       | <u>2,435,062</u> | <u>2,346,286</u> | <u>2,287,136</u> | <u>2,046,962</u> | <u>2,057,877</u> | <u>2,046,767</u> |
| Contribution deficiency (excess)  | <u>\$ -</u>  | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      |
| County's covered payroll  | \$ 31,543,126  | \$ 30,869,473    | \$ 30,732,875    | \$ 30,890,267    | \$ 29,830,699    | \$ 28,732,521    | \$ 28,860,961    |
| Contributions as a percentage<br>of covered payroll                     | 9.09%  | 7.89%            | 7.63%            | 7.40%            | 6.86%            | 7.16%            | 7.09%            |

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**WILSON COUNTY, NORTH CAROLINA**
**WILSON COUNTY'S PROPORTIONATE SHARE  
 OF NET PENSION LIABILITY (ASSET)  
 REQUIRED SUPPLEMENTARY INFORMATION  
 LAST SEVEN FISCAL YEARS\***

|  | <b>Register of Deeds' Supplemental Pension Fund</b> |             |             |             |              |              |              |
|--|---|-------------|-------------|-------------|--------------|--------------|--------------|
|  | <b>2020</b>   | <b>2019</b> | <b>2018</b> | <b>2017</b> | <b>2016</b>  | <b>2015</b>  | <b>2014</b>  |
| County's proportion of the net pension liability (asset) (%)                                     | 0.42066%  | 0.44482%    | 0.45783%    | 0.47649%    | 0.47707%     | 0.49006%     | 0.47400%     |
| County's proportion of the net pension liability (asset) (\$)                                    | \$ (83,047)   | \$ (73,676) | \$ (78,147) | \$ (89,085) | \$ (110,556) | \$ (110,078) | \$ (111,078) |
| County's covered payroll   | \$ 80,834   | \$ 80,834   | \$ 80,834   | \$ 80,834   | \$ 80,773    | \$ 79,202    | \$ 70,926    |
| County's proportionate share of the net pension liability as a percentage of its covered payroll | -102.74%  | -91.14%     | -96.68%     | -110.21%    | -136.87%     | -46.58%      | -39.30%      |
| Plan fiduciary net position as a percentage of the total pension liability**                     | 164.11%   | 153.31%     | 153.77%     | 160.17%     | 197.29%      | 193.88%      | 190.50%      |

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

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

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.



## WILSON COUNTY, NORTH CAROLINA

WILSON COUNTY'S CONTRIBUTIONS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 LAST SEVEN FISCAL YEARS

|   | Register of Deeds' Supplemental Pension Fund |           |           |           |           |           |           |
|---|--|-----------|-----------|-----------|-----------|-----------|-----------|
|   | 2020   | 2019      | 2018      | 2017      | 2016      | 2015      | 2014      |
| Contractually required contribution                                     | \$ 5,162                                     | \$ 3,544  | \$ 3,807  | \$ 3,978  | \$ 3,892  | \$ 3,818  | \$ 4,001  |
| Contributions in relation to the<br>contractually required contribution | 5,162  | 3,544     | 3,807     | 3,978     | 3,892     | 3,818     | 4,001     |
| Contribution deficiency (excess)  | \$ -   | \$ -      | \$ -      | \$ -      | \$ -      | \$ -      | \$ -      |
| County's covered payroll  | \$ 83,150                                    | \$ 80,834 | \$ 80,834 | \$ 80,834 | \$ 80,834 | \$ 80,773 | \$ 79,202 |
| Contributions as a percentage of<br>covered payroll                     | 6.21%  | 4.38%     | 4.71%     | 4.92%     | 4.81%     | 4.73%     | 5.05%     |

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**WILSON COUNTY, NORTH CAROLINA**

**SCHEDULES OF CHANGES IN TOTAL PENSION LIABILITY**  
**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**  
**LAST FOUR FISCAL YEARS\***

|  | <b>Law Enforcement Officers' Special Separation Allowance</b> |                     |                     |                     |
|--|---|---------------------|---------------------|---------------------|
|  | <b>2020</b>   | <b>2019</b>         | <b>2018</b>         | <b>2017</b>         |
| Beginning balance                                  | \$ 2,695,167  | \$ 2,762,776        | \$ 2,481,531        | \$ 2,513,338        |
| Service cost                                       | 117,711   | 124,355             | 105,919             | 118,624             |
| Interest on the total pension liability            | 94,396  | 84,137              | 92,374              | 86,600              |
| Differences between expected and actual experience |   |                     |                     |                     |
| in the measurement of the total pension liability  | 102,094   | 35,620              | 90,817              | -                   |
| Changes of assumptions or other inputs             | 90,653  | (111,299)           | 168,986             | (61,889)            |
| Benefit payments                                   | (203,749)   | (200,422)           | (176,851)           | (175,142)           |
| Ending balance of the total pension liability      | <u>\$ 2,896,272</u>   | <u>\$ 2,695,167</u> | <u>\$ 2,762,776</u> | <u>\$ 2,481,531</u> |

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

This schedule is intended to show information for ten years.

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

**WILSON COUNTY, NORTH CAROLINA**

**SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL  
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE  
LAST FOUR FISCAL YEARS\***

|   | <b>Law Enforcement Officers' Special Separation Allowance</b> |              |              |              |
|---|---|--------------|--------------|--------------|
|   | <b>2020</b>   | <b>2019</b>  | <b>2018</b>  | <b>2017</b>  |
| Total pension liability                                       | \$ 2,896,272  | \$ 2,695,167 | \$ 2,762,776 | \$ 2,481,531 |
| Covered payroll   | 3,904,382   | 3,859,405    | 3,811,844    | 4,028,341    |
| Total pension liability as a<br>percentage of covered payroll | 74.18%  | 69.83%       | 72.48%       | 61.60%       |

**Notes to the Schedule:**

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

This schedule is intended to show information for ten years.

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

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**COMBINING AND INDIVIDUAL FUND STATEMENTS  
AND SCHEDULES**

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## **Major Funds**

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## WILSON COUNTY, NORTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES - BUDGET AND ACTUAL - GENERAL FUND - CONSOLIDATED  
FOR THE YEAR ENDED JUNE 30, 2020**

|  | <b>General<br/>Fund</b> | <b>Revaluation<br/>Fund</b> | <b>Economic<br/>Development<br/>Fund</b> | <b>Eliminations</b> | <b>Total<br/>General<br/>Fund</b> |
|--|-------------------------|-----------------------------|--|---------------------|-----------------------------------|
| <b>Revenues:</b>                       |                         |                             |  |                     |                                   |
| Ad valorem taxes                       | \$ 55,185,869           | \$ -                        | \$ -                                     | \$ -                | \$ 55,185,869                     |
| Local option sales tax                 | 15,860,697              | -                           | -  | -                   | 15,860,697                        |
| Other taxes and licenses               | 801,466                 | -                           | -  | -                   | 801,466                           |
| Unrestricted intergovernmental         | 604,766                 | -                           | -  | -                   | 604,766                           |
| Restricted intergovernmental           | 16,589,959              | -                           | -  | -                   | 16,589,959                        |
| Permits and fees                       | 1,779,228               | -                           | -  | -                   | 1,779,228                         |
| Sales and services                     | 7,258,952               | -                           | -  | -                   | 7,258,952                         |
| Investment earnings                    | 874,526                 | 1,678                       | -  | -                   | 876,204                           |
| Miscellaneous                          | 506,622                 | -                           | -  | -                   | 506,622                           |
| Total revenues                         | <u>99,462,085</u>       | <u>1,678</u>                | <u>-</u>                                 | <u>-</u>            | <u>99,463,763</u>                 |
| <b>Expenditures:</b>                   |                         |                             |  |                     |                                   |
| Current:                               |                         |                             |  |                     |                                   |
| General government                     | 9,312,794               | -                           | 1,581,053                                | -                   | 10,893,847                        |
| Public safety                          | 20,873,612              | -                           | -  | -                   | 20,873,612                        |
| Transportation                         | 47,857                  | -                           | -  | -                   | 47,857                            |
| Environmental protection               | 243,632                 | -                           | -  | -                   | 243,632                           |
| Economic and physical development      | 1,417,086               | -                           | -  | -                   | 1,417,086                         |
| Human services                         | 29,633,463              | -                           | -  | -                   | 29,633,463                        |
| Cultural and recreation                | 2,369,686               | -                           | -  | -                   | 2,369,686                         |
| Intergovernmental:                     |                         |                             |  |                     |                                   |
| Education                              | 25,525,713              | -                           | -  | -                   | 25,525,713                        |
| Debt service:                          |                         |                             |  |                     |                                   |
| Principal retirement                   | 2,828,277               | -                           | -  | -                   | 2,828,277                         |
| Interest and other charges             | 299,389                 | -                           | -  | -                   | 299,389                           |
| Total expenditures                     | <u>92,551,509</u>       | <u>-</u>                    | <u>1,581,053</u>                         | <u>-</u>            | <u>94,132,562</u>                 |
| Revenues over (under) expenditures     | <u>6,910,576</u>        | <u>1,678</u>                | <u>(1,581,053)</u>                       | <u>-</u>            | <u>5,331,201</u>                  |
| <b>Other Financing Sources (Uses):</b> |                         |                             |  |                     |                                   |
| Transfers to other funds               | (5,417,342)             | -                           | -  | 1,728,725           | (3,688,617)                       |
| Transfers from other funds             | -                       | 135,000                     | 1,593,725                                | (1,728,725)         | -                                 |
| Capital lease proceeds                 | 184,533                 | -                           | -  | -                   | 184,533                           |
| Sale of capital assets                 | 37,131                  | -                           | -  | -                   | 37,131                            |
| Total other financing sources (uses)   | <u>(5,195,678)</u>      | <u>135,000</u>              | <u>1,593,725</u>                         | <u>-</u>            | <u>(3,466,953)</u>                |
| Net change in fund balances            | 1,714,898               | 136,678                     | 12,672                                   | -                   | 1,864,248                         |
| <b>Fund Balances:</b>                  |                         |                             |  |                     |                                   |
| Beginning of year, July 1              | <u>47,709,629</u>       | <u>449,815</u>              | <u>231,918</u>                           | <u>-</u>            | <u>48,391,362</u>                 |
| End of year, June 30                   | <u>\$ 49,424,527</u>    | <u>\$ 586,493</u>           | <u>\$ 244,590</u>                        | <u>\$ -</u>         | <u>\$ 50,255,610</u>              |

**WILSON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u>     | <u>Actual</u>     | <u>Variance<br/>Over/Under</u> |
|--|-------------------|-------------------|--------------------------------|
| <b>Revenues:</b>                       |                   |                   |                                |
| <b>Ad Valorem Taxes:</b>               |                   |                   |                                |
| Taxes                                  | \$ 51,329,558     | \$ 54,668,481     | \$ 3,338,923                   |
| Interest                               | 297,000           | 517,388           | 220,388                        |
| Total                                  | <u>51,626,558</u> | <u>55,185,869</u> | <u>3,559,311</u>               |
| <b>Local Option Sales Taxes</b>        | <u>12,857,558</u> | <u>15,860,697</u> | <u>3,003,139</u>               |
| <b>Other Taxes and Licenses:</b>       |                   |                   |                                |
| Franchise tax                          | 65,000            | 63,121            | (1,879)                        |
| Rental vehicle sales tax               | 50,000            | 54,658            | 4,658                          |
| Beer and wine tax                      | 121,200           | 123,702           | 2,502                          |
| Excise tax                             | 465,000           | 559,985           | 94,985                         |
| Total                                  | <u>701,200</u>    | <u>801,466</u>    | <u>100,266</u>                 |
| <b>Unrestricted Intergovernmental:</b> |                   |                   |                                |
| Housing Authority                      | 9,000             | 4,766             | (4,234)                        |
| Wilson County ABC Board:               |                   |                   |                                |
| Profit distribution                    | 262,500           | 600,000           | 337,500                        |
| Total                                  | <u>271,500</u>    | <u>604,766</u>    | <u>333,266</u>                 |
| <b>Restricted Intergovernmental:</b>   |                   |                   |                                |
| General Fund                           | 1,330,205         | 1,326,322         | (3,883)                        |
| Library                                | 230,182           | 226,843           | (3,339)                        |
| Health services                        | 2,026,809         | 1,878,127         | (148,682)                      |
| Social services                        | 12,682,743        | 13,069,360        | 386,617                        |
| Court facility fees                    | 97,225            | 89,307            | (7,918)                        |
| Total                                  | <u>16,367,164</u> | <u>16,589,959</u> | <u>222,795</u>                 |
| <b>Permits and Fees:</b>               |                   |                   |                                |
| Building permits and inspection fees   | 168,652           | 260,013           | 91,361                         |
| Register of Deeds                      | 329,875           | 391,963           | 62,088                         |
| Public safety                          | 474,500           | 536,692           | 62,192                         |
| Health services                        | 736,565           | 590,560           | (146,005)                      |
| Total                                  | <u>1,709,592</u>  | <u>1,779,228</u>  | <u>69,636</u>                  |
| <b>Sales and Services:</b>             |                   |                   |                                |
| Jail fees and sheriff fees             | 1,311,758         | 1,153,494         | (158,264)                      |
| Rents, concessions, and fees           | 1,910,751         | 2,000,284         | 89,533                         |
| Ambulance service fees                 | 2,600,000         | 2,669,843         | 69,843                         |
| Communication center                   | 1,300,000         | 1,435,331         | 135,331                        |
| Total                                  | <u>7,122,509</u>  | <u>7,258,952</u>  | <u>136,443</u>                 |

WILSON COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020

|                                  | <u>Budget</u>     | <u>Actual</u>     | <u>Variance<br/>Over/Under</u> |
|----------------------------------|-------------------|-------------------|--------------------------------|
| <b>Investment Earnings</b>       | <u>750,000</u>    | <u>874,526</u>    | <u>124,526</u>                 |
| <b>Miscellaneous:</b>            |                   |                   |                                |
| Other                            | <u>124,917</u>    | <u>506,622</u>    | <u>381,705</u>                 |
| Total revenues                   | <u>91,530,998</u> | <u>99,462,085</u> | <u>7,931,087</u>               |
| <b>Expenditures:</b>             |                   |                   |                                |
| <b>General Government:</b>       |                   |                   |                                |
| <b>Board of Commissioners:</b>   |                   |                   |                                |
| Salaries and employee benefits   | 61,369            | 61,361            | 8                              |
| Other operating expenditures     | <u>47,360</u>     | <u>37,230</u>     | <u>10,130</u>                  |
| Total                            | <u>108,729</u>    | <u>98,591</u>     | <u>10,138</u>                  |
| <b>Administration:</b>           |                   |                   |                                |
| Salaries and employee benefits   | 485,115           | 455,926           | 29,189                         |
| Other operating expenditures     | 42,550            | 37,347            | 5,203                          |
| Capital outlay                   | <u>13,500</u>     | <u>8,725</u>      | <u>4,775</u>                   |
| Total                            | <u>541,165</u>    | <u>501,998</u>    | <u>39,167</u>                  |
| <b>Human Resources:</b>          |                   |                   |                                |
| Salaries and employee benefits   | 239,705           | 230,055           | 9,650                          |
| Other operating expenditures     | <u>67,842</u>     | <u>52,155</u>     | <u>15,687</u>                  |
| Total                            | <u>307,547</u>    | <u>282,210</u>    | <u>25,337</u>                  |
| <b>Board of Elections:</b>       |                   |                   |                                |
| Salaries and employee benefits   | 376,610           | 285,357           | 91,253                         |
| Other operating expenditures     | 182,870           | 139,114           | 43,756                         |
| Capital outlay                   | <u>453</u>        | <u>-</u>          | <u>453</u>                     |
| Total                            | <u>559,933</u>    | <u>424,471</u>    | <u>135,462</u>                 |
| <b>Finance:</b>                  |                   |                   |                                |
| Salaries and employee benefits   | 575,832           | 566,945           | 8,887                          |
| Other operating expenditures     | <u>35,122</u>     | <u>24,505</u>     | <u>10,617</u>                  |
| Total                            | <u>610,954</u>    | <u>591,450</u>    | <u>19,504</u>                  |
| <b>Office of Tax Supervisor:</b> |                   |                   |                                |
| Salaries and employee benefits   | 1,065,119         | 1,011,762         | 53,357                         |
| Other operating expenditures     | 355,186           | 333,401           | 21,785                         |
| Data processing charges          | 141,223           | 139,732           | 1,491                          |
| Capital outlay                   | <u>9,416</u>      | <u>6,365</u>      | <u>3,051</u>                   |
| Total                            | <u>1,570,944</u>  | <u>1,491,260</u>  | <u>79,684</u>                  |

WILSON COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020

|                                   | Budget    | Actual    | Variance<br>Over/Under |
|-----------------------------------|-----------|-----------|------------------------|
| <b>Technology Services:</b>       |           |           |                        |
| Salaries and employee benefits    | 682,917   | 682,320   | 597                    |
| Other operating expenditures      | 60,500    | 50,828    | 9,672                  |
| Data processing charges           | 312,361   | 299,973   | 12,388                 |
| Capital outlay                    | 93,620    | 86,165    | 7,455                  |
| Total                             | 1,149,398 | 1,119,286 | 30,112                 |
| <b>Register of Deeds:</b>         |           |           |                        |
| Salaries and employee benefits    | 374,613   | 355,681   | 18,932                 |
| Other operating expenditures      | 78,810    | 66,852    | 11,958                 |
| Total                             | 453,423   | 422,533   | 30,890                 |
| <b>Public Buildings:</b>          |           |           |                        |
| Other operating expenditures      | 818,839   | 756,540   | 62,299                 |
| Capital outlay                    | 326,136   | 299,474   | 26,662                 |
| Total                             | 1,144,975 | 1,056,014 | 88,961                 |
| <b>Maintenance Administration</b> |           |           |                        |
| Salaries and employee benefits    | 693,413   | 664,040   | 29,373                 |
| Other operating expenditures      | 82,694    | 73,917    | 8,777                  |
| Capital outlay                    | 32,684    | 32,684    | -                      |
| Total                             | 808,791   | 770,641   | 38,150                 |
| <b>Court Facilities:</b>          |           |           |                        |
| Salaries and employee benefits    | 1,431     | 1,431     | -                      |
| Other operating expenditures      | 153,515   | 129,054   | 24,461                 |
| Capital outlay                    | 149,590   | 149,163   | 427                    |
| Total                             | 304,536   | 279,648   | 24,888                 |
| <b>Central Service:</b>           |           |           |                        |
| Other operating expenditures      | 2,019,850 | 1,939,051 | 80,799                 |
| <b>Other:</b>                     |           |           |                        |
| Other area projects               | 355,182   | 335,641   | 19,541                 |
| Total general government          | 9,935,427 | 9,312,794 | 622,633                |
| <b>Public Safety:</b>             |           |           |                        |
| <b>Sheriff:</b>                   |           |           |                        |
| Salaries and employee benefits    | 6,762,419 | 6,221,557 | 540,862                |
| Other operating expenditures      | 1,136,218 | 1,115,884 | 20,334                 |
| Capital outlay                    | 605,237   | 466,998   | 138,239                |
| Total                             | 8,503,874 | 7,804,439 | 699,435                |

WILSON COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020

|                                    | <u>Budget</u>     | <u>Actual</u>     | <u>Variance<br/>Over/Under</u> |
|------------------------------------|-------------------|-------------------|--------------------------------|
| <b>Jail:</b>                       |                   |                   |                                |
| Salaries and employee benefits     | 3,048,501         | 2,776,552         | 271,949                        |
| Other operating expenditures       | 1,364,677         | 1,211,492         | 153,185                        |
| Capital outlay                     | 49,870            | 41,066            | 8,804                          |
| Total                              | <u>4,463,048</u>  | <u>4,029,110</u>  | <u>433,938</u>                 |
| <b>Animal Control:</b>             |                   |                   |                                |
| Salaries and employee benefits     | 542,259           | 517,819           | 24,440                         |
| Other operating expenditures       | 105,060           | 91,502            | 13,558                         |
| Total                              | <u>647,319</u>    | <u>609,321</u>    | <u>37,998</u>                  |
| <b>Emergency Communications:</b>   |                   |                   |                                |
| Salaries and employee benefits     | 2,636,082         | 2,366,531         | 269,551                        |
| Other operating expenditures       | 455,055           | 209,817           | 245,238                        |
| Capital outlay                     | 5,377             | 19,421            | (14,044)                       |
| Total                              | <u>3,096,514</u>  | <u>2,595,769</u>  | <u>500,745</u>                 |
| <b>Emergency Management:</b>       |                   |                   |                                |
| Salaries and employee benefits     | 183,227           | 183,089           | 138                            |
| Other operating expenditures       | 139,099           | 113,882           | 25,217                         |
| Capital outlay                     | 7,000             | 6,837             | 163                            |
| Total                              | <u>329,326</u>    | <u>303,808</u>    | <u>25,518</u>                  |
| <b>Emergency Medical Services:</b> |                   |                   |                                |
| Salaries and employee benefits     | 5,095,322         | 4,570,490         | 524,832                        |
| Other operating expenditures       | 801,234           | 740,480           | 60,754                         |
| Capital outlay                     | 254,091           | 220,195           | 33,896                         |
| Total                              | <u>6,150,647</u>  | <u>5,531,165</u>  | <u>619,482</u>                 |
| Total public safety                | <u>23,190,728</u> | <u>20,873,612</u> | <u>2,317,116</u>               |
| <b>Transportation:</b>             |                   |                   |                                |
| Rocky Mount/Wilson Airport         | <u>47,857</u>     | <u>47,857</u>     | <u>-</u>                       |
| <b>Environmental Protection:</b>   |                   |                   |                                |
| <b>Forestry Program:</b>           |                   |                   |                                |
| Other operating expenditures       | <u>117,650</u>    | <u>104,870</u>    | <u>12,780</u>                  |
| <b>Soil Conservation:</b>          |                   |                   |                                |
| Salaries and employee benefits     | 140,661           | 128,508           | 12,153                         |
| Other operating expenditures       | 19,500            | 10,254            | 9,246                          |
| Total                              | <u>160,161</u>    | <u>138,762</u>    | <u>21,399</u>                  |
| Total environmental protection     | <u>277,811</u>    | <u>243,632</u>    | <u>34,179</u>                  |

**WILSON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020**

|   | <b>Budget</b> | <b>Actual</b> | <b>Variance<br/>Over/Under</b> |
|---|---------------|---------------|--------------------------------|
| <b>Economic and Physical Development:</b>   |               |               |                                |
| <b>Agricultural Extension and 4-H:</b>      |               |               |                                |
| Salaries and employee benefits              | 464,775       | 454,891       | 9,884                          |
| Other operating expenditures                | 55,526        | 51,322        | 4,204                          |
| Total                                       | 520,301       | 506,213       | 14,088                         |
| <b>Planning and Zoning:</b>                 |               |               |                                |
| Salaries and employee benefits              | 503,197       | 500,678       | 2,519                          |
| Other operating expenditures                | 51,029        | 40,087        | 10,942                         |
| Capital outlay                              | 14,000        | 4,313         | 9,687                          |
| Total                                       | 568,226       | 545,078       | 23,148                         |
| <b>Other:</b>                               |               |               |                                |
| Other projects                              | 365,795       | 365,795       | -                              |
| Total economic and physical development     | 1,454,322     | 1,417,086     | 37,236                         |
| <b>Human Services:</b>                      |               |               |                                |
| <b>Diversified Opportunities</b>            | 29,250        | 29,250        | -                              |
| <b>Senior Center:</b>                       |               |               |                                |
| Salaries and employee benefits              | 172,850       | 172,485       | 365                            |
| Other operating expenditures                | 35,658        | 22,823        | 12,835                         |
| Total                                       | 208,508       | 195,308       | 13,200                         |
| <b>Home and Community Care Block Grant:</b> |               |               |                                |
| Operating expenses                          | 511,663       | 465,529       | 46,134                         |
| <b>Health:</b>                              |               |               |                                |
| <b>Administration:</b>                      |               |               |                                |
| Salaries and employee benefits              | 56,252        | 53,546        | 2,706                          |
| Other operating expenditures                | 434,106       | 393,569       | 40,537                         |
| Capital outlay                              | 45,749        | 40,169        | 5,580                          |
| Total                                       | 536,107       | 487,284       | 48,823                         |
| <b>Health Promotion:</b>                    |               |               |                                |
| Salaries and employee benefits              | 25,658        | 25,508        | 150                            |
| Other operating expenditures                | 22,002        | 16,525        | 5,477                          |
| Total                                       | 47,660        | 42,033        | 5,627                          |
| <b>Tuberculosis Control:</b>                |               |               |                                |
| Salaries and employee benefits              | 108,516       | 104,229       | 4,287                          |
| Other operating expenditures                | 19,735        | 17,798        | 1,937                          |
| Total                                       | 128,251       | 122,027       | 6,224                          |

WILSON COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020

|  | <u>Budget</u>  | <u>Actual</u>  | <u>Variance<br/>Over/Under</u> |
|--|----------------|----------------|--------------------------------|
| <b>Family Planning:</b>                        |                |                |                                |
| Salaries and employee benefits                 | 715,964        | 648,345        | 67,619                         |
| Other operating expenditures                   | 139,875        | 120,752        | 19,123                         |
| Total  | <u>855,839</u> | <u>769,097</u> | <u>86,742</u>                  |
| <b>Maternal Health:</b>                        |                |                |                                |
| Salaries and employee benefits                 | 732,029        | 665,615        | 66,414                         |
| Other operating expenditures                   | 95,600         | 94,552         | 1,048                          |
| Total  | <u>827,629</u> | <u>760,167</u> | <u>67,462</u>                  |
| <b>Environmental Health:</b>                   |                |                |                                |
| Salaries and employee benefits                 | 819,940        | 818,789        | 1,151                          |
| Other operating expenditures                   | 83,296         | 66,070         | 17,226                         |
| Capital outlay                                 | 62,510         | 62,508         | 2                              |
| Total  | <u>965,746</u> | <u>947,367</u> | <u>18,379</u>                  |
| <b>Immunization:</b>                           |                |                |                                |
| Salaries and employee benefits                 | 132,083        | 105,009        | 27,074                         |
| Other operating expenditures                   | 132,250        | 85,206         | 47,044                         |
| Total  | <u>264,333</u> | <u>190,215</u> | <u>74,118</u>                  |
| <b>Communicable Diseases:</b>                  |                |                |                                |
| Salaries and employee benefits                 | 373,784        | 373,718        | 66                             |
| Other operating expenditures                   | 19,365         | 18,692         | 673                            |
| Total  | <u>393,149</u> | <u>392,410</u> | <u>739</u>                     |
| <b>Comprehensive Breast Cancer Prevention:</b> |                |                |                                |
| Salaries and employee benefits                 | 24,519         | 22,298         | 2,221                          |
| Other operating expenditures                   | 20,181         | 20,166         | 15                             |
| Total  | <u>44,700</u>  | <u>42,464</u>  | <u>2,236</u>                   |
| <b>Child Health:</b>                           |                |                |                                |
| Salaries and employee benefits                 | 533,469        | 450,657        | 82,812                         |
| Other operating expenditures                   | 12,400         | 9,954          | 2,446                          |
| Total  | <u>545,869</u> | <u>460,611</u> | <u>85,258</u>                  |
| <b>Child Service Coordinator:</b>              |                |                |                                |
| Salaries and employee benefits                 | 239,097        | 223,081        | 16,016                         |
| Other operating expenditures                   | 5,124          | 4,653          | 471                            |
| Total  | <u>244,221</u> | <u>227,734</u> | <u>16,487</u>                  |

**WILSON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020**

|                                    | <b>Budget</b> | <b>Actual</b> | <b>Variance<br/>Over/Under</b> |
|------------------------------------|---------------|---------------|--------------------------------|
| <b>WIC Clinic Administration:</b>  |               |               |                                |
| Salaries and employee benefits     | 37,307        | 36,855        | 452                            |
| Other operating expenditures       | 7,693         | 4,020         | 3,673                          |
| Total                              | 45,000        | 40,875        | 4,125                          |
| <b>WIC Nutrition Education:</b>    |               |               |                                |
| Salaries and employee benefits     | 136,100       | 97,350        | 38,750                         |
| Other operating expenditures       | 2,990         | 1,740         | 1,250                          |
| Total                              | 139,090       | 99,090        | 40,000                         |
| <b>AIDS Control:</b>               |               |               |                                |
| Salaries and employee benefits     | 10,231        | 9,451         | 780                            |
| Other operating expenditures       | 2,269         | 418           | 1,851                          |
| Total                              | 12,500        | 9,869         | 2,631                          |
| <b>Bioterrorism:</b>               |               |               |                                |
| Salaries and employee benefits     | 32,369        | 32,065        | 304                            |
| Other operating expenditures       | 2,282         | 714           | 1,568                          |
| Total                              | 34,651        | 32,779        | 1,872                          |
| <b>WIC Client Services:</b>        |               |               |                                |
| Salaries and employee benefits     | 500,223       | 425,322       | 74,901                         |
| Other operating expenditures       | 21,817        | 20,842        | 975                            |
| Capital outlay                     | 1,025         | 1,024         | 1                              |
| Total                              | 523,065       | 447,188       | 75,877                         |
| <b>School Based Health Center:</b> |               |               |                                |
| Salaries and employee benefits     | 353,899       | 222,293       | 131,606                        |
| Other operating expenditures       | 135,693       | 115,912       | 19,781                         |
| Total                              | 489,592       | 338,205       | 151,387                        |
| <b>Mental Health:</b>              |               |               |                                |
| Other operating expenditures       | 331,317       | 331,317       | -                              |
| <b>Maternal Child Care:</b>        |               |               |                                |
| Salaries and employee benefits     | 241,566       | 219,333       | 22,233                         |
| Other operating expenditures       | 93,873        | 93,262        | 611                            |
| Total                              | 335,439       | 312,595       | 22,844                         |
| <b>Dental Program:</b>             |               |               |                                |
| Salaries and employee benefits     | 64,869        | 17,921        | 46,948                         |
| Other operating expenditures       | 245,700       | 52,414        | 193,286                        |
| Capital outlay                     | 225,000       | 206,466       | 18,534                         |
| Total                              | 535,569       | 276,801       | 258,768                        |



**WILSON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020**

|                                     | <b>Budget</b> | <b>Actual</b> | <b>Variance<br/>Over/Under</b> |
|-------------------------------------|---------------|---------------|--------------------------------|
| <b>WIC Breastfeeding:</b>           |               |               |                                |
| Salaries and employee benefits      | 102,045       | 65,123        | 36,922                         |
| Other operating expenditures        | 1,500         | 1,323         | 177                            |
| Total                               | 103,545       | 66,446        | 37,099                         |
| <b>Adult Health:</b>                |               |               |                                |
| Salaries and employee benefits      | 471,547       | 367,536       | 104,011                        |
| Other operating expenditures        | 50,175        | 32,275        | 17,900                         |
| Total                               | 521,722       | 399,811       | 121,911                        |
| Total health                        | 7,924,994     | 6,796,385     | 1,128,609                      |
| <b>Social Services:</b>             |               |               |                                |
| <b>Administration:</b>              |               |               |                                |
| Salaries and employee benefits      | 14,899,421    | 14,011,388    | 888,033                        |
| Other operating expenditures        | 4,069,228     | 2,958,348     | 1,110,880                      |
| Total                               | 18,968,649    | 16,969,736    | 1,998,913                      |
| <b>4D Child Support:</b>            |               |               |                                |
| Salaries and employee benefits      | 1,261,928     | 1,259,516     | 2,412                          |
| Other operating expenditures        | 638,881       | 279,693       | 359,188                        |
| Total                               | 1,900,809     | 1,539,209     | 361,600                        |
| <b>Income Maintenance Programs:</b> |               |               |                                |
| AFDC Fostercare                     | 467,082       | 120,618       | 346,464                        |
| Special assistance - adults         | 993,048       | 594,862       | 398,186                        |
| Medicaid - County participation     | 300,000       | 195,326       | 104,674                        |
| Total                               | 1,760,130     | 910,806       | 849,324                        |
| <b>Other Services:</b>              |               |               |                                |
| Other operating expenditures        | 2,493,651     | 2,172,697     | 320,954                        |
| <b>Eat More Move More:</b>          |               |               |                                |
| Salaries and employee benefits      | 55,999        | 55,853        | 146                            |
| Other operating expenditures        | 157,587       | 139,045       | 18,542                         |
| Total                               | 213,586       | 194,898       | 18,688                         |
| <b>Community Response Program:</b>  |               |               |                                |
| Salaries and employee benefits      | 68,356        | 68,072        | 284                            |
| Other operating expenditures        | 31,644        | 7,591         | 24,053                         |
| Total                               | 100,000       | 75,663        | 24,337                         |
| <b>Every Teen Counts:</b>           |               |               |                                |
| Other operating expenditures        | 30,031        | 13,428        | 16,603                         |

WILSON COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020

|   | Budget     | Actual     | Variance<br>Over/Under |
|---|------------|------------|------------------------|
| <b>Partner for Healthy Baby:</b>            |            |            |                        |
| Salaries and employee benefits              | 123,758    | 60,845     | 62,913                 |
| Other operating expenditures                | 17,717     | 16,004     | 1,713                  |
| Total                                       | 141,475    | 76,849     | 64,626                 |
| <b>Strengthening Families Grant:</b>        |            |            |                        |
| Other operating expenditures                | 46,334     | 33,799     | 12,535                 |
| <b>RAPP Grant:</b>                          |            |            |                        |
| Other operating expenditures                | 8,066      | 4,822      | 3,244                  |
| <b>Opioid Use Grant:</b>                    |            |            |                        |
| Other operating expenditures                | 50,000     | 46,330     | 3,670                  |
| <b>FNS Employment &amp; Training Grant:</b> |            |            |                        |
| Other operating expenditures                | 150,850    | 49,247     | 101,603                |
| Total social services                       | 25,863,581 | 22,087,484 | 3,776,097              |
| <b>Veterans Affairs:</b>                    |            |            |                        |
| Salaries and employee benefits              | 58,348     | 57,844     | 504                    |
| Other operating expenditures                | 1,698      | 1,663      | 35                     |
| Total                                       | 60,046     | 59,507     | 539                    |
| Total human services                        | 34,598,042 | 29,633,463 | 4,964,579              |
| <b>Cultural and Recreation:</b>             |            |            |                        |
| <b>Recreation:</b>                          |            |            |                        |
| Other operating expenditures                | 108,500    | 90,500     | 18,000                 |
| <b>Libraries:</b>                           |            |            |                        |
| Salaries and employee benefits              | 1,490,027  | 1,388,315  | 101,712                |
| Other operating expenditures                | 579,378    | 505,295    | 74,083                 |
| Capital outlay                              | 387,164    | 385,576    | 1,588                  |
| Total                                       | 2,456,569  | 2,279,186  | 177,383                |
| Total cultural and recreation               | 2,565,069  | 2,369,686  | 195,383                |
| <b>Education:</b>                           |            |            |                        |
| Public schools - current                    | 21,702,347 | 21,702,347 | -                      |
| Public schools - capital outlay             | 1,000,000  | 1,000,000  | -                      |
| Community colleges - current                | 2,445,366  | 2,445,366  | -                      |
| Community colleges - capital outlay         | 378,000    | 378,000    | -                      |
| Total education                             | 25,525,713 | 25,525,713 | -                      |

**WILSON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u>          | <u>Actual</u>         | <u>Variance<br/>Over/Under</u> |
|--|------------------------|-----------------------|--------------------------------|
| <b>Debt Service:</b>                       |                        |                       |                                |
| Principal retirement                       | 2,828,281              | 2,828,277             | 4                              |
| Interest and other charges                 | 299,387                | 299,389               | (2)                            |
| Total debt service                         | <u>3,127,668</u>       | <u>3,127,666</u>      | <u>2</u>                       |
| <br>Total expenditures                     | <br><u>100,722,637</u> | <br><u>92,551,509</u> | <br><u>8,171,128</u>           |
| <br>Revenues over (under) expenditures     | <br><u>(9,191,639)</u> | <br><u>6,910,576</u>  | <br><u>16,102,215</u>          |
| <br><b>Other Financing Sources (Uses):</b> |                        |                       |                                |
| Transfers to other funds:                  |                        |                       |                                |
| Revaluation Fund                           | (135,000)              | (135,000)             | -                              |
| Economic Development Grant Fund            | (1,063,077)            | (838,077)             | 225,000                        |
| Economic Development Fund                  | (1,593,725)            | (1,593,725)           | -                              |
| Capital Reserve Fund                       | (788,327)              | (788,327)             | -                              |
| School Capital Projects Fund               | (2,062,213)            | (2,062,213)           | -                              |
| Capital lease obligations issued           | 176,548                | 184,533               | 7,985                          |
| Sale of capital assets                     | 20,000                 | 37,131                | 17,131                         |
| Fund balance appropriated                  | <u>14,637,433</u>      | <u>-</u>              | <u>(14,637,433)</u>            |
| Total other financing sources (uses)       | <u>9,191,639</u>       | <u>(5,195,678)</u>    | <u>(14,387,317)</u>            |
| <br>Net change in fund balance             | <br><u>\$ -</u>        | <br><u>1,714,898</u>  | <br><u>\$ 1,714,898</u>        |
| <br><b>Fund Balance:</b>                   |                        |                       |                                |
| Beginning of year, July 1                  |                        | <u>47,709,629</u>     |                                |
| End of year, June 30                       |                        | <u>\$ 49,424,527</u>  |                                |

## WILSON COUNTY, NORTH CAROLINA

**LEGALLY BUDGETED TAX REVALUATION AND ECONOMIC DEVELOPMENT FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2020**

|  | <b>Revaluation<br/>Fund</b> | <b>Economic<br/>Development</b> | <b>Total<br/>Combined<br/>Funds</b> |
|--|-----------------------------|---------------------------------|-------------------------------------|
| <b>Revenues:</b>                       |                             |                                 |                                     |
| Investment earnings                    | \$ 1,678                    | \$ -                            | \$ 1,678                            |
| <b>Expenditures:</b>                   |                             |                                 |                                     |
| Current:                               |                             |                                 |                                     |
| Economic development:                  |                             |                                 |                                     |
| Economic incentives                    | -                           | 1,581,053                       | 1,581,053                           |
| Revenues over (under) expenditures     | 1,678                       | (1,581,053)                     | (1,579,375)                         |
| <b>Other Financing Sources (Uses):</b> |                             |                                 |                                     |
| Transfer in:                           |                             |                                 |                                     |
| General Fund                           | 135,000                     | 1,593,725                       | 1,728,725                           |
| Net change in fund balances            | 136,678                     | 12,672                          | 149,350                             |
| <b>Fund Balances:</b>                  |                             |                                 |                                     |
| Beginning of year, July 1              | 449,815                     | 231,918                         | 681,733                             |
| End of year, June 30                   | \$ 586,493                  | \$ 244,590                      | \$ 831,083                          |

## WILSON COUNTY, NORTH CAROLINA

## REVALUATION FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2020

|  | <u>Budget</u> | <u>Actual</u> | <u>Variance<br/>Over/Under</u> |
|--|---------------|---------------|--------------------------------|
| <b>Revenues:</b>                       |               |               |                                |
| Investment earnings                    | \$ -          | \$ 1,678      | \$ 1,678                       |
| <b>Expenditures:</b>                   |               |               |                                |
| Current:                               |               |               |                                |
| General government:                    |               |               |                                |
| Tax listing                            | 135,000       | -             | 135,000                        |
| Revenues over (under) expenditures     | (135,000)     | 1,678         | 136,678                        |
| <b>Other Financing Sources (Uses):</b> |               |               |                                |
| Transfer in:                           |               |               |                                |
| General Fund                           | 135,000       | 135,000       | -                              |
| Net change in fund balance             | \$ -          | 136,678       | \$ 136,678                     |
| <b>Fund Balance:</b>                   |               |               |                                |
| Beginning of year, July 1              |               | 449,815       |                                |
| End of year, June 30                   |               | \$ 586,493    |                                |

**WILSON COUNTY, NORTH CAROLINA**

**ECONOMIC DEVELOPMENT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u> | <u>Actual</u>     | <u>Variance<br/>Over/Under</u> |
|--|---------------|-------------------|--------------------------------|
| <b>Revenues:</b>                       |               |                   |                                |
| Restricted intergovernmental           | \$ 250,000    | \$ -              | \$ 250,000                     |
| <b>Expenditures:</b>                   |               |                   |                                |
| Current:                               |               |                   |                                |
| General government:                    |               |                   |                                |
| Economic incentives                    | 1,843,725     | 1,581,053         | 262,672                        |
| Revenues over (under) expenditures     | (1,593,725)   | (1,581,053)       | (12,672)                       |
| <b>Other Financing Sources (Uses):</b> |               |                   |                                |
| Transfer in:                           |               |                   |                                |
| General Fund                           | 1,593,725     | 1,593,725         | -                              |
| Net change in fund balance             | \$ -          | 12,672            | \$ 12,672                      |
| <b>Fund Balance:</b>                   |               |                   |                                |
| Beginning of year, July 1              |               | 231,918           |                                |
| End of year, June 30                   |               | <u>\$ 244,590</u> |                                |

**WILSON COUNTY, NORTH CAROLINA**

**MAJOR FUND - CORONAVIRUS RELIEF GRANT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2020**

|                            | <u>Budget</u> | <u>Actual</u> | <u>Variance<br/>Over/Under</u> |
|----------------------------|---------------|---------------|--------------------------------|
| <b>Revenues:</b>           |               |               |                                |
| Coronavirus Relief Fund    | \$ 1,580,929  | \$ 375,950    | \$ (1,204,979)                 |
| <b>Expenditures:</b>       |               |               |                                |
| Coronavirus Relief Fund    | 1,580,929     | 375,950       | 1,204,979                      |
| Net change in fund balance | <u>\$ -</u>   | -             | <u>\$ -</u>                    |
| <b>Fund Balance:</b>       |               |               |                                |
| Beginning of year, July 1  |               | -             |                                |
| End of year, June 30       |               | <u>\$ -</u>   |                                |

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## **Nonmajor Governmental Funds**

WILSON COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2020

|   | Fire<br>Districts<br>Fund | Emergency<br>Telephone<br>System<br>Fund | Transportation<br>Fund | Economic<br>Development<br>Grant<br>Fund | Total<br>Nonmajor<br>Special<br>Revenue<br>Funds |
|---|---------------------------|--|------------------------|--|--|
| <b>Assets:</b>  |                           |  |                        |  |  |
| Cash and cash equivalents   | \$ 604,952                | \$ 720,519                               | \$ -                   | \$ 1,915,084                             | \$ 3,240,555                                     |
| Restricted cash   | -                         | -  | -                      | -  | -  |
| Taxes receivable, net   | 47,237                    | -  | -                      | -  | 47,237   |
| Accounts receivable, net  | -                         | -  | 231,478                | -  | 231,478  |
| Due from other governments  | 19,983                    | 41,369                                   | -                      | -  | 61,352   |
| Total assets  | <u>\$ 672,172</u>         | <u>\$ 761,888</u>                        | <u>\$ 231,478</u>      | <u>\$ 1,915,084</u>                      | <u>\$ 3,580,622</u>                              |
| <b>Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances:</b> |                           |  |                        |  |  |
| <b>Liabilities:</b>   |                           |  |                        |  |  |
| Accounts payable and<br>accrued liabilities                               | \$ -                      | \$ 6,168                                 | \$ 32,788              | \$ -                                     | \$ 38,956  |
| Due to other funds  | -                         | -  | 54,620                 | -  | 54,620   |
| Due to other governments  | 624,217                   | -  | -                      | -  | 624,217  |
| Advances from grantors  | -                         | -  | 31,277                 | -  | 31,277   |
| Total liabilities   | <u>624,217</u>            | <u>6,168</u>                             | <u>118,685</u>         | <u>-</u>                                 | <u>749,070</u>                                   |
| <b>Deferred Inflows of Resources:</b>                                     |                           |  |                        |  |  |
| Taxes receivable  | <u>47,237</u>             | <u>-</u>                                 | <u>-</u>               | <u>-</u>                                 | <u>47,237</u>                                    |
| <b>Fund Balances:</b>   |                           |  |                        |  |  |
| Restricted:   |                           |  |                        |  |  |
| Stabilization by state statute  | 19,983                    | 41,369                                   | 231,478                | -  | 292,830  |
| Economic development projects   | -                         | -  | -                      | 1,915,084                                | 1,915,084  |
| School capital  | -                         | -  | -                      | -  | -  |
| Public safety   | -                         | 714,351                                  | -                      | -  | 714,351  |
| Assigned:   |                           |  |                        |  |  |
| Future capital  | -                         | -  | -                      | -  | -  |
| Unassigned  | <u>(19,265)</u>           | <u>-</u>                                 | <u>(118,685)</u>       | <u>-</u>                                 | <u>(137,950)</u>                                 |
| Total fund balances   | <u>718</u>                | <u>755,720</u>                           | <u>112,793</u>         | <u>1,915,084</u>                         | <u>2,784,315</u>                                 |
| Total liabilities, deferred inflows<br>of resources, and fund balances    | <u>\$ 672,172</u>         | <u>\$ 761,888</u>                        | <u>\$ 231,478</u>      | <u>\$ 1,915,084</u>                      | <u>\$ 3,580,622</u>                              |

WILSON COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2020

|   | Public<br>Buildings<br>Fund | School<br>Capital<br>Projects<br>Fund | Capital<br>Reserve<br>Fund | Total<br>Nonmajor<br>Capital<br>Projects<br>Funds | Total<br>Nonmajor<br>Governmental<br>Funds |
|---|-----------------------------|---------------------------------------|----------------------------|---|--|
| <b>Assets:</b>  |                             |                                       |                            |   |  |
| Cash and cash equivalents   | \$ 1,847,067                | \$ 1,832,431                          | \$ 150,000                 | \$ 3,829,498                                      | \$ 7,070,053                               |
| Restricted cash   | 14                          | -                                     | -                          | 14  | 14   |
| Taxes receivable, net   | -                           | -                                     | -                          | -   | 47,237                                     |
| Accounts receivable, net  | -                           | -                                     | -                          | -   | 231,478                                    |
| Due from other governments  | -                           | -                                     | -                          | -   | 61,352                                     |
| Total assets  | <u>\$ 1,847,081</u>         | <u>\$ 1,832,431</u>                   | <u>\$ 150,000</u>          | <u>\$ 3,829,512</u>                               | <u>\$ 7,410,134</u>                        |
| <b>Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances:</b> |                             |                                       |                            |   |  |
| <b>Liabilities:</b>   |                             |                                       |                            |   |  |
| Accounts payable and<br>accrued liabilities                               | \$ -                        | \$ -                                  | \$ -                       | \$ -  | \$ 38,956                                  |
| Due to other funds  | -                           | -                                     | -                          | -   | 54,620                                     |
| Due to other governments  | -                           | -                                     | -                          | -   | 624,217                                    |
| Advances from grantors  | 14                          | -                                     | -                          | 14  | 31,291                                     |
| Total liabilities   | <u>14</u>                   | <u>-</u>                              | <u>-</u>                   | <u>14</u>   | <u>749,084</u>                             |
| <b>Deferred Inflows of Resources:</b>                                     |                             |                                       |                            |   |  |
| Taxes receivable  | -                           | -                                     | -                          | -   | 47,237                                     |
| <b>Fund Balances:</b>   |                             |                                       |                            |   |  |
| Restricted:   |                             |                                       |                            |   |  |
| Stabilization by state statute  | -                           | -                                     | -                          | -   | 292,830                                    |
| Economic development projects   | -                           | -                                     | -                          | -   | 1,915,084                                  |
| School capital  | -                           | 1,832,431                             | -                          | 1,832,431   | 1,832,431                                  |
| Public safety   | -                           | -                                     | -                          | -   | 714,351                                    |
| Assigned:   |                             |                                       |                            |   |  |
| Future capital  | 1,847,067                   | -                                     | 150,000                    | 1,997,067   | 1,997,067                                  |
| Unassigned  | -                           | -                                     | -                          | -   | (137,950)                                  |
| Total fund balances   | <u>1,847,067</u>            | <u>1,832,431</u>                      | <u>150,000</u>             | <u>3,829,498</u>                                  | <u>6,613,813</u>                           |
| Total liabilities, deferred inflows<br>of resources, and fund balances    | <u>\$ 1,847,081</u>         | <u>\$ 1,832,431</u>                   | <u>\$ 150,000</u>          | <u>\$ 3,829,512</u>                               | <u>\$ 7,410,134</u>                        |

WILSON COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020

|  | Fire<br>District<br>Fund | Emergency<br>Telephone<br>System<br>Fund | Transportation<br>Fund | Economic<br>Development<br>Grant<br>Fund | Total<br>Nonmajor<br>Special<br>Revenue<br>Funds |
|--|--------------------------|--|------------------------|--|--|
| <b>Revenues:</b>                       |                          |  |                        |  |  |
| Ad valorem taxes                       | \$ 2,153,008             | \$ -                                     | \$ -                   | \$ -                                     | \$ 2,153,008                                     |
| Local option sales tax                 | 594,764                  | -  | -                      | -  | 594,764  |
| Restricted intergovernmental           | -                        | 496,434                                  | 419,884                | 500,000                                  | 1,416,318  |
| Sales and services                     | -                        | -  | 20,981                 | -  | 20,981   |
| Investment earnings                    | -                        | 8,755                                    | -                      | -  | 8,755  |
| Miscellaneous                          | -                        | -  | 82,946                 | -  | 82,946   |
| Total revenues                         | <u>2,747,772</u>         | <u>505,189</u>                           | <u>523,811</u>         | <u>500,000</u>                           | <u>4,276,772</u>                                 |
| <b>Expenditures:</b>                   |                          |  |                        |  |  |
| Public safety                          | 2,747,740                | 364,645                                  | -                      | -  | 3,112,385  |
| Transportation                         | -                        | -  | 531,986                | -  | 531,986  |
| Environmental protection               | -                        | -  | -                      | -  | -  |
| Economic and physical development      | -                        | -  | -                      | 500,000                                  | 500,000  |
| Education                              | -                        | -  | -                      | -  | -  |
| Total expenditures                     | <u>2,747,740</u>         | <u>364,645</u>                           | <u>531,986</u>         | <u>500,000</u>                           | <u>4,144,371</u>                                 |
| Revenues over (under) expenditures     | <u>32</u>                | <u>140,544</u>                           | <u>(8,175)</u>         | <u>-</u>                                 | <u>132,401</u>                                   |
| <b>Other Financing Sources (Uses):</b> |                          |  |                        |  |  |
| Transfers from other funds             | -                        | -  | -                      | 838,077                                  | 838,077  |
| Transfers (to) other funds             | -                        | -  | -                      | -  | -  |
| Total other financing sources (uses)   | <u>-</u>                 | <u>-</u>                                 | <u>-</u>               | <u>838,077</u>                           | <u>838,077</u>                                   |
| Net change in fund balances            | 32                       | 140,544                                  | (8,175)                | 838,077                                  | 970,478  |
| <b>Fund Balances:</b>                  |                          |  |                        |  |  |
| Beginning of year, July 1              | <u>686</u>               | <u>615,176</u>                           | <u>120,968</u>         | <u>1,077,007</u>                         | <u>1,813,837</u>                                 |
| End of year, June 30                   | <u>\$ 718</u>            | <u>\$ 755,720</u>                        | <u>\$ 112,793</u>      | <u>\$ 1,915,084</u>                      | <u>\$ 2,784,315</u>                              |

WILSON COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020

|  | Public<br>Buildings<br>Fund | School<br>Capital<br>Projects<br>Fund | Capital<br>Reserve<br>Fund | Total<br>Nonmajor<br>Capital<br>Projects<br>Funds | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|-----------------------------|---------------------------------------|----------------------------|---|--|
| <b>Revenues:</b>                       |                             |                                       |                            |   |  |
| Ad valorem taxes                       | \$ -                        | \$ -                                  | \$ -                       | \$ -  | \$ 2,153,008                               |
| Local option sales tax                 | -                           | -                                     | -                          | -   | 594,764                                    |
| Restricted intergovernmental           | 310,449                     | -                                     | -                          | 310,449   | 1,726,767                                  |
| Sales and services                     | -                           | -                                     | -                          | -   | 20,981                                     |
| Investment earnings                    | -                           | 12                                    | -                          | 12  | 8,767                                      |
| Miscellaneous                          | -                           | -                                     | -                          | -   | 82,946                                     |
| Total revenues                         | <u>310,449</u>              | <u>12</u>                             | <u>-</u>                   | <u>310,461</u>                                    | <u>4,587,233</u>                           |
| <b>Expenditures:</b>                   |                             |                                       |                            |   |  |
| Public safety                          | -                           | -                                     | -                          | -   | 3,112,385                                  |
| Transportation                         | -                           | -                                     | -                          | -   | 531,986                                    |
| Environmental protection               | 310,187                     | -                                     | -                          | 310,187   | 310,187                                    |
| Economic and physical development      | 81,735                      | -                                     | -                          | 81,735  | 581,735                                    |
| Education                              | -                           | 430,125                               | -                          | 430,125   | 430,125                                    |
| Total expenditures                     | <u>391,922</u>              | <u>430,125</u>                        | <u>-</u>                   | <u>822,047</u>                                    | <u>4,966,418</u>                           |
| Revenues over (under) expenditures     | <u>(81,473)</u>             | <u>(430,113)</u>                      | <u>-</u>                   | <u>(511,586)</u>                                  | <u>(379,185)</u>                           |
| <b>Other Financing Sources (Uses):</b> |                             |                                       |                            |   |  |
| Transfers from other funds             | 1,838,327                   | 2,062,213                             | 788,327                    | 4,688,867   | 5,526,944                                  |
| Transfers (to) other funds             | -                           | -                                     | (1,838,327)                | (1,838,327)                                       | (1,838,327)                                |
| Total other financing sources (uses)   | <u>1,838,327</u>            | <u>2,062,213</u>                      | <u>(1,050,000)</u>         | <u>2,850,540</u>                                  | <u>3,688,617</u>                           |
| Net change in fund balances            | 1,756,854                   | 1,632,100                             | (1,050,000)                | 2,338,954   | 3,309,432                                  |
| <b>Fund Balances:</b>                  |                             |                                       |                            |   |  |
| Beginning of year, July 1              | <u>90,213</u>               | <u>200,331</u>                        | <u>1,200,000</u>           | <u>1,490,544</u>                                  | <u>3,304,381</u>                           |
| End of year, June 30                   | <u>\$ 1,847,067</u>         | <u>\$ 1,832,431</u>                   | <u>\$ 150,000</u>          | <u>\$ 3,829,498</u>                               | <u>\$ 6,613,813</u>                        |

**WILSON COUNTY, NORTH CAROLINA**

**FIRE DISTRICT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2020**

|                            | <u>Budget</u> | <u>Actual</u> | <u>Variance<br/>Over/Under</u> |
|----------------------------|---------------|---------------|--------------------------------|
| <b>Revenues:</b>           |               |               |                                |
| Ad valorem taxes:          |               |               |                                |
| Current year               | \$ 2,028,695  | \$ 2,119,921  | \$ 91,226                      |
| Prior year                 | 31,275        | 33,087        | 1,812                          |
| Total ad valorem taxes     | 2,059,970     | 2,153,008     | 93,038                         |
| Other taxes                | 697,606       | 594,764       | (102,842)                      |
| Total revenues             | 2,757,576     | 2,747,772     | (9,804)                        |
| <b>Expenditures:</b>       |               |               |                                |
| Public safety              | 2,757,576     | 2,747,740     | 9,836                          |
| Net change in fund balance | <u>\$ -</u>   | 32            | <u>\$ 32</u>                   |
| <b>Fund Balance:</b>       |               |               |                                |
| Beginning of year, July 1  |               | 686           |                                |
| End of year, June 30       |               | <u>\$ 718</u> |                                |

**WILSON COUNTY, NORTH CAROLINA**

**EMERGENCY TELEPHONE SYSTEM FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2020**

|                               | <u>Budget</u>  | <u>Actual</u>     | <u>Variance<br/>Over/Under</u> |
|-------------------------------|----------------|-------------------|--------------------------------|
| <b>Revenues:</b>              |                |                   |                                |
| Restricted intergovernmental: |                |                   |                                |
| NC 911 Board                  | \$ 496,477     | \$ 496,434        | \$ (43)                        |
| Investment earnings           | 2,000          | 8,755             | 6,755                          |
| Total revenues                | <u>498,477</u> | <u>505,189</u>    | <u>6,712</u>                   |
| <b>Expenditures:</b>          |                |                   |                                |
| Implemental functions         | 50,000         | 32,444            | 17,556                         |
| Telephone                     | 164,213        | 94,402            | 69,811                         |
| Software maintenance          | 202,562        | 192,501           | 10,061                         |
| Hardware maintenance          | 46,702         | 36,132            | 10,570                         |
| Training                      | <u>35,000</u>  | <u>9,166</u>      | <u>25,834</u>                  |
| Total expenditures            | <u>498,477</u> | <u>364,645</u>    | <u>133,832</u>                 |
| Net change in fund balance    | <u>\$ -</u>    | 140,544           | <u>\$ 140,544</u>              |
| <b>Fund Balance:</b>          |                |                   |                                |
| Beginning of year, July 1     |                | <u>615,176</u>    |                                |
| End of year, June 30          |                | <u>\$ 755,720</u> |                                |

**WILSON COUNTY, NORTH CAROLINA****TRANSPORTATION FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES****IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u>  | <u>Actual</u>     | <u>Variance<br/>Over/Under</u> |
|--|----------------|-------------------|--------------------------------|
| <b>Revenues:</b>                       |                |                   |                                |
| Restricted intergovernmental:          |                |                   |                                |
| Rural Operating Grant                  | \$ 248,524     | \$ 226,745        | \$ (21,779)                    |
| Capital Grant                          | 128,500        | 100,116           | (28,384)                       |
| Public Transportation Grant            | 149,745        | 93,023            | (56,722)                       |
| Sales and services                     | 27,000         | 20,981            | (6,019)                        |
| Miscellaneous                          | <u>113,000</u> | <u>82,946</u>     | <u>(30,054)</u>                |
| Total revenues                         | <u>666,769</u> | <u>523,811</u>    | <u>(142,958)</u>               |
| <b>Expenditures:</b>                   |                |                   |                                |
| Salaries and employee benefits         | 109,607        | 105,771           | 3,836                          |
| Operating expenses                     | 457,958        | 314,975           | 142,983                        |
| Capital outlay                         | <u>128,500</u> | <u>111,240</u>    | <u>17,260</u>                  |
| Total expenditures                     | <u>696,065</u> | <u>531,986</u>    | <u>164,079</u>                 |
| Revenues over (under) expenditures     | (29,296)       | (8,175)           | 21,121                         |
| <b>Other Financing Sources (Uses):</b> |                |                   |                                |
| Fund balance appropriated              | <u>29,296</u>  | <u>-</u>          | <u>(29,296)</u>                |
| Net change in fund balance             | <u>\$ -</u>    | <u>(8,175)</u>    | <u>\$ (8,175)</u>              |
| <b>Fund Balance:</b>                   |                |                   |                                |
| Beginning of year, July 1              |                | <u>120,968</u>    |                                |
| End of year, June 30                   |                | <u>\$ 112,793</u> |                                |



**WILSON COUNTY, NORTH CAROLINA**

**ECONOMIC DEVELOPMENT GRANT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2020**

|   | <u>Budget</u>    | <u>Actual</u>       | <u>Variance<br/>Over/Under</u> |
|---|------------------|---------------------|--------------------------------|
| <b>Revenues:</b>  |                  |                     |                                |
| Rural Economic Development  |                  |                     |                                |
| Reuse and Restoration Grant   | \$ 500,000       | \$ 500,000          | \$ -                           |
| Repayment of loans  | 1,076,923        | 1,076,923           | -                              |
| Total revenues  | <u>1,576,923</u> | <u>1,576,923</u>    | <u>-</u>                       |
| <b>Expenditures:</b>  |                  |                     |                                |
| Operating expenditures  | <u>2,415,000</u> | <u>500,000</u>      | <u>1,915,000</u>               |
| Revenues over (under) expenditures  | (838,077)        | 1,076,923           | 1,915,000                      |
| <b>Other Financing Sources (Uses):</b>                                    |                  |                     |                                |
| Transfers in  | <u>838,077</u>   | <u>838,077</u>      | <u>-</u>                       |
| Net change in fund balance  | <u>\$ -</u>      | 1,915,000           | <u>\$ 1,915,000</u>            |
| <b>Reconciliation of Budgetary Basis with<br/>Modified Accrual Basis:</b> |                  |                     |                                |
| Payment received on notes receivable                                      |                  | <u>(1,076,923)</u>  |                                |
| Net change in fund balance, modified accrual basis                        |                  | 838,077             |                                |
| <b>Fund Balance:</b>  |                  |                     |                                |
| Beginning of year, July 1   |                  | <u>1,077,007</u>    |                                |
| End of year, June 30  |                  | <u>\$ 1,915,084</u> |                                |

**WILSON COUNTY, NORTH CAROLINA****PUBLIC BUILDINGS FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES****IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u>    | <u>Actual</u>       | <u>Variance<br/>Over/Under</u> |
|--|------------------|---------------------|--------------------------------|
| <b>Revenues:</b>                                   |                  |                     |                                |
| Restricted intergovernmental                       | \$ 442,272       | \$ 310,449          | \$ (131,823)                   |
| <b>Expenditures:</b>                               |                  |                     |                                |
| Capital outlay improvement - Animal Shelter        | 1,274,550        | 59,896              | 1,214,654                      |
| Capital outlay improvement - EMS substation        | 563,777          | 21,839              | 541,938                        |
| Capital outlay improvement - Stream Debris Removal | 442,272          | 310,187             | 132,085                        |
| Total expenditures                                 | <u>2,280,599</u> | <u>391,922</u>      | <u>1,888,677</u>               |
| Revenues over (under) expenditures                 | (1,838,327)      | (81,473)            | 1,756,854                      |
| <b>Other Financing Sources (Uses):</b>             |                  |                     |                                |
| Transfers in (out)                                 | <u>1,838,327</u> | <u>1,838,327</u>    | <u>-</u>                       |
| Net change in fund balance                         | <u>\$ -</u>      | 1,756,854           | <u>\$ 1,756,854</u>            |
| <b>Fund Balance:</b>                               |                  |                     |                                |
| Beginning of year, July 1                          |                  | <u>90,213</u>       |                                |
| End of year, June 30                               |                  | <u>\$ 1,847,067</u> |                                |

**WILSON COUNTY, NORTH CAROLINA**

**SCHOOL CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u>      | <u>Actual</u>       | <u>Variance<br/>Over/Under</u> |
|--|--------------------|---------------------|--------------------------------|
| <b>Revenues:</b>                       |                    |                     |                                |
| Investment earnings                    | \$ -               | \$ 12               | \$ 12                          |
| <b>Expenditures:</b>                   |                    |                     |                                |
| Capital outlay                         | <u>2,262,290</u>   | <u>430,125</u>      | <u>1,832,165</u>               |
| Revenues over (under) expenditures     | <u>(2,262,290)</u> | <u>(430,113)</u>    | <u>1,832,177</u>               |
| <b>Other Financing Sources (Uses):</b> |                    |                     |                                |
| Fund balance appropriated              | 200,077            | -                   | (200,077)                      |
| Transfer in                            | <u>2,062,213</u>   | <u>2,062,213</u>    | <u>-</u>                       |
| Total other financing sources (uses)   | <u>2,262,290</u>   | <u>2,062,213</u>    | <u>(200,077)</u>               |
| Net change in fund balance             | <u>\$ -</u>        | 1,632,100           | <u>\$ 1,632,100</u>            |
| <b>Fund Balance:</b>                   |                    |                     |                                |
| Beginning of year, July 1              |                    | <u>200,331</u>      |                                |
| End of year, June 30                   |                    | <u>\$ 1,832,431</u> |                                |

**WILSON COUNTY, NORTH CAROLINA****CAPITAL RESERVE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES****IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u>   | <u>Actual</u>                | <u>Variance<br/>Over/Under</u> |
|--|-----------------|------------------------------|--------------------------------|
| <b>Other Financing Sources (Uses):</b> |                 |                              |                                |
| Fund balance appropriated              | \$ 1,050,000    | \$ -                         | \$ (1,050,000)                 |
| Transfers out                          | (1,838,327)     | (1,838,327)                  | -                              |
| Transfers in                           | <u>788,327</u>  | <u>788,327</u>               | <u>-</u>                       |
| Total other financing sources (uses)   | <u>-</u>        | <u>(1,050,000)</u>           | <u>(1,050,000)</u>             |
| <br>Net change in fund balance         | <br><u>\$ -</u> | <br>(1,050,000)              | <br><u>\$ (1,050,000)</u>      |
| <br><b>Fund Balance:</b>               |                 |                              |                                |
| Beginning of year, July 1              |                 | <u>1,200,000</u>             |                                |
| <br>End of year, June 30               |                 | <br><u><u>\$ 150,000</u></u> |                                |

## **Major Enterprise Funds**

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## WILSON COUNTY, NORTH CAROLINA

**SOLID WASTE FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u> | <u>Actual</u> | <u>Variance<br/>Over/Under</u> |
|--|---------------|---------------|--------------------------------|
| <b>Revenues:</b>   |               |               |                                |
| Operating revenues:  |               |               |                                |
| Charges for services   | \$ 3,038,500  | \$ 3,458,796  | \$ 420,296                     |
| Non-operating revenues:  |               |               |                                |
| Investment earnings  | 68,000        | 55,132        | (12,868)                       |
| Total revenues   | 3,106,500     | 3,513,928     | 407,428                        |
| <b>Expenditures:</b>   |               |               |                                |
| Salaries and benefits  | 1,471,600     | 1,241,867     | 229,733                        |
| Operating expenses   | 1,828,395     | 1,335,684     | 492,711                        |
| Total expenditures   | 3,299,995     | 2,577,551     | 722,444                        |
| Revenues over (under) expenditures   | (193,495)     | 936,377       | (315,016)                      |
| <b>Other Financing Sources (Uses):</b>   |               |               |                                |
| Transfers in (out)   | (1,079,400)   | -             | 1,079,400                      |
| Fund balance appropriated  | 1,272,895     | -             | (1,272,895)                    |
| Total other financing sources (uses)   | 193,495       | -             | (193,495)                      |
| Revenues and other financing sources over<br>(under) expenditures and other financing uses | \$ -          | 936,377       | \$ 936,377                     |
| <b>Reconciliation from Budgetary Basis<br/>(Modified Accrual) to Full Accrual:</b>         |               |               |                                |
| Reconciling items:   |               |               |                                |
| Depreciation   |               | (227,202)     |                                |
| Book value of asset disposals  |               | (7,830)       |                                |
| Change in deferred outflows of resources - pension   |               | (43,768)      |                                |
| Change in deferred inflows of resources - pension  |               | (2,668)       |                                |
| Change in net pension liability  |               | (37,326)      |                                |
| Change in accrued landfill closure and costs   |               | (353,736)     |                                |
| Change in OPEB liability   |               | (181,858)     |                                |
| Change in deferred outflows of resources - OPEB  |               | 96,244        |                                |
| Change in deferred inflows of resources - OPEB   |               | 49,184        |                                |
| Change in accrued compensated absences   |               | 4,922         |                                |
| Total reconciling items  |               | (704,038)     |                                |
| Change in net position   |               | \$ 232,339    |                                |

## WILSON COUNTY, NORTH CAROLINA

**SOLID WASTE CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020**

|  |                                  | <u>Actual</u>          |                         |                          |                                |
|--|----------------------------------|------------------------|-------------------------|--------------------------|--------------------------------|
|  | <u>Project<br/>Authorization</u> | <u>Prior<br/>Years</u> | <u>Current<br/>Year</u> | <u>Total to<br/>Date</u> | <u>Variance<br/>Over/Under</u> |
| <b>Expenditures:</b>   |                                  |                        |                         |                          |                                |
| Construction   | \$ 1,079,400                     | \$ 256,238             | \$ 236,755              | \$ 492,993               | \$ 586,407                     |
| Convenience centers improvements   | <u>268,389</u>                   | <u>-</u>               | <u>202,793</u>          | <u>202,793</u>           | <u>65,596</u>                  |
| Total expenditures   | <u>1,347,789</u>                 | <u>256,238</u>         | <u>439,548</u>          | <u>695,786</u>           | <u>652,003</u>                 |
| Revenues over (under) expenditures   | <u>(1,347,789)</u>               | <u>(256,238)</u>       | <u>(439,548)</u>        | <u>(695,786)</u>         | <u>(652,003)</u>               |
| <b>Other Financing Sources (Uses):</b>   |                                  |                        |                         |                          |                                |
| Transfers in (out)   | 1,189,965                        | 368,000                | -                       | 368,000                  | (821,965)                      |
| Fund balance appropriated  | <u>157,824</u>                   | <u>-</u>               | <u>-</u>                | <u>-</u>                 | <u>(157,824)</u>               |
| Total other financing sources (uses)   | <u>1,347,789</u>                 | <u>368,000</u>         | <u>-</u>                | <u>368,000</u>           | <u>(979,789)</u>               |
| Revenues and other financing sources over<br>(under) expenditures and other financing uses | <u>\$ -</u>                      | <u>\$ 111,762</u>      | <u>\$ (439,548)</u>     | <u>\$ (327,786)</u>      | <u>\$ (327,786)</u>            |



## WILSON COUNTY, NORTH CAROLINA

**SOUTHEAST WATER DISTRICT  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u>    | <u>Actual</u>     | <u>Variance<br/>Over/Under</u> |
|--|------------------|-------------------|--------------------------------|
| <b>Revenues:</b>   |                  |                   |                                |
| Operating revenues:  |                  |                   |                                |
| Charges for services   | \$ 992,500       | \$ 1,021,380      | \$ 28,880                      |
| Non-operating revenues:  |                  |                   |                                |
| Restricted intergovernmental   | 60,000           | 19,302            | (40,698)                       |
| Total revenues   | <u>1,052,500</u> | <u>1,040,682</u>  | <u>(11,818)</u>                |
| <b>Expenditures:</b>   |                  |                   |                                |
| Operating expenditures:  |                  |                   |                                |
| Salaries and benefits  | 181,497          | 173,968           | 7,529                          |
| Operating expenses   | 448,850          | 122,924           | 325,926                        |
| Water purchases  | 253,000          | 252,574           | 426                            |
| Capital outlay   | 78,900           | 19,449            | 59,451                         |
| Total operating expenditures   | <u>962,247</u>   | <u>568,915</u>    | <u>393,332</u>                 |
| Debt service:  |                  |                   |                                |
| Interest   | 105,212          | 105,212           | -                              |
| Principal  | 104,075          | 104,075           | -                              |
| Total debt service   | <u>209,287</u>   | <u>209,287</u>    | <u>-</u>                       |
| Total expenditures   | <u>1,171,534</u> | <u>778,202</u>    | <u>393,332</u>                 |
| Revenues over (under) expenditures   | (119,034)        | 262,480           | 381,514                        |
| <b>Other Financing Sources (Uses):</b>   |                  |                   |                                |
| Fund balance appropriated  | <u>119,034</u>   | <u>-</u>          | <u>(119,034)</u>               |
| Revenues and other financing sources over<br>(under) expenditures and other financing uses | <u>\$ -</u>      | <u>262,480</u>    | <u>\$ 262,480</u>              |
| <b>Reconciliation from Budgetary Basis<br/>(Modified Accrual) to Full Accrual:</b>         |                  |                   |                                |
| Reconciling items:   |                  |                   |                                |
| Capital outlay items capitalized   |                  | 17,079            |                                |
| Depreciation   |                  | (273,893)         |                                |
| Principal paid on long-term debt   |                  | 104,075           |                                |
| Amortization of bond premium   |                  | 4,862             |                                |
| Change in deferred outflows of resources - pension   |                  | (5,544)           |                                |
| Change in deferred inflows of resources - pension  |                  | (338)             |                                |
| Change in net pension liability  |                  | (4,728)           |                                |
| Change in accrued interest   |                  | 336               |                                |
| Change in OPEB liability   |                  | (22,982)          |                                |
| Change in deferred outflows of resources - OPEB  |                  | 12,102            |                                |
| Change in deferred inflows of resources - OPEB   |                  | 6,216             |                                |
| Change in accrued compensated absences   |                  | 1,615             |                                |
| Total reconciling items  |                  | <u>(161,200)</u>  |                                |
| Change in net position   |                  | <u>\$ 101,280</u> |                                |

## WILSON COUNTY, NORTH CAROLINA

**SOUTHWEST WATER DISTRICT**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u>    | <u>Actual</u>     | <u>Variance<br/>Over/Under</u> |
|--|------------------|-------------------|--------------------------------|
| <b>Revenues:</b>   |                  |                   |                                |
| Operating revenues:  |                  |                   |                                |
| Charges for services   | \$ 1,470,000     | \$ 1,372,350      | \$ (97,650)                    |
| Non-operating revenues:  |                  |                   |                                |
| Restricted intergovernmental   | 55,000           | 17,414            | (37,586)                       |
| Total revenues   | <u>1,525,000</u> | <u>1,389,764</u>  | <u>(135,236)</u>               |
| <b>Expenditures:</b>   |                  |                   |                                |
| Operating expenditures:  |                  |                   |                                |
| Salaries and benefits  | 160,491          | 155,843           | 4,648                          |
| Operating expenses   | 559,911          | 155,541           | 404,370                        |
| Water purchases  | 321,700          | 311,594           | 10,106                         |
| Capital outlay   | 363,500          | 218,267           | 145,233                        |
| Total operating expenditures   | <u>1,405,602</u> | <u>841,245</u>    | <u>564,357</u>                 |
| Debt service:  |                  |                   |                                |
| Interest   | 189,812          | 189,832           | (20)                           |
| Principal  | 178,836          | 178,836           | -                              |
| Total debt service   | <u>368,648</u>   | <u>368,668</u>    | <u>(20)</u>                    |
| Total expenditures   | <u>1,774,250</u> | <u>1,209,913</u>  | <u>564,337</u>                 |
| Revenues over (under) expenditures   | (249,250)        | 179,851           | 429,101                        |
| <b>Other Financing Sources (Uses):</b>   |                  |                   |                                |
| Fund balance appropriated  | 249,250          | -                 | (249,250)                      |
| Revenues and other financing sources over<br>(under) expenditures and other financing uses | <u>\$ -</u>      | <u>179,851</u>    | <u>\$ 179,851</u>              |
| <b>Reconciliation from Budgetary Basis<br/>(Modified Accrual) to Full Accrual:</b>         |                  |                   |                                |
| Reconciling items:   |                  |                   |                                |
| Capital outlay items capitalized   |                  | 17,079            |                                |
| Depreciation   |                  | (378,741)         |                                |
| Principal paid on long-term debt   |                  | 178,836           |                                |
| Amortization of bond premium   |                  | 8,929             |                                |
| Change in deferred outflows of resources - pension   |                  | (4,814)           |                                |
| Change in deferred inflows of resources - pension  |                  | (294)             |                                |
| Change in net pension liability  |                  | (4,106)           |                                |
| Change in accrued interest   |                  | 574               |                                |
| Change in OPEB liability   |                  | (19,849)          |                                |
| Change in deferred outflows of resources - OPEB  |                  | 10,453            |                                |
| Change in deferred inflows of resources - OPEB   |                  | 5,368             |                                |
| Change in accrued compensated absences   |                  | 1,615             |                                |
| Total reconciling items  |                  | <u>(184,950)</u>  |                                |
| Change in net position   |                  | <u>\$ (5,099)</u> |                                |

**WILSON COUNTY, NORTH CAROLINA****WATER FUND****SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2020**

|                                    | <u>Budget</u> | <u>Actual</u> | <u>Variance<br/>Over/Under</u> |
|------------------------------------|---------------|---------------|--------------------------------|
| <b>Revenues:</b>                   |               |               |                                |
| Non-operating revenues:            |               |               |                                |
| District revenue                   | \$ 513,913    | \$ 513,913    | \$ -                           |
| <b>Expenditures:</b>               |               |               |                                |
| Debt service:                      |               |               |                                |
| Principal retirement               | 230,000       | 230,000       | -                              |
| Interest                           | 283,913       | 283,913       | -                              |
| Total expenditures                 | 513,913       | 513,913       | -                              |
| Revenues over (under) expenditures | \$ -          | \$ -          | \$ -                           |

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## **Internal Service Fund**

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**WILSON COUNTY, NORTH CAROLINA**
**HOSPITAL - SELF INSURANCE**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**FINANCIAL PLAN AND ACTUAL (NON-GAAP)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

|  | <b><u>Financial<br/>Plan</u></b> | <b><u>Actual</u></b>  | <b><u>Variance<br/>Over/Under</u></b> |
|--|----------------------------------|-----------------------|---------------------------------------|
| <b>Revenues:</b>   |                                  |                       |                                       |
| Operating revenues:  |                                  |                       |                                       |
| Insurance premiums   | \$ 7,149,970                     | \$ 6,765,497          | \$ (384,473)                          |
| <b>Expenditures:</b>   |                                  |                       |                                       |
| Operating expenditures:  |                                  |                       |                                       |
| Insurance claims and expenses  | <u>7,555,636</u>                 | <u>8,183,897</u>      | <u>(628,261)</u>                      |
| Revenues over (under) expenditures   | (405,666)                        | (1,418,400)           | (1,012,734)                           |
| <b>Other Financing Sources (Uses):</b>   |                                  |                       |                                       |
| Fund balance appropriated  | <u>405,666</u>                   | <u>-</u>              | <u>(405,666)</u>                      |
| Revenues and other financing sources over<br>(under) expenditures and other financing uses | <u>\$ -</u>                      | <u>\$ (1,418,400)</u> | <u>\$ (1,418,400)</u>                 |

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## **Agency Funds**

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**WILSON COUNTY, NORTH CAROLINA****AGENCY FUNDS****COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES****FOR THE YEAR ENDED JUNE 30, 2020**

|   | <b>Balance<br/>July 1, 2019</b> | <b>Additions</b> | <b>Deductions</b> | <b>Balance<br/>June 30, 2020</b> |
|---|---------------------------------|------------------|-------------------|----------------------------------|
| <b>Fines and Forfeitures Fund:</b>                  |                                 |                  |                   |                                  |
| <b>Assets:</b>                                      |                                 |                  |                   |                                  |
| Cash and cash equivalents                           | \$ -                            | \$ 289,016       | \$ 289,016        | \$ -                             |
| <b>Liabilities:</b>                                 |                                 |                  |                   |                                  |
| Intergovernmental payable                           | \$ -                            | \$ 289,016       | \$ 289,016        | \$ -                             |
| <b>Deed of Trust Fee Fund:</b>                      |                                 |                  |                   |                                  |
| <b>Assets:</b>                                      |                                 |                  |                   |                                  |
| Cash and cash equivalents                           | \$ 14,835                       | \$ 42,512        | \$ 42,385         | \$ 14,962                        |
| <b>Liabilities:</b>                                 |                                 |                  |                   |                                  |
| Intergovernmental payable                           | \$ 14,835                       | \$ 42,512        | \$ 42,385         | \$ 14,962                        |
| <b>Social Services Trust Fund:</b>                  |                                 |                  |                   |                                  |
| <b>Assets:</b>                                      |                                 |                  |                   |                                  |
| Cash and cash equivalents                           | \$ 14,505                       | \$ 70,814        | \$ 69,162         | \$ 16,157                        |
| <b>Liabilities:</b>                                 |                                 |                  |                   |                                  |
| Miscellaneous liabilities                           | \$ 14,505                       | \$ 70,814        | \$ 69,162         | \$ 16,157                        |
| <b>Jail Inmate Fund:</b>                            |                                 |                  |                   |                                  |
| <b>Assets:</b>                                      |                                 |                  |                   |                                  |
| Cash and cash equivalents                           | \$ 39,944                       | \$ 493,728       | \$ 490,454        | \$ 43,218                        |
| <b>Liabilities:</b>                                 |                                 |                  |                   |                                  |
| Miscellaneous liabilities                           | \$ 39,944                       | \$ 493,728       | \$ 490,454        | \$ 43,218                        |
| <b>Sheriff Account Fund:</b>                        |                                 |                  |                   |                                  |
| <b>Assets:</b>                                      |                                 |                  |                   |                                  |
| Cash and cash equivalents                           | \$ 5,369                        | \$ 173,020       | \$ 175,615        | \$ 2,774                         |
| <b>Liabilities:</b>                                 |                                 |                  |                   |                                  |
| Miscellaneous liabilities                           | \$ 5,369                        | \$ 173,020       | \$ 175,615        | \$ 2,774                         |
| <b>Tax Collections Held for<br/>Municipalities:</b> |                                 |                  |                   |                                  |
| <b>Assets:</b>                                      |                                 |                  |                   |                                  |
| Cash and cash equivalents                           | \$ 23,987                       | \$ 27,346,859    | \$ 27,348,154     | \$ 22,692                        |
| Accounts receivable                                 | 36,299                          | 28,402           | 36,299            | 28,402                           |
| Total assets  | \$ 60,286                       | \$ 27,375,261    | \$ 27,384,453     | \$ 51,094                        |
| <b>Liabilities:</b>                                 |                                 |                  |                   |                                  |
| Intergovernmental payable                           | \$ 60,286                       | \$ 27,375,261    | \$ 27,384,453     | \$ 51,094                        |

**WILSON COUNTY, NORTH CAROLINA****AGENCY FUNDS****COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES****FOR THE YEAR ENDED JUNE 30, 2020**

|                                  | <b>Balance<br/>July 1, 2019</b> | <b>Additions</b>     | <b>Deductions</b>    | <b>Balance<br/>June 30, 2020</b> |
|----------------------------------|---------------------------------|----------------------|----------------------|----------------------------------|
| <b>Total - All Agency Funds:</b> |                                 |                      |                      |                                  |
| <b>Assets:</b>                   |                                 |                      |                      |                                  |
| Cash and cash equivalents        | \$ 98,640                       | \$ 28,415,949        | \$ 28,414,786        | \$ 99,803                        |
| Accounts receivable              | 36,299                          | 28,402               | 36,299               | 28,402                           |
| Total assets                     | <u>\$ 134,939</u>               | <u>\$ 28,444,351</u> | <u>\$ 28,451,085</u> | <u>\$ 128,205</u>                |
| <b>Liabilities:</b>              |                                 |                      |                      |                                  |
| Miscellaneous liabilities        | \$ 59,818                       | \$ 737,562           | \$ 735,231           | \$ 62,149                        |
| Intergovernmental payable        | 75,121                          | 27,706,789           | 27,715,854           | 66,056                           |
| Total liabilities                | <u>\$ 134,939</u>               | <u>\$ 28,444,351</u> | <u>\$ 28,451,085</u> | <u>\$ 128,205</u>                |

## **ADDITIONAL FINANCIAL DATA**

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This section includes additional information on property taxes.

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Schedule of Ad Valorem Taxes Receivable

Analysis of Current Tax Levy – General Fund

Analysis of Current Tax Levy – Fire Districts

Secondary Market Disclosures

Ten Largest Taxpayers

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**WILSON COUNTY, NORTH CAROLINA****GENERAL FUND****SCHEDULE OF AD VALOREM TAXES RECEIVABLE****JUNE 30, 2020**

| <b>Fiscal Year</b>                          | <b>Uncollected<br/>Balance<br/>June 30, 2019</b> | <b>Additions</b>     | <b>Collections<br/>And Credits</b> | <b>Uncollected<br/>Balance<br/>June 30, 2020</b> |
|---|--|----------------------|------------------------------------|--|
| 2019-2020                                   | \$ -   | \$ 55,546,557        | \$ 54,725,151                      | \$ 821,406                                       |
| 2018-2019                                   | 879,835  | -                    | 525,134                            | 354,701  |
| 2017-2018                                   | 376,084  | -                    | 115,854                            | 260,230  |
| 2016-2017                                   | 226,624  | -                    | 39,212                             | 187,412  |
| 2015-2016                                   | 192,602  | -                    | 20,485                             | 172,117  |
| 2014-2015                                   | 159,174  | -                    | 8,142                              | 151,032  |
| 2013-2014                                   | 160,342  | -                    | 7,187                              | 153,155  |
| 2012-2013                                   | 162,100  | -                    | 4,484                              | 157,616  |
| 2011-2012                                   | 163,929  | -                    | 2,236                              | 161,693  |
| 2010-2011                                   | 94,846   | -                    | 2,052                              | 92,794   |
| 2009-2010                                   | 88,668   | -                    | 88,668                             | -  |
| <b>Total</b>                                | <b>\$ 2,504,204</b>                              | <b>\$ 55,546,557</b> | <b>\$ 55,538,605</b>               | <b>2,512,156</b>                                 |
| Less: Allowance for uncollectible accounts: |  |                      |                                    |  |
| General Fund                                |  |                      |                                    | (954,412)  |
| Ad valorem taxes receivable, net:           |  |                      |                                    |  |
| General Fund                                |  |                      |                                    | \$ 1,557,744                                     |
| <b>Reconcilement with Revenues:</b>         |  |                      |                                    |  |
| Ad valorem taxes - General Fund             |  |                      |                                    | \$ 55,185,869                                    |
| Reconciling items:                          |  |                      |                                    |  |
| Interest collected                          |  |                      |                                    | (517,388)  |
| PPC tax value appealed                      |  |                      |                                    | 188,822  |
| Taxes written off                           |  |                      |                                    | 88,668   |
| Miscellaneous                               |  |                      |                                    | 592,634  |
| Total reconciling items                     |  |                      |                                    | 352,736  |
| Total collections and credits               |  |                      |                                    |  |
|   |  |                      |                                    | \$ 55,538,605                                    |

## WILSON COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY  
FOR THE YEAR ENDED JUNE 30, 2020

|   | County-Wide                    |         |                             | Total Levy   |                                 |
|---|--------------------------------|---------|-----------------------------|--|---------------------------------|
|   | Property<br>Valuation          | Rate    | Amount<br>of Levy           | Property<br>Excluding<br>Registered<br>Motor<br>Vehicles | Registered<br>Motor<br>Vehicles |
| <b>Original Levy:</b>                     |                                |         |                             |  |                                 |
| Property taxed at current year's rate     | <u>\$ 6,968,077,651</u>        | \$ 0.73 | <u>\$ 50,933,860</u>        | <u>\$ 45,252,360</u>                                     | <u>\$ 5,681,500</u>             |
| <b>Discoveries</b>                        | <u>574,879,735</u>             | 0.73    | <u>5,353,755</u>            | <u>5,353,755</u>   | <u>-</u>                        |
| <b>Abatements:</b>                        |                                |         |                             |  |                                 |
| At current year's rate                    | (53,022,280)                   | 0.73    | (415,899)                   | (415,899)  | -                               |
| At prior year's rate                      | <u>(30,620,249)</u>            | 0.73    | <u>(325,159)</u>            | <u>(325,159)</u>   | <u>-</u>                        |
| Total abatements                          | <u>(83,642,529)</u>            |         | <u>(741,058)</u>            | <u>(741,058)</u>   | <u>-</u>                        |
| Total property valuation                  | <u><u>\$ 7,459,314,857</u></u> |         |                             |  |                                 |
| <b>Net Levy</b>                           |                                |         | 55,546,557                  | 49,865,057   | 5,681,500                       |
| Uncollected taxes at June 30, 2020        |                                |         | <u>(821,406)</u>            | <u>(821,406)</u>   | <u>-</u>                        |
| <b>Current Year's Taxes Collected</b>     |                                |         | <u><u>\$ 54,725,151</u></u> | <u><u>\$ 49,043,651</u></u>                              | <u><u>\$ 5,681,500</u></u>      |
| <b>Current Levy Collection Percentage</b> |                                |         | <u><u>98.52%</u></u>        | <u><u>98.35%</u></u>                                     | <u><u>100.00%</u></u>           |



**WILSON COUNTY, NORTH CAROLINA****ANALYSIS OF CURRENT TAX LEVY - FIRE DISTRICTS  
FOR THE YEAR ENDED JUNE 30, 2020**

|   | <b>Original<br/>Levy</b> | <b>Uncollected<br/>Balance<br/>June 30, 2020</b> |
|---|--------------------------|--|
| Bakertown                                   | \$ 43,616                | \$ 3,232   |
| Beulah                                      | 57,840                   | 2,760  |
| Cross Roads                                 | 151,517                  | 7,421  |
| East Nash                                   | 249,337                  | 16,674   |
| Green Hornet                                | 22,733                   | 433  |
| Contentnea                                  | 469,495                  | 2,586  |
| Lee Woodard                                 | 185,383                  | 6,264  |
| Moyton                                      | 78,295                   | 3,509  |
| Polly Watson                                | 6,794                    | 662  |
| Rock Ridge                                  | 185,630                  | 5,387  |
| Sanoca                                      | 90,272                   | 7,156  |
| Sims  | 98,191                   | 1,313  |
| Silver Lake                                 | 102,890                  | 4,587  |
| Tri County                                  | 38,833                   | 3,445  |
| Toisnot                                     | 102,325                  | 1,135  |
| West Edgecombe                              | 2,459                    | 84   |
| Total original levy                         | 1,885,610                | 66,648   |
| Less: Allowance for uncollectible accounts: |                          |  |
| Fire districts                              |                          | (19,411)   |
| Ad valorem taxes receivable, net:           |                          |  |
| Fire districts                              |                          | \$ 47,237  |
| Less uncollected taxes at June 30, 2020     | (66,648)                 |  |
| <b>Current Year's Taxes Collected</b>       | <b>\$ 1,818,962</b>      |  |
| <b>Current Levy Collection Percentage</b>   | <b>96.47%</b>            |  |

**WILSON COUNTY, NORTH CAROLINA****SECONDARY MARKET DISCLOSURE  
COUNTY-WIDE LEVY  
FOR THE YEAR ENDED JUNE 30, 2020****Secondary Market Disclosures:****Assessed Valuation:**

|   |                         |
|---|-------------------------|
| Assessment ratio  | <u>100.00%</u>          |
| Real property <sup>1</sup>  | \$ 4,795,352,215        |
| Personal property   | 1,776,190,968           |
| Public service companies <sup>2</sup>                                 | 109,484,069             |
| Motor vehicles  | <u>778,287,605</u>      |
| Assessed valuation at current year rates                              | <u>\$ 7,459,314,857</u> |
| Tax rate per \$100  | <u>\$ 0.73</u>          |
| Levy (includes discoveries, releases, and abatements)                 | \$ 54,452,998           |
| Penalties   | <u>1,093,559</u>        |
| Net levy (includes discoveries, releases, and abatements) - all rates | <u>\$ 55,546,557</u>    |

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

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

Note 1: The next revaluation of real property will become effective with the 2023-2024 levy and will be reflected in the collections for the fiscal year ending June 30, 2024.

|                        |                      |
|------------------------|----------------------|
| County-wide            | \$ 55,546,557        |
| Special fire districts | 1,885,609            |
| Solid waste district   | <u>1,327,352</u>     |
| Total                  | <u>\$ 58,759,518</u> |

**WILSON COUNTY, NORTH CAROLINA****TEN LARGEST TAXPAYERS  
FOR THE YEAR ENDED JUNE 30, 2020**

| <b>Taxpayer</b>                 | <b>Type of Business</b> | <b>Assessed<br/>Valuation</b> | <b>Total<br/>Assessed<br/>Valuation</b> |
|---------------------------------|-------------------------|-------------------------------|---|
| Bridgestone                     | Tire manufacturing      | \$ 467,883,124                | 29.82%                                  |
| Merck                           | Pharmaceutical          | 421,434,396                   | 26.86%                                  |
| BB&T Centralized Solutions Inc. | Financial               | 187,829,004                   | 11.97%                                  |
| Sandoz                          | Pharmaceutical          | 84,559,363                    | 5.39%                                   |
| DLP Wilson Medical Center Inc.  | Medical                 | 83,938,488                    | 5.35%                                   |
| Linamar Forgings Inc.           | Manufacturing           | 66,594,907                    | 4.24%                                   |
| Purdue Pharmaceuticals LP       | Pharmaceutical          | 66,275,663                    | 4.22%                                   |
| Alliance One International Inc  | Processing              | 65,251,402                    | 4.16%                                   |
| Fresenius Kabi USA LLC          | Pharmaceutical          | 64,068,808                    | 4.08%                                   |
| Ardagh Glass Inc                | Manufacturing           | 61,352,521                    | 3.91%                                   |
| Total                           |                         | <u>\$ 1,569,187,676</u>       | <u>100.00%</u>                          |

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# STATISTICAL SECTION

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## **Financial Trends**

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

## **Revenue Capacity**

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

## **Debt Capacity**

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

## **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

## **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

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

|   | 2011          | 2012          | 2013          | 2014          | 2015          | 2016          | 2017          | 2018           | 2019          | 2020          |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|
| <b>Governmental Activities</b>              |               |               |               |               |               |               |               |                |               |               |
| Net Investment in Capital Assets            | \$ 16,914,580 | \$ 18,731,866 | \$ 19,698,346 | \$ 21,398,824 | \$ 22,025,930 | \$ 23,278,257 | \$ 22,976,976 | \$ 22,953,394  | \$ 24,470,581 | \$ 24,421,556 |
| Restricted                                  | 7,616,890     | 8,066,366     | 10,237,947    | 10,559,337    | 13,623,799    | 13,193,216    | 14,924,736    | 14,526,179     | 15,778,189    | 19,709,106    |
| Unrestricted                                | (15,774,211)  | (10,211,306)  | (7,960,954)   | (3,200,604)   | (3,548,324)   | 2,337,825     | (964,210)     | (41,229,947)   | (39,112,954)  | (40,779,223)  |
| Total Governmental Activities Net Position  | \$ 8,757,259  | \$ 16,586,926 | \$ 21,975,339 | \$ 28,757,357 | \$ 32,101,405 | \$ 38,809,298 | \$ 36,937,502 | \$ (3,750,374) | \$ 1,135,816  | \$ 3,351,439  |
| <b>Business-Type Activities</b>             |               |               |               |               |               |               |               |                |               |               |
| Net Investment in Capital Assets            | \$ 17,157,058 | \$ 17,343,940 | \$ 17,618,131 | \$ 26,285,558 | \$ 26,291,591 | \$ 17,254,112 | \$ 17,132,261 | \$ 17,004,841  | \$ 16,692,761 | \$ 16,575,503 |
| Unrestricted                                | 15,008,537    | 14,628,460    | 13,920,346    | 5,079,206     | 5,435,155     | 14,758,273    | 15,402,082    | 15,231,756     | 16,509,143    | 17,005,983    |
| Total Business-Type Activities Net Position | \$ 32,165,595 | \$ 31,972,400 | \$ 31,538,477 | \$ 31,364,764 | \$ 31,726,746 | \$ 32,012,385 | \$ 32,534,343 | \$ 32,236,597  | \$ 33,201,904 | \$ 33,581,486 |
| <b>Primary Government</b>                   |               |               |               |               |               |               |               |                |               |               |
| Net Investment in Capital Assets            | \$ 34,071,638 | \$ 36,075,806 | \$ 37,316,477 | \$ 47,684,182 | \$ 48,317,521 | \$ 40,532,369 | \$ 40,109,237 | \$ 39,958,235  | \$ 41,163,342 | \$ 40,997,059 |
| Restricted                                  | 7,616,890     | 8,066,366     | 10,237,947    | 10,559,337    | 13,623,799    | 13,193,216    | 14,924,736    | 14,526,179     | 15,778,189    | 19,709,106    |
| Unrestricted                                | (765,674)     | 4,417,154     | 5,959,392     | 1,878,602     | 1,886,831     | 17,096,098    | 14,437,872    | (25,998,191)   | (22,603,811)  | (23,773,240)  |
| Total Primary Government Net Position       | \$ 40,922,854 | \$ 48,559,326 | \$ 53,513,816 | \$ 60,122,121 | \$ 63,828,151 | \$ 70,821,683 | \$ 69,471,845 | \$ 28,486,223  | \$ 34,337,720 | \$ 36,932,925 |

**Source: Annual audited financial statements of this entity.**  
**Data from Exhibit A**

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

|  | 2011            | 2012            | 2013            | 2014            | 2015            | 2016            | 2017            | 2018            | 2019            | 2020            |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Expenses</b>                              |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Governmental Activities:                     |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| General government                           | \$ 8,882,777    | \$ 7,651,150    | \$ 7,248,404    | \$ 9,903,936    | \$ 9,127,244    | \$ 7,779,568    | \$ 7,686,736    | \$ 6,867,104    | \$ 7,469,350    | \$ 10,587,262   |
| Public safety                                | 19,196,921      | 19,815,892      | 20,830,220      | 22,263,611      | 21,366,326      | 23,383,365      | 23,523,954      | 24,135,018      | 24,250,799      | 25,819,930      |
| Transportation                               | 50,724          | 49,967          | 50,246          | 47,857          | 37,357          | 50,377          | 872,603         | 671,867         | 521,233         | 500,225         |
| Environmental protection                     | 300,558         | 284,161         | 290,665         | 524,329         | 479,357         | 604,412         | 276,226         | 238,805         | 347,522         | 649,335         |
| Economic and physical development            | 3,042,014       | 3,025,416       | 3,427,689       | 3,393,417       | 3,182,859       | 2,422,830       | 3,130,028       | 2,915,826       | 2,893,558       | 3,620,033       |
| Human services                               | 34,454,057      | 33,731,053      | 35,039,483      | 34,289,859      | 33,194,761      | 35,403,117      | 37,060,454      | 33,942,786      | 29,981,736      | 31,953,761      |
| Cultural and recreational                    | 2,002,703       | 1,813,114       | 1,903,182       | 1,847,127       | 1,897,152       | 2,074,703       | 2,078,670       | 2,184,071       | 2,102,387       | 2,592,768       |
| Education                                    | 18,596,063      | 18,847,287      | 18,795,853      | 20,610,068      | 21,736,297      | 22,712,089      | 24,883,817      | 28,750,580      | 24,807,827      | 25,955,838      |
| Interest on long-term debt                   | 1,439,974       | 1,539,092       | 1,430,380       | 1,216,232       | 1,026,307       | 641,444         | 588,088         | 407,239         | 348,930         | 288,550         |
| Total government activities expenses         | 87,965,791      | 86,757,132      | 89,016,122      | 94,096,436      | 92,047,660      | 95,071,905      | 100,100,576     | 100,113,296     | 92,723,342      | 101,967,702     |
| Business-Type Activities:                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Landfill                                     | \$ 2,408,065    | \$ 2,535,925    | \$ 2,632,369    | \$ 2,603,931    | \$ 2,454,250    | \$ 2,701,774    | \$ 2,846,113    | \$ 2,767,017    | \$ 2,919,492    | \$ 3,281,589    |
| Water  | 1,813,444       | 1,870,248       | 2,279,006       | 2,434,397       | 1,970,238       | 2,169,985       | 2,284,997       | 2,120,497       | 2,373,971       | 2,334,265       |
| Total business-type activities expenses      | 4,221,509       | 4,406,173       | 4,911,375       | 5,038,328       | 4,424,488       | 4,871,759       | 5,131,110       | 4,887,514       | 5,293,463       | 5,615,854       |
| Total primary government expenses            | 92,187,300      | 91,163,305      | 93,927,497      | 99,134,764      | 96,472,148      | 99,943,664      | 105,231,686     | 105,000,810     | 98,016,805      | 107,583,556     |
| <b>Program Revenues</b>                      |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Governmental Activities:                     |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Charges for services:                        |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| General government                           | 775,757         | 779,845         | 807,579         | 502,902         | 519,520         | 842,806         | 587,171         | 1,136,734       | 628,716         | 677,223         |
| Public safety                                | 4,585,775       | 4,779,443       | 5,125,848       | 5,263,315       | 3,842,377       | 3,930,346       | 4,064,099       | 4,263,272       | 4,610,258       | 4,439,624       |
| Transportation                               | 51,861          | 213,920         | 205,362         | 226,852         | 170,271         | 162,321         | 205,724         | 134,564         | 87,237          | 20,981          |
| Environmental protection                     | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               |
| Economic and physical development            | -               | -               | 23,953          | -               | -               | -               | -               | -               | -               | -               |
| Human services                               | 7,252,008       | 7,564,365       | 7,207,332       | 8,674,555       | 7,890,687       | 7,943,171       | 7,353,545       | 6,185,198       | 3,611,000       | 3,435,615       |
| Cultural and recreational                    | 34,332          | 59,828          | 57,037          | -               | -               | -               | -               | -               | -               | -               |
| Operating grants and contributions           | 19,282,450      | 18,398,248      | 17,364,048      | 18,277,404      | 19,660,556      | 19,711,748      | 21,197,091      | 17,378,250      | 17,869,415      | 19,008,756      |
| Capital grants and contributions             | 3,172,685       | 1,960,955       | 1,457,437       | 2,711,121       | 2,052,455       | 1,873,739       | 442,544         | 112,957         | 272,352         | 100,116         |
| Total government activities program revenues | 35,154,868      | 33,756,604      | 32,248,596      | 35,656,149      | 34,135,866      | 34,464,131      | 33,850,174      | 29,210,975      | 27,078,978      | 27,682,315      |
| Business-Type Activities:                    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Charges for services:                        |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Landfill                                     | 2,327,996       | 2,610,208       | 2,649,072       | 2,612,503       | 2,787,838       | 2,991,581       | 2,936,719       | 3,391,093       | 3,311,360       | 3,458,796       |
| Water  | 1,514,426       | 1,572,563       | 1,801,028       | 1,873,413       | 1,825,054       | 2,063,158       | 2,011,954       | 2,198,533       | 2,236,359       | 2,393,730       |
| Operating grants and contributions           | -               | -               | -               | -               | 54,400          | 30,000          | 613,682         | 191,492         | 330,601         | 36,716          |
| Total business-type program revenues         | 3,842,422       | 4,182,771       | 4,450,100       | 4,485,916       | 4,667,292       | 5,084,739       | 5,562,355       | 5,781,118       | 5,878,320       | 5,889,242       |
| Total primary government program revenues    | 38,997,290      | 37,939,375      | 36,698,696      | 40,142,065      | 38,803,158      | 39,548,870      | 39,412,529      | 34,992,093      | 32,957,298      | 33,571,557      |
| <b>Net (Expense)/Revenue</b>                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Governmental activities                      | (52,810,923)    | (53,000,528)    | (56,767,526)    | (58,440,287)    | (57,911,794)    | (60,607,774)    | (66,250,402)    | (70,902,321)    | (65,644,364)    | (74,285,387)    |
| Business-type activities                     | (379,087)       | (223,402)       | (461,275)       | (552,412)       | 242,804         | 212,980         | 431,245         | 893,604         | 584,857         | 273,388         |
| Total primary government net expense         | \$ (53,190,010) | \$ (53,223,930) | \$ (57,228,801) | \$ (58,992,699) | \$ (57,668,990) | \$ (60,394,794) | \$ (65,819,157) | \$ (70,008,717) | \$ (65,059,507) | \$ (74,011,999) |

Source: Annual audited financial statements of this entity.  
Data from Exhibit B



**TABLE 2 (cont.)**  
**Wilson County, North Carolina**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

|  | 2011          | 2012          | 2013          | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>General Revenues and Other Changes in Net Position</b>    |               |               |               |               |               |               |               |               |               |               |
| Governmental Activities:                                     |               |               |               |               |               |               |               |               |               |               |
| Taxes  |               |               |               |               |               |               |               |               |               |               |
| Property taxes   | \$ 48,432,721 | \$ 48,652,157 | \$ 49,589,056 | \$ 52,414,386 | \$ 51,596,469 | \$ 52,136,281 | \$ 50,586,358 | \$ 51,906,142 | \$ 53,121,424 | \$ 57,164,778 |
| Local option sales tax                                       | 10,236,298    | 11,202,801    | 11,725,610    | 11,577,053    | 12,344,117    | 13,607,344    | 14,119,119    | 14,281,582    | 15,207,695    | 16,455,461    |
| Other taxes and licenses                                     | 687,322       | 499,644       | 530,176       | 699,995       | 625,189       | 628,459       | 753,925       | 738,795       | 764,557       | 801,466       |
| Grants and contributions not restricted to specific programs | 225,000       | 250,345       | 243,750       | 243,750       | 365,625       | 121,875       | 262,500       | 262,500       | 262,500       | 600,000       |
| Investment earnings, unrestricted                            | 73,441        | 68,897        | 89,810        | 47,280        | 39,376        | 106,848       | 207,783       | 552,198       | 947,970       | 884,971       |
| Miscellaneous, unrestricted                                  | 259,932       | 156,371       | 108,558       | 239,841       | 128,209       | 214,860       | 142,429       | 57,243        | 226,408       | 594,334       |
| Transfers  | 20,600        | -             | -             | -             | -             | -             | -             | -             | -             | -             |
| Total governmental activities                                | 59,935,314    | 60,830,215    | 62,286,960    | 65,222,305    | 65,098,985    | 66,815,667    | 66,072,114    | 67,798,460    | 70,530,554    | 76,501,010    |
| Business-Type Activities:                                    |               |               |               |               |               |               |               |               |               |               |
| Investment earnings, unrestricted                            | 38,538        | 30,207        | 27,352        | 345,483       | 14,758        | 38,119        | 68,490        | 178,233       | 356,230       | 55,132        |
| Miscellaneous, unrestricted                                  | -             | -             | -             | 33,216        | 208,588       | 34,540        | 22,223        | 66,747        | 24,220        | 51,062        |
| Transfers  | (20,600)      | -             | -             | -             | -             | -             | -             | -             | -             | -             |
| Total business-type activities                               | 17,938        | 30,207        | 27,352        | 378,699       | 223,346       | 72,659        | 90,713        | 244,980       | 380,450       | 106,194       |
| Total primary government                                     | 59,953,252    | 60,860,422    | 62,314,312    | 65,601,004    | 65,322,331    | 66,888,326    | 66,162,827    | 68,043,440    | 70,911,004    | 76,607,204    |
| <b>Change in Net Position</b>                                |               |               |               |               |               |               |               |               |               |               |
| Governmental activities                                      | 7,124,391     | 7,829,687     | 5,492,082     | 6,782,018     | 7,187,191     | 6,207,893     | (178,288)     | (3,103,861)   | 4,886,190     | 2,215,623     |
| Business-type activities                                     | (361,149)     | (193,195)     | (433,923)     | (173,713)     | 466,150       | 285,639       | 521,958       | 1,138,584     | 965,307       | 379,582       |
| Total primary government                                     | 6,763,242     | 7,636,492     | 5,058,159     | 6,608,305     | 7,653,341     | 6,493,532     | 343,670       | (1,965,277)   | 5,851,497     | 2,595,205     |

Source: Annual audited financial statements of this entity.  
Data from Exhibit B

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

|                                    | 2011          | 2012          | 2013          | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General Fund                       |               |               |               |               |               |               |               |               |               |               |
| Restricted                         | \$ 6,022,889  | \$ 7,183,183  | \$ 9,395,506  | \$ 8,961,836  | \$ 12,013,772 | \$ 11,773,860 | \$ 11,440,327 | \$ 11,825,988 | \$ 13,908,460 | \$ 14,864,909 |
| Committed                          | 2,729,890     | 3,262,228     | 1,025,855     | 644,054       | 254,787       | 110,648       | 168,450       | 306,458       | 449,815       | 586,493       |
| Assigned                           | 5,638,789     | 7,540,784     | 11,627,353    | 9,306,913     | 9,001,980     | 10,796,104    | 7,495,096     | 7,007,326     | 9,293,702     | 12,112,952    |
| Unassigned                         | 17,897,429    | 19,012,749    | 18,117,920    | 22,840,764    | 22,879,746    | 22,514,135    | 24,422,156    | 25,440,815    | 24,739,385    | 22,691,256    |
| Total general fund                 | \$ 32,288,997 | \$ 36,998,944 | \$ 40,166,634 | \$ 41,753,567 | \$ 44,150,285 | \$ 45,194,747 | \$ 43,526,029 | \$ 44,580,587 | \$ 48,391,362 | \$ 50,255,610 |
| All Other Governmental Funds       |               |               |               |               |               |               |               |               |               |               |
| Restricted                         | \$ 1,594,001  | \$ 945,895    | \$ 842,441    | \$ 1,597,501  | \$ 1,610,027  | \$ 1,419,356  | \$ 8,234,552  | \$ 3,300,897  | \$ 1,977,342  | \$ 4,754,696  |
| Assigned                           | 426,262       | 435,618       | 340,196       | 975,023       | 328,323       | 468,429       | 528,829       | 788,933       | 1,346,127     | 1,997,067     |
| Non-spendable                      | -             | -             | -             | -             | -             | 500,000       | -             | -             | -             | -             |
| Unassigned                         | 75,359        | -             | -             | (6,506)       | (6,955)       | (20,000)      | (20,000)      | (20,000)      | (19,088)      | (137,950)     |
| Total all other governmental funds | \$ 2,095,622  | \$ 1,381,513  | \$ 1,182,637  | \$ 2,566,018  | \$ 1,931,395  | \$ 2,367,785  | \$ 8,743,381  | \$ 4,069,830  | \$ 3,304,381  | \$ 6,613,813  |

Source: Annual audited financial statements of this entity.  
Beginning Fiscal Year 2011 data presented implementing GASB Statement 54  
Data from Exhibit C

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

|   | 2011          | 2012          | 2013          | 2014          | 2015          | 2016          | 2017          | 2018           | 2019          | 2020          |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|
| <b>Revenues:</b>  |               |               |               |               |               |               |               |                |               |               |
| Ad valorem taxes  | \$ 48,337,108 | \$ 48,486,720 | \$ 49,482,035 | \$ 52,982,608 | \$ 51,937,667 | \$ 51,887,117 | \$ 50,745,671 | \$ 51,986,530  | \$ 53,086,774 | \$ 57,338,877 |
| Local option sales tax                                  | 10,236,298    | 11,202,801    | 11,725,610    | 11,577,053    | 12,344,117    | 13,607,344    | 14,119,119    | 14,281,582     | 15,207,695    | 16,455,461    |
| Other taxes and licenses                                | 687,322       | 499,644       | 530,176       | 699,995       | 625,189       | 628,459       | 753,925       | 738,795        | 764,557       | 801,466       |
| Unrestricted intergovernmental revenues                 | 225,000       | 250,345       | 243,750       | 254,149       | 386,087       | 271,450       | 271,760       | 266,722        | 266,722       | 604,766       |
| Restricted intergovernmental revenues                   | 22,886,533    | 20,475,539    | 19,489,754    | 22,191,573    | 21,480,140    | 21,612,997    | 21,371,636    | 17,809,868     | 17,772,640    | 18,692,676    |
| Permits and fees  | 384,117       | 400,205       | 447,437       | 1,293,039     | 1,247,286     | 865,616       | 1,434,931     | 1,406,680      | 1,463,654     | 1,779,228     |
| Sales and services                                      | 11,884,218    | 12,608,346    | 12,311,405    | 12,171,537    | 11,903,335    | 12,035,838    | 11,060,811    | 10,080,004     | 7,871,695     | 7,279,933     |
| Investment earnings                                     | 73,441        | 68,897        | 62,458        | 47,280        | 39,376        | 106,848       | 207,783       | 552,198        | 947,970       | 884,971       |
| Miscellaneous   | 213,499       | 344,420       | 427,439       | 282,065       | 83,741        | 178,696       | 153,630       | 21,638         | 222,186       | 589,568       |
| Total revenues  | 94,927,536    | 94,336,917    | 94,720,064    | 101,509,299   | 100,046,938   | 101,053,336   | 100,118,956   | 97,159,055     | 97,613,893    | 104,426,946   |
| <b>Expenditures:</b>                                    |               |               |               |               |               |               |               |                |               |               |
| General government                                      | 8,290,694     | 7,399,100     | 7,221,725     | 8,539,044     | 8,892,958     | 9,277,143     | 7,882,644     | 7,876,838      | 8,759,839     | 9,570,201     |
| Public safety   | 15,929,725    | 19,216,818    | 19,974,519    | 22,206,531    | 20,773,507    | 22,451,613    | 22,136,490    | 22,495,983     | 24,323,071    | 23,991,828    |
| Transportation  | 47,857        | 47,857        | 47,857        | 47,857        | 47,857        | 47,857        | 870,083       | 669,347        | 642,639       | 579,843       |
| Environmental protection                                | 281,693       | 289,781       | 279,338       | 281,859       | 274,118       | 265,817       | 262,994       | 227,463        | 316,249       | 553,819       |
| Economic and physical development                       | 5,066,317     | 5,613,412     | 3,448,155     | 3,354,289     | 3,203,158     | 2,547,218     | 3,068,412     | 2,833,292      | 2,933,603     | 3,579,874     |
| Human services  | 33,127,310    | 32,955,787    | 33,651,603    | 34,365,815    | 33,942,679    | 36,018,778    | 35,616,669    | 32,411,609     | 29,899,536    | 29,724,321    |
| Cultural and recreational                               | 1,745,106     | 1,649,070     | 1,759,841     | 1,673,799     | 1,746,637     | 1,903,244     | 1,938,128     | 1,986,068      | 1,915,042     | 2,391,540     |
| Intergovernmental:                                      |               |               |               |               |               |               |               |                |               |               |
| Education   | 18,596,063    | 18,417,173    | 18,795,853    | 20,610,068    | 21,736,297    | 22,712,089    | 24,883,817    | 28,750,580     | 24,807,827    | 25,955,838    |
| Capital projects  | 421,594       | 991,388       | 472,641       | 1,168,920     | 1,313,220     | 4,188         | -             | 1,175,551      | -             | -             |
| Debt service:   |               |               |               |               |               |               |               |                |               |               |
| Principal retirement                                    | 4,918,749     | 5,004,797     | 4,996,939     | 5,702,386     | 5,349,232     | 5,181,555     | 4,365,854     | 2,881,638      | 2,644,650     | 2,828,277     |
| Interest and fees                                       | 1,568,512     | 1,439,934     | 1,484,592     | 1,250,373     | 1,061,244     | 773,812       | 546,109       | 418,538        | 360,404       | 299,389       |
| Bond issuance cost                                      | 144,909       | -             | -             | -             | -             | -             | -             | -              | -             | -             |
| Total expenditures                                      | 90,138,529    | 93,005,117    | 92,133,063    | 99,200,941    | 98,340,907    | 101,183,314   | 101,571,200   | 101,726,907    | 96,602,860    | 99,474,930    |
| Excess of revenues over (under) expenditures            | 4,789,007     | 1,331,800     | 2,587,001     | 2,308,358     | 1,706,031     | (129,978)     | (1,452,244)   | (4,567,852)    | 1,011,033     | 4,952,016     |
| <b>Other financing sources (uses):</b>                  |               |               |               |               |               |               |               |                |               |               |
| Debt proceeds   | -             | -             | -             | -             | -             | -             | 5,920,581     | 874,536        | -             | -             |
| Refunding bonds issued                                  | 10,200,000    | -             | -             | -             | -             | 14,495,000    | -             | -              | -             | -             |
| Premium on refunding bonds                              | 386,487       | -             | -             | -             | -             | -             | -             | -              | -             | -             |
| Payment to refunded bond escrow                         | (10,438,084)  | -             | -             | -             | -             | (14,386,684)  | -             | -              | -             | -             |
| Transfers in to other funds                             | 1,927,903     | 133,888       | 240,207       | 1,527,000     | 977,293       | 170,000       | 1,794,100     | 220,000        | 590,000       | 5,526,944     |
| Transfer out to other funds                             | (1,907,303)   | (133,888)     | (240,207)     | (1,527,000)   | (977,293)     | (170,000)     | (1,794,100)   | (220,000)      | (590,000)     | (5,526,944)   |
| Installment purchase obligations issued                 | -             | 5,235,125     | 300,000       | 603,134       | -             | -             | -             | -              | -             | -             |
| Capital lease obligation issued                         | -             | 46,475        | 36,813        | 58,822        | -             | 955,570       | 190,587       | 42,838         | -             | 184,533       |
| Refunding issued  | -             | (2,617,562)   | -             | -             | -             | -             | -             | -              | -             | -             |
| Sales of capital assets                                 | -             | -             | -             | -             | 56,064        | 46,944        | 47,954        | 31,485         | 2,034,293     | 37,131        |
| Total other financing sources (uses)                    | 169,003       | 2,664,038     | 336,813       | 661,956       | 56,064        | 1,110,830     | 6,159,122     | 948,859        | 2,034,293     | 221,664       |
| Net change in fund balances                             | \$ 4,958,010  | \$ 3,995,838  | \$ 2,923,814  | \$ 2,970,314  | \$ 1,762,095  | \$ 980,852    | \$ 4,706,878  | \$ (3,618,993) | \$ 3,045,326  | \$ 5,173,680  |
| Debt service as a percentage of noncapital expenditures | 7.98%         | 7.28%         | 7.20%         | 7.63%         | 6.64%         | 6.09%         | 4.89%         | 3.31%          | 3.19%         | 3.19%         |

**Source: Annual audited financial statements of this entity.**  
**Data from Exhibit D**

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

| Fiscal<br>Year<br>Ended<br>30-Jun | Real Property           |                   |                      |  | Motor<br>Vehicles | Total         | Total<br>Direct<br>Tax Rate |
|-----------------------------------|-------------------------|-------------------|----------------------|--|-------------------|---------------|-----------------------------|
|                                   | Residential<br>Property | Public<br>Service | Personal<br>Property |  |                   |               |                             |
| 2011                              | 4,694,480,580           | 78,226,687        | 1,132,425,735        |  | 480,408,940       | 6,385,541,942 | 0.7300                      |
| 2012                              | 4,715,489,339           | 83,300,049        | 1,141,746,126        |  | 546,149,593       | 6,486,685,107 | 0.7300                      |
| 2013                              | 4,745,155,195           | 85,302,868        | 1,521,437,440        |  | 212,760,541       | 6,564,656,044 | 0.7300                      |
| 2014                              | 4,942,838,796           | 83,889,129        | 1,207,165,362        |  | 665,844,441       | 6,899,737,728 | 0.7300                      |
| 2015                              | 4,910,234,502           | 82,135,749        | 1,223,753,613        |  | 624,457,251       | 6,840,581,115 | 0.7300                      |
| 2016                              | 4,902,889,291           | 96,434,987        | 1,248,597,390        |  | 671,073,243       | 6,918,994,911 | 0.7300                      |
| 2017                              | 4,612,997,427           | 109,267,064       | 1,274,078,966        |  | 694,180,548       | 6,690,524,005 | 0.7300                      |
| 2018                              | 4,676,616,928           | 110,326,490       | 1,386,467,210        |  | 699,638,767       | 6,873,049,395 | 0.7300                      |
| 2019                              | 4,727,965,395           | 108,585,013       | 1,411,918,603        |  | 750,953,562       | 6,999,422,573 | 0.7300                      |
| 2020                              | 4,795,352,215           | 109,484,069       | 1,776,190,968        |  | 778,287,605       | 7,459,314,857 | 0.7300                      |

Source: Wilson County Tax Administrator/Collector

Notes: Property in Wilson County is reassessed once every eight years on average. The last County-wide revaluation was in 2008. The County assesses property at approximately 100 percent of actual value for commercial and industrial property and 100 percent for residential property. Estimated actual taxable value is calculated by dividing taxable assessed value by those percentages. Tax rates are per \$100 of assessed value.

**Table 6**  
**Wilson County, North Carolina**  
**Property Tax Rates**  
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

| Fiscal<br>Year<br>Ended<br>June 30 | 2020   | 2019   | 2018   | 2017   | 2016   | 2015   | 2014   | 2013   | 2012   | 2011   |
|------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Wilson County</b>               | 0.7300 | 0.7300 | 0.7300 | 0.7300 | 0.7300 | 0.7300 | 0.7300 | 0.7300 | 0.7300 | 0.7300 |
| <b>Municipality Rates:</b>         |        |        |        |        |        |        |        |        |        |        |
| Black Creek                        | 0.5500 | 0.5500 | 0.5500 | 0.5500 | 0.5500 | 0.6000 | 0.6000 | 0.6000 | 0.6000 | 0.6000 |
| Elm City                           | 0.6800 | 0.6800 | 0.6300 | 0.6300 | 0.6300 | 0.6300 | 0.6300 | 0.6300 | 0.6300 | 0.6300 |
| Kenly                              | 0.6100 | 0.6100 | 0.6100 | 0.6100 | 0.6100 | 0.6100 | 0.6100 | 0.6100 | 0.6100 | 0.6100 |
| Lucama                             | 0.5000 | 0.5000 | 0.5000 | 0.5000 | 0.5000 | 0.5000 | 0.5000 | 0.5000 | 0.5000 | 0.5000 |
| Saratoga                           | 0.5800 | 0.5800 | 0.5800 | 0.5800 | 0.5800 | 0.5800 | 0.5800 | 0.5800 | 0.5800 | 0.5800 |
| Sharpsburg                         | 0.5500 | 0.5500 | 0.5500 | 0.5500 | 0.6500 | 0.6500 | 0.6500 | 0.6500 | 0.5000 | 0.5000 |
| Sims                               | 0.5000 | 0.5000 | 0.4700 | 0.4700 | 0.4700 | 0.5000 | 0.5000 | 0.5000 | 0.5000 | 0.5000 |
| Stantonsburg                       | 0.5000 | 0.5000 | 0.5000 | 0.5000 | 0.5000 | 0.4600 | 0.4600 | 0.4600 | 0.4300 | 0.4300 |
| Wilson                             | 0.5750 | 0.5750 | 0.5750 | 0.5550 | 0.5550 | 0.5150 | 0.5150 | 0.5150 | 0.5150 | 0.5150 |
| Wilson-Municipal                   | 0.7550 | 0.7550 | 0.7550 | 0.7350 | 0.7350 | 0.6850 | 0.6850 | 0.6850 | 0.6850 | 0.6850 |
| <b>Fire Districts:</b>             |        |        |        |        |        |        |        |        |        |        |
| Bakertown                          | 0.0600 | 0.0600 | 0.0600 | 0.0600 | 0.0600 | 0.0850 | 0.0850 | 0.0850 | 0.0850 | 0.0850 |
| Beulah                             | 0.0800 | 0.0800 | 0.0800 | 0.0800 | 0.0800 | 0.1125 | 0.1125 | 0.1125 | 0.1125 | 0.1125 |
| Black Creek                        | 0.1050 | 0.1050 | 0.1050 | 0.1050 | 0.1050 | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 |
| Contentnea                         | 0.0832 | 0.0832 | 0.0832 | 0.0832 | 0.0625 | 0.0950 | 0.0950 | 0.0950 | 0.0600 | 0.0600 |
| Cross Roads                        | 0.1010 | 0.1010 | 0.0670 | 0.0670 | 0.0650 | 0.0975 | 0.0975 | 0.0975 | 0.0975 | 0.0975 |
| East Nash                          | 0.1025 | 0.1025 | 0.1025 | 0.1025 | 0.1025 | 0.1350 | 0.1350 | 0.1350 | 0.1350 | 0.1350 |
| Green Hornet                       | 0.0700 | 0.0700 | 0.0700 | 0.0500 | 0.0500 | 0.0825 | 0.0825 | 0.0825 | 0.0825 | 0.0825 |
| Lee Woodard                        | 0.1120 | 0.1120 | 0.1120 | 0.1990 | 0.1120 | 0.0825 | 0.0825 | 0.0825 | 0.0825 | 0.0725 |
| Moyton                             | 0.1500 | 0.1500 | 0.1500 | 0.1070 | 0.1070 | 0.1300 | 0.1300 | 0.1300 | 0.1300 | 0.1300 |
| Polly Watson                       | 0.0750 | 0.0750 | 0.0750 | 0.0750 | 0.0750 | 0.1075 | 0.1075 | 0.1075 | 0.1075 | 0.0875 |
| Rock Ridge                         | 0.0675 | 0.0675 | 0.0675 | 0.0675 | 0.0675 | 0.1000 | 0.1000 | 0.1000 | 0.1000 | 0.1000 |
| Sanoca                             | 0.1150 | 0.1150 | 0.1090 | 0.1090 | 0.0925 | 0.1250 | 0.1250 | 0.1250 | 0.1250 | 0.1250 |
| Silver Lake                        | 0.0945 | 0.0945 | 0.0945 | 0.0945 | 0.0945 | 0.1225 | 0.1225 | 0.1225 | 0.1225 | 0.1225 |
| Sims                               | 0.0740 | 0.0740 | 0.0740 | 0.0740 | 0.0400 | 0.0725 | 0.0725 | 0.0725 | 0.0725 | 0.0725 |
| Toisnot                            | 0.0150 | 0.0150 | 0.0150 | 0.0150 | 0.0150 | 0.0475 | 0.0475 | 0.0475 | 0.0475 | 0.0475 |
| Tri County                         | 0.1000 | 0.1000 | 0.1000 | 0.1000 | 0.1000 | 0.1125 | 0.1125 | 0.1125 | 0.1125 | 0.1125 |
| West Edgcombe                      | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0500 | 0.0825 | 0.0825 | 0.0825 | 0.0825 | 0.0825 |

Source: Wilson County Tax Administrator/Collector

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

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

| Taxpayer                               | Type of Business   | 2020                      |      |  | 2011                      |      |  |
|--|--------------------|---------------------------|------|--|---------------------------|------|--|
|  |                    | 2019<br>Assessed<br>Value | Rank | Percentage<br>of Total<br>Taxable<br>Assessed<br>Value | 2010<br>Assessed<br>Value | Rank | Percentage<br>of Total<br>Taxable<br>Assessed<br>Value |
| Bridgestone Americas Tire              | Tire manufacturing | \$ 467,883,124            | 1    | 6.27 %   | 354,994,694               | 1    | 5.57 %   |
| Merck Sharp & Dohme Corp.              | Pharmaceutical     | 421,434,396               | 2    | 5.65   | 100,535,294               | 3    | 1.58   |
| Branch Banking & Trust AKA Truist Bank | Financial          | 187,829,004               | 3    | 2.52   | 153,738,747               | 2    | 2.41   |
| Sandoz, Inc                            | Pharmaceutical     | 84,559,363                | 4    | 1.13   | 37,838,083                | 6    | 0.59   |
| DLP Wilson Medical Center              | Medical            | 83,938,488                | 5    | 1.13   | n/a                       | n/a  | n/a  |
| Linamar Forgings Inc                   | Manufacturing      | 66,594,907                | 6    | 0.89   | n/a                       | n/a  | n/a  |
| Purdue Pharmaceuticals                 | Pharmaceutical     | 66,275,663                | 7    | 0.89   | 48,499,412                | 4    | 0.76   |
| Alliance One International             | Tobacco            | 65,251,402                | 8    | 0.87   | 45,830,534                | 5    | 0.72   |
| Fresenius Kabi USA LLC                 | Pharmaceutical     | 64,068,808                | 9    | 0.86   | n/a                       | n/a  | n/a  |
| Ardagh Glass                           | Manufacturing      | 61,352,521                | 10   | 0.82   | n/a                       | n/a  | n/a  |
| Total                                  |                    | \$ 1,569,187,676          |      | 22.68%   | \$ 741,436,764            |      | 11.63%   |

Source: Wilson County Tax Administrator/Collector

**Table 8**  
**Wilson County, North Carolina**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

| Fiscal<br>Year<br>Ended<br>June 30 | Taxes Levied<br>for the<br>Fiscal Year | Collected within the<br>Fiscal Year of the Levy |                       | Collections<br>in Subsequent<br>Years | Total Collections to Date |                       |
|------------------------------------|--|---|-----------------------|---------------------------------------|---------------------------|-----------------------|
|                                    |  | Amount  | Percentage<br>of Levy |                                       | Amount                    | Percentage<br>of Levy |
| 2011                               | 47,031,339                             | 45,454,664                                      | 96.65%                | 432,628                               | 45,887,292                | 97.57%                |
| 2012                               | 47,428,433                             | 45,754,592                                      | 96.47%                | 1,104,879                             | 46,859,471                | 98.80%                |
| 2013                               | 47,968,099                             | 46,285,917                                      | 96.49%                | 1,402,784                             | 47,688,701                | 99.42%                |
| 2014                               | 50,448,327                             | 49,310,094                                      | 97.74%                | 1,113,712                             | 50,423,806                | 99.95%                |
| 2015                               | 50,003,422                             | 49,136,672                                      | 98.27%                | 778,608                               | 49,915,280                | 99.82%                |
| 2016                               | 50,587,842                             | 49,750,242                                      | 98.34%                | 769,124                               | 50,519,366                | 99.86%                |
| 2017                               | 48,926,575                             | 48,195,677                                      | 98.51%                | 659,163                               | 48,854,840                | 99.85%                |
| 2018                               | 50,275,103                             | 49,440,184                                      | 98.34%                | 586,224                               | 50,026,408                | 99.51%                |
| 2019                               | 51,246,820                             | 50,366,985                                      | 98.28%                | 648,340                               | 51,015,325                | 99.55%                |
| 2020                               | 49,865,057                             | 49,043,651                                      | 98.35%                | 755,833                               | 49,799,484                | 99.87%                |

Source: Wilson County Tax Administrator/Collector

**TABLE 9**  
**Wilson County, North Carolina**  
**General Government Tax Revenues by Source**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

| Fiscal Year | Property Tax | Sales Tax  | Alcoholic Beverage Tax | Rental Vehicle Tax | Franchise Tax | Real Estate Transfer Tax | Privilege and Civil Licenses | Total      |
|-------------|--------------|------------|------------------------|--------------------|---------------|--------------------------|------------------------------|------------|
| 2011        | 48,337,108   | 10,236,298 | 107,507                | 40,040             | 82,552        | 287,295                  | 8,945                        | 59,099,745 |
| 2012        | 46,853,188   | 10,925,633 | 120,501                | 37,447             | 99,253        | 234,873                  | 7,570                        | 58,278,465 |
| 2013        | 47,688,700   | 11,431,555 | 113,971                | 31,803             | 93,218        | 282,332                  | 8,852                        | 59,650,431 |
| 2014        | 50,841,094   | 11,280,037 | 123,483                | 49,331             | 89,737        | 429,290                  | 8,154                        | 62,821,126 |
| 2015        | 54,980,668   | 12,527,937 | 133,060                | 50,384             | 81,349        | 359,813                  | 583                          | 68,133,794 |
| 2016        | 55,418,202   | 13,808,947 | 122,716                | 103,215            | 71,851        | 380,549                  | 0.60                         | 69,905,480 |
| 2017        | 53,924,543   | 14,333,203 | 127,724                | 55,687             | 90,091        | 494,531                  | 13,163                       | 69,038,943 |
| 2018        | 55,133,771   | 14,510,015 | 121,512                | 63,203             | 68,997        | 485,057                  | 39                           | 70,382,594 |
| 2019        | 56,497,286   | 15,430,062 | 135,763                | 68,012             | 83,890        | 507,674                  | 269                          | 72,722,955 |
| 2020        | 55,480,984   | 16,607,601 | 123,702                | 54,658             | 63,121        | 559,985                  | 0                            | 72,890,050 |



**Table 10**  
**Wilson County, North Carolina**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

| Fiscal Year | Governmental Activities  |                         |                    | Business-Type Activities |             |                          | Percentage of Personal Income <sup>a</sup> | Per Capita <sup>1</sup> |
|-------------|--------------------------|-------------------------|--------------------|--------------------------|-------------|--------------------------|--|-------------------------|
|             | General Obligation Bonds | Installment Obligations | Capitalized Leases | Installment Obligations  | Water Bonds | Total Primary Government |  |                         |
| 2011        | 14,760,000               | 25,497,516              | 1,030,353          | 952,409                  | 9,347,000   | 51,587,278               | 1.94%                                      | 644.80                  |
| 2012        | 12,975,000               | 27,599,246              | 864,438            | 899,494                  | 9,204,000   | 51,542,178               | 1.78%                                      | 631.31                  |
| 2013        | 10,095,000               | 25,782,306              | 767,856            | 846,582                  | 8,850,000   | 46,341,744               | 1.72%                                      | 569.45                  |
| 2014        | 7,270,000                | 23,508,054              | 751,905            | 793,674                  | 8,660,000   | 40,983,633               | 1.42%                                      | 499.68                  |
| 2015        | 4,855,000                | 20,573,822              | 593,323            | 743,761                  | 8,470,000   | 35,235,906               | 1.20%                                      | 432.89                  |
| 2016        | 2,450,000                | 18,492,267              | 1,229,594          | 687,850                  | 8,638,160   | 31,497,871               | 1.05%                                      | 386.90                  |
| 2017        | 400,000                  | 22,096,994              | 1,049,288          | 634,939                  | 8,424,369   | 32,605,590               | 1.09%                                      | 400.51                  |
| 2018        | -                        | 20,489,892              | 715,085            | 582,028                  | 8,200,578   | 29,987,583               | 0.98%                                      | 366.98                  |
| 2019        | -                        | 17,845,242              | 393,420            | 529,117                  | 7,971,787   | 26,739,566               | 0.81%                                      | 326.30                  |
| 2020        | -                        | 15,339,862              | 255,056            | 476,206                  | 7,727,996   | 23,799,120               | 0.72%                                      | 290.41                  |

Notes: Details regarding the County's outstanding debt can be found in the notes to the financial statements (Long Term Debt Page).

Per capita amounts are based on population numbers as of June 30 of the fiscal year

<sup>1</sup> See Table 12 for personal income and population data.

**Table 11**  
**Wilson County, North Carolina**  
**Ratio of General Bonded Debt Outstanding and Legal Debt Margin**  
**Last Ten Fiscal Years**

|   | 2011           | 2012           | 2013           | 2014           | 2015           | 2016           | 2017           | 2018           | 2019           | 2020           |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| General bonded debt outstanding   |                |                |                |                |                |                |                |                |                |                |
| General obligation bonds  | \$ 14,760,000  | \$ 12,975,000  | \$ 10,095,000  | \$ 7,270,000   | \$ 4,855,000   | \$ 2,450,000   | \$ 400,000     | \$ -           | \$ -           | \$ -           |
| Assessed Value  | 6,385,541,942  | 6,486,685,107  | 6,564,656,044  | 6,899,737,728  | 6,840,581,115  | 6,918,995,093  | 6,690,524,005  | 6,873,049,395  | 6,999,422,573  | 7,459,314,857  |
| Percentage of estimated actual<br>property value                        | 0.23%          | 0.20%          | 0.15%          | 0.11%          | 0.07%          | 0.04%          | 0.01%          | 0.00%          | 0.00%          | 0.00%          |
| Per capita  | 184.49         | 158.92         | 124.05         | 88.64          | 59.65          | 30.09          | 4.90           | 0.00           | 0.00           | 0.00           |
| Legal debt limit - eight percent (8%)<br>of assessed valuation          | 510,843,355    | 518,934,809    | 525,172,484    | 551,979,018    | 547,246,489    | 553,519,607    | 535,241,920    | 549,843,952    | 559,953,806    | 596,745,189    |
| Total Net Debt Applicable to Debt Limit                                 | 51,587,278     | 51,542,181     | 45,495,162     | 40,983,633     | 35,754,383     | 31,497,871     | 32,605,590     | 29,987,583     | 26,739,566     | 23,799,120     |
| Legal debt margin   | \$ 459,256,077 | \$ 467,392,628 | \$ 479,677,322 | \$ 510,995,385 | \$ 511,492,106 | \$ 522,021,736 | \$ 502,636,330 | \$ 519,856,369 | \$ 533,214,240 | \$ 572,946,069 |
| Total Net Debt Applicable to the Limit<br>as a percentage of Debt Limit | 10.10%         | 9.93%          | 8.66%          | 7.42%          | 6.53%          | 5.69%          | 6.09%          | 5.45%          | 4.78%          | 3.99%          |

**Note:** Under state finance law, Wilson County's net debt should not exceed 8 percent of total assessed property value  
Exhibit G-2

**Table 12**  
**Wilson County, North Carolina**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

| Fiscal Year | (1)<br>Population | (1)<br>Personal Income<br>(in thousands) | (1)<br>Per Capita Personal Income | (3)<br>Median Age | (2)<br>School Enrollment | (2)<br>Graduation Rate Percentage | (8)<br>Unemployment Rate Percentage |
|-------------|-------------------|--|-----------------------------------|-------------------|--------------------------|-----------------------------------|-------------------------------------|
| 2011        | 80,005 (7)        | 2,653,765                                | 33,170                            | 39.00 (6)         | 12,194                   | 69.1%                             | 13.5%                               |
| 2012        | 81,643 (7)        | 2,903,306                                | 35,561                            | 39.00 (6)         | 12,043                   | 77.3%                             | 13.6%                               |
| 2013        | 81,380 (7)        | 2,699,375                                | 33,170                            | 38.30 (1)         | 12,307                   | 79.70%                            | 13.5%                               |
| 2014        | 82,020 (7)        | 2,881,509                                | 35,197                            | 39.00 (6)         | 13,099 (6)               | 77.80%                            | 9.9%                                |
| 2015        | 81,397 (7)        | 2,937,718                                | 35,972                            | 39.00 (6)         | 13,469                   | 81.50%                            | 10.5%                               |
| 2016        | 81,410 (7)        | 2,993,982                                | 36,044                            | 39.00             | 12,084                   | 81.50%                            | 9.3%                                |
| 2017        | 81,714 (7)        | 3,073,841                                | 37,617                            | 40.00             | 13,330                   | 79.80%                            | 7.3%                                |
| 2018        | 81,758 (7)        | 3,125,365                                | 38,272                            | 40.00             | 13,081                   | 80.20%                            | 6.3%                                |
| 2019        | 81,949 (7)        | 3,299,039                                | 40,501                            | 40.00             | 12,845                   | 80.70%                            | 5.3%                                |
| 2020        | 81,949 (7)        | 3,299,039                                | 40,501                            | 41.00             | 12,766                   | 80.30%                            | 8.5%                                |

**Sources:**

- (1) US Department of Commerce, Bureau of Economic Analysis
- (2) Wilson County Board of Education
- (3) State Library of North Carolina - Woods and Poole Annual County Profile
- (4) ERS/USDA Data - NC Unemployment and Median Household Income
- (5) Employment Security Commission of North Carolina, seasonally adjusted rates as of June 30  
<http://accessnc.commerce.state.nc.us/EDIS/demographics.html>
- (7) NC Dept. of Revenue Sales Tax Distribution
- (8) [https://ycharts.com/indicators/wilson\\_nc\\_unemployment\\_rate](https://ycharts.com/indicators/wilson_nc_unemployment_rate)

**Table 13**  
**Wilson County, North Carolina**  
**Principal Employers**  
**Current Year and Nine Years Ago**

|  | 2020                                      |           |      |                                     | 2011                                      |           |      |                                     |
|--|---|-----------|------|-------------------------------------|---|-----------|------|-------------------------------------|
|  | Employer                                  | Employees | Rank | Percentage of Total City Employment | Employer                                  | Employees | Rank | Percentage of Total City Employment |
|  | BB&T                                      | 2,200     | 1    | 6.41 %                              | Bridgestone Americas Tire Operations, LLC | 2,000     | 1    | 9.51 %                              |
|  | Bridgestone Americas Tire Operations, LLC | 2,100     | 2    | 6.12                                | BB&T                                      | 2,000     | 2    | 9.51                                |
|  | Wilson County Schools                     | 1,500     | 3    | 4.37                                | Wilson County Schools                     | 1,500     | 3    | 7.13                                |
|  | Wilson Medical Center                     | 900       | 4    | 2.62                                | Wilson Medical Center                     | 1,400     | 4    | 6.66                                |
|  | UTC Aerospace Systems                     | 1,120     | 6    | 3.26                                | Alliance One Tobacco USA                  | 900       | 5    | 4.28                                |
|  | City of Wilson                            | 760       | 5    | 2.21                                | ST Wooten                                 | 670       | 7    | 3.19                                |
|  | County of Wilson                          | 721       | 7    | 1.89                                | Smithfield Packing                        | 700       | 6    | 3.33                                |
|  | Smithfield Packing Company                | 649       | 8    | 2.10                                | City of Wilson                            | 650       | 9    | 3.09                                |
|  | Alliance One International                | 620       | 9    | 1.81                                | County of Wilson                          | 655       | 8    | 3.11                                |
|  | Sandoz                                    | 462       | 10   | 1.35                                | Merck Mfg.                                | 350       | 10   | 1.66                                |
|  | Total                                     | 11,032    |      | 32.14 %                             |   | 10,825    |      | 51.46 %                             |
|  | Balance of employment                     | 23,290    |      | 67.86 %                             |   | 10,210    |      | 48.54 %                             |
|  | Total employment                          | 34,322    |      | 100.00 %                            |   | 21,035    |      | 100.00 %                            |

**Source:** NC Employment Security Commission  
<http://accessnc.commerce.state.nc.us/docs/countyProfile/NC/37195>.  
Wilson EDC

Table 14

**Wilson County, North Carolina**  
**Full-Time County Government Employees by Function/Program**  
**Full-Time-Equivalent County Government Employees by Function/Program FY2019**  
**Last Ten Fiscal Years**

| Function/Program                  | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|
| General government                |      |      |      |      |      |      |      |      |      |      |
| County Manager                    | 4    | 4    | 4    | 3    | 4    | 3    | 3    | 3    | 4    | 4    |
| Tax administration                | 17   | 17   | 16   | 17   | 17   | 17   | 17   | 17   | 16   | 13   |
| Board of Elections                | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    |
| Register of Deeds                 | 6    | 6    | 6    | 6    | 6    | 6    | 6    | 6    | 6    | 5    |
| Human resources                   | 2    | 2    | 2    | 3    | 3    | 3    | 3    | 3    | 3    | 3    |
| IT Department                     | 5    | 5    | 5    | 4    | 5    | 5    | 6    | 6    | 9    | 9    |
| Finance                           | 6    | 6    | 6    | 6    | 6    | 7    | 7    | 7    | 7    | 8    |
| Public buildings                  | 6    | 6    | 10   | 14   | 14   | 12   | 13   | 13   | 12   | 12   |
| Cultural and recreational         |      |      |      |      |      |      |      |      |      |      |
| Library                           | 19   | 19   | 27   | 27   | 26   | 26   | 22   | 22   | 22   | 19   |
| Public safety                     |      |      |      |      |      |      |      |      |      |      |
| Sheriff                           | 83   | 83   | 92   | 93   | 99   | 89   | 92   | 92   | 85   | 88   |
| Detention center                  | 43   | 43   | 45   | 45   | 47   | 44   | 50   | 51   | 49   | 44   |
| Animal control                    | 8    | 8    | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 8    |
| Emergency communications          | 31   | 31   | 31   | 34   | 38   | 38   | 36   | 36   | 33   | 31   |
| Emergency management              | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    |
| Emergency medical services        | 49   | 49   | 69   | 72   | 69   | 72   | 65   | 65   | 64   | 64   |
| Transportation                    |      |      |      |      |      |      |      |      |      |      |
| Transportation                    | 1    | 1    | 1    | 1    | 1    | 2    | 2    | 2    | 2    | 2    |
| Economic and physical development |      |      |      |      |      |      |      |      |      |      |
| Cooperative extension             | 9    | 9    | 11   | 11   | 11   | 11   | 3    | 3    | 2    | 2    |
| Environmental protection          |      |      |      |      |      |      |      |      |      |      |
| Planning                          | 9    | 9    | 9    | 9    | 9    | 6    | 9    | 9    | 6    | 7    |
| Soil and water conservation       | 4    | 4    | 3    | 3    | 3    | 3    | 3    | 3    | 2    | 2    |
| Human services                    |      |      |      |      |      |      |      |      |      |      |
| Health                            | 136  | 136  | 136  | 131  | 140  | 110  | 122  | 122  | 78   | 72   |
| Senior Center                     | 1    | 1    | 2    | 2    | 2    | 2    | 2    | 2    | 3    | 3    |
| Social services                   | 214  | 214  | 218  | 213  | 237  | 228  | 254  | 256  | 249  | 231  |
| Veterans affairs                  | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    |
| Utilities                         |      |      |      |      |      |      |      |      |      |      |
| Water                             | 4    | 4    | 5    | 5    | 5    | 5    | 5    | 5    | 5    | 5    |
| Solid waste                       | 10   | 10   | 38   | 38   | 38   | 38   | 13   | 15   | 13   | 13   |
| Total                             | 673  | 673  | 751  | 752  | 795  | 742  | 748  | 753  | 685  | 651  |

**Table 15**  
**Wilson County, North Carolina**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

| Function/Program                              | 2011        | 2012        | 2013        | 2014        | 2015        | 2016        | 2017        | 2018        | 2019        | 2020        |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| General government                            |             |             |             |             |             |             |             |             |             |             |
| Building permits issued                       | 98          | 87          | 182         | 175         | 155         | 124         | 222         | 176         | 291         | 267         |
| Building inspections conducted                | 2,850       | 177         | 2,969       | 2,758       | 1,746       | 2,473       | 2,821       | 3,300       | 3,418       | 3,503       |
| Sheriff                                       |             |             |             |             |             |             |             |             |             |             |
| Arrests                                       | 2,806       | 2,723       | 2,274       | 2,226       | 2,377       | 2,201       | 2,253       | 2,118       | 2,194       | 1,716       |
| Citations                                     | 1,088       | 1,455       | 958         | 650         | 1,483       | 750         | 804         | 920         | 1,227       | 1,312       |
| Fire  |             |             |             |             |             |             |             |             |             |             |
| Inspections                                   | 82          | 76          | 81          | 53          | 181         | 40          | 46          | 39          | 20          | 41          |
| EMS   |             |             |             |             |             |             |             |             |             |             |
| Calls   | 13,014      | 12,924      | 13,730      | 13,719      | 13,523      | 14,495      | 15,907      | 15,944      | 16,052      | 15,973      |
| Solid Waste                                   |             |             |             |             |             |             |             |             |             |             |
| MSW (tons)                                    | 6,311       | 6,447       | 6,334       | 6,287       | 6,282       | 5,720       | 6,758       | 6,893       | 8,139       | 7,718       |
| C&D (tons)                                    | 14,009      | 15,154      | 13,477      | 11,674      | 14,231      | 36,240      | 18,755      | 35,984      | 35,475      | 26,153      |
| Recycle (tons)                                | 1,085       | 1,112       | 1,111       | 1,387       | 2,215       | 3,003       | 3,005       | 2,706       | 2,634       | 1,638       |
| Tires (tons)                                  | 1,912       | 2,285       | 1,347       | 1,285       | 1,466       | 1,511       | 1,814       | 1,765       | 1,863       | 1,939       |
| Oil (gallons)                                 | 3,095       | 2,376       | 2,246       | 1,627       | 4,123       | 5,415       | 4,507       | 6,238       | 6,074       | 7,126       |
| Batteries (count)*                            | 83          | 84          | 123         | *4,320      | n/a         | 2,956       | 5,256       | 3,301       | 7,416       | 4,438       |
| Jail  |             |             |             |             |             |             |             |             |             |             |
| Inmates admitted (average)                    | 5,200       | 5,353       | 6,039       | 6,695       | 5,783       | 5,870       | 5,534       | 5,410       | 5,668       | 6,033       |
| Inmates (daily average)                       | 173         | 176         | 198         | 220         | 190         | 189         | 182         | 178         | 189         | 198         |
| Department of Social Services (Mo. Avg.)      |             |             |             |             |             |             |             |             |             |             |
| Adult Medicaid (active cases)                 | 5,606       | 5,757       | 5,841       | 5,730       | 8,466       | 8,590       | 8,794       | 8,698       | 8,479       | 8,762       |
| Family and children's Medicaid (active cases) | 7,655       | 8,042       | 8,220       | 8,403       | **20,010    | 10,924      | 11,035      | 12,875      | 14,443      | 10,840      |
| Food stamps (active cases)                    | 8,125       | 8,255       | 8,338       | 8,959       | 9,090       | 9,024       | 8,379       | 7,602       | 7,524       | 8,149       |
| Children in foster care                       | 63          | 60          | 58          | 60          | 73          | 68          | 43          | 42          | 37          | 33          |
| Children in DSS custody                       | 63          | 60          | 58          | 60          | 73          | 68          | 43          | 42          | 37          | 33          |
| Day care (children served)                    | 800         | 852         | 703         | 771         | 732         | 731         | 730         | 767         | 860         | 950         |
| Child support (collections)                   | \$8,898,924 | \$8,946,811 | \$8,690,277 | \$8,403,110 | \$8,458,736 | \$8,457,195 | \$8,399,644 | \$8,531,048 | \$8,776,125 | \$9,204,249 |
| Work First (active cases)                     | 2,925       | 235         | 249         | 233         | 249         | 275         | 229         | 199         | 169         | 14          |
| Reception services (clients seen)             | 59,917      | 60,292      | 58,310      | 50,612      | 48,915      | 60,583      | 41,059      | 47,786      | 50,515      | 44,423      |
| Health Department                             |             |             |             |             |             |             |             |             |             |             |
| TB (clients seen)                             | 2,210       | 2,325       | 2,589       | 2,735       | 2,805       | 2,896       | 3,364       | 3,622       | 3,066       | 2,811       |
| Communicable disease/STD (client visits)      | 2,669       | 3,425       | 3,456       | 3,567       | 3,787       | 1,942       | 1,666       | 2,080       | 3,440       | 3,125       |
| Pharmacy (prescriptions filled)               | 6,095       | 5,722       | 5,923       | 6,025       | 6,155       | 41,988      | 5,170       | 5,528       | 5,687       | 10,511      |
| BCCOP (clients visits)                        | 54          | 49          | 76          | 77          | 80          | 76          | 85          | 77          | 101         | 86          |
| HIV/AIDS (tests)                              | 4,418       | 3,725       | 3,872       | 3,942       | 4,102       | 3,209       | 2,842       | 2,946       | 3,037       | 2,859       |
| Immunizations (administered)                  | 10,133      | 10,125      | 11,280      | 11,569      | 12,589      | 4,827       | 3,794       | 4,262       | 4,465       | 4,895       |
| Lab (tests)                                   | 27,304      | 28,294      | 29,854      | 40,953      | 41,872      | 37,950      | 30,694      | 27,522      | 44,859      | 55,621      |
| Environmental health (onsite inspections)     |             | 472         | 515         | 1,268       | 1,299       | 1,228       | 1,544       | 1,896       | 2,244       | 1,858       |
| Environmental health (restaurant inspections) |             | 547         | 902         | 1,720       | 1,864       | 1,859       | 968         | 1,236       | 1,962       | 2,049       |
| WIC (caseloads)                               |             | 3,255       | 37,251      | 2,853       | 2,963       | 2,948       | 2,639       | 2,600       | 2,399       | 2,662       |
| Cultural and Recreational                     |             |             |             |             |             |             |             |             |             |             |
| Libraries - circulation of youth services     | 122,218     | 128,538     | 118,558     | 129,149     | 127,899     | 111,452     | 92,537      | 127,018     | 102,876     | 89,245      |
| Libraries - circulation of adult services     | 154,082     | 150,340     | 133,204     | 170,703     | 158,998     | 156,372     | 153,464     | 102,977     | 84,838      | 85,773      |
| Education                                     |             |             |             |             |             |             |             |             |             |             |
| ADM   | 12,177      | 12,043      | 12,307      | 13,099      | 13,469      | 12,084      | 12,211      | 11,526      | 10,921      | 10,859      |

Source: Various County government departments. School enrollment statistics are from the Wilson County School Finance Office.

\* Batteries were calculated in weight rather than count for FY2014

\*\*Transition to NC Fast from EIS is per person rather than household

**Table 16**  
**Wilson County, North Carolina**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

| Function/Program        | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-------------------------|------|------|------|------|------|------|------|------|------|------|
| Public Safety           |      |      |      |      |      |      |      |      |      |      |
| Sheriff                 |      |      |      |      |      |      |      |      |      |      |
| Stations                | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    |
| Patrol units            | 99   | 98   | 98   | 97   | 99   | 98   | 98   | 95   | 98   | 103  |
| Canine units            | 0    | 4    | 4    | 4    | 4    | 4    | 4    | 4    | 4    | 5    |
| EMS                     |      |      |      |      |      |      |      |      |      |      |
| Stations                | 1    | 1    | 1    | 1    | 2    | 2    | 2    | 2    | 2    | 2    |
| Ambulances/QRVs         | 17   | 17   | 17   | 18   | 18   | 18   | 18   | 18   | 21   | 19   |
| Defibrillators          | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   |
| Cultural and Recreation |      |      |      |      |      |      |      |      |      |      |
| Libraries               | 6    | 6    | 6    | 6    | 6    | 6    | 6    | 6    | 6    | 6    |
| Water                   |      |      |      |      |      |      |      |      |      |      |
| Water mains (miles)     | 218  | 218  | 218  | 218  | 218  | 218  | 218  | 218  | 218  | 218  |
| Pump stations           | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    |

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# COMPLIANCE SECTION

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# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

## **Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

### **Independent Auditor's Report**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Wilson County, North Carolina (the "County") as of and for the year ended June 30, 2020, 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 11, 2020. Our report includes a reference to other auditors who audited the financial statements of the Wilson County ABC Board, as described in our report on Wilson County's financial statements. The financial statements of the Wilson 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 instances of reportable noncompliance associated with Wilson County ABC Board.

### **Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings, Responses, and Questioned Costs as item 2020-001 that we consider to be a material weakness.

### **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, non-compliance 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Wilson County's Response to Finding**

Wilson County's response to the finding identified in our audit is described in the accompanying Corrective Action Plan. Wilson County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of This Report**

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

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, North Carolina  
December 11, 2020

# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

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

### **Independent Auditor's Report**

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

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

We have audited the compliance of Wilson County, North Carolina, 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 Wilson County's major federal programs for the year ended June 30, 2020. Wilson County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

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

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Wilson County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Wilson County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

## Opinion on Each Major Federal Program

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

## Report on Internal Control Over Compliance

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

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

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

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

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, North Carolina  
December 11, 2020

# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

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

### **Independent Auditor's Report**

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

#### **Report On Compliance for Each Major State Program**

We have audited the compliance of Wilson County, North Carolina, with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on each of Wilson County's major state programs for the year ended June 30, 2020. Wilson County's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

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

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Wilson County's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; applicable sections of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Wilson County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

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

## **Other Matters**

The results of our auditing procedures disclosed an instance of non-compliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings, Responses, and Questioned Costs as item 2020-002. Our opinion on each major State program is not modified with respect to this matter.

Wilson County's response to the non-compliance finding identified in our audit is described in the accompanying Corrective Action Plan. Wilson County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weakness. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying Schedule of Findings, Responses, and Questioned Costs as item 2020-002, that we consider to be a significant deficiency.



Wilson County's response to the internal control over compliance finding identified in our audit is described in the accompanying Corrective Action Plan. Wilson County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, North Carolina  
December 11, 2020

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**WILSON COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**1. Summary of Auditor's Results**

**Financial Statements**

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

Unmodified

Internal control over financial reporting:

- Material weakness (es) identified? Yes
- Significant deficiency (s) identified? None reported

Non-compliance material to financial statements noted?

No

**Federal Awards**

Internal control over major federal programs:

- Material weakness (es) identified? No
- Significant deficiency (s) identified? 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)?

No

Identification of major federal programs:

| <b><u>Federal Program/Cluster Name</u></b> | <b><u>CFDA#</u></b> |
|--|---------------------|
| Medicaid Cluster                           | 93.778              |
| SNAP Cluster                               | 10.561              |
| Social Services Block Grant                | 93.667              |

Dollar threshold used to distinguish between Type A and Type B programs

\$750,000

Auditee qualified as low-risk auditee?

No

**WILSON COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**State Awards**

Internal control over major state programs:

- Material weakness (es) identified? No
- Significant deficiency (es) identified? Yes

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

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

Identification of major state programs:

**Program Name**

Medicaid Cluster

ROAP Cluster

Stream Debris Removal Program

School Nursing Funding Initiative

Aid to Counties

Rural Building Reuse Program

**WILSON COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**2. Findings Related to the Audit of the Basic Financial Statements**

**Material Weakness**

**Finding 2020-001**

**Criteria:** Management should have a system in place to reduce the likelihood of errors in financial reporting.

**Condition:** A significant audit adjustment is a proposed correction of the basic financial statements that, in our judgment, may not have been detected except through our auditing procedures. The existence of such material adjustments indicated that the County's system of controls did not detect and prevent such errors. We have provided management with a report of these adjustments.

**Effect:** Financial reports used for budget monitoring throughout the year may not properly reflect the account balances.

**Cause:** The general ledger was not reconciled to subsidiary ledgers on a regular basis, and year-end journal entries were not booked.

**Identification of a Repeat Finding:** This is a repeat finding from the immediate previous audit, 2019-001, modified.

**Recommendation:** Management should reconcile the subsidiary ledgers on a regular basis, reconcile year-end balances to subsidiary ledgers and post-closing entries needed, and improve the internal control system to prevent the adjustments in the future.

**Views of Responsible Officials and Planned Corrective Actions:** See Corrective Action Plan submitted with this report.

**WILSON COUNTY, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**3. Federal Award Findings and Questioned Costs**

None reported.

**4. State Award Findings and Questioned Costs**

**N.C. Department of Transportation**

Program Name: ROAP Cluster

**Finding: 2020-002**

**Significant Deficiency**

**Non-material, Non-Compliance – Reporting**

**Criteria:** In accordance with the State Single Audit Act and guidelines for the ROAP Cluster, management should have an adequate system of internal control procedures in place to ensure that any required reporting under the program is completed timely and accurately.

**Condition:** The final annual ROAP report had data provided that did not agree to data from the transportation billing system used to track rides.

**Context:** The final annual ROAP report completed was inaccurate. The report conveys important program details such as the number of rides made, and cost of services provided during the year. The report filed for the period ended June 30, 2020 was inaccurate and had to be revised and resubmitted with the correct data.

**Effect:** Reports submitted to the grantor did not agree to the rider data billing system. Funding provided to the County is based on the data from the ROAP reports, so it is important that the data agrees and reflects the actual activity.

**Cause:** Lack of controls and review over reporting.

**Identification of a Repeat Finding:** This is a repeat finding from the immediate previous audit, 2019-004, modified.

**Questioned Costs:** The report was corrected and resubmitted with the correct data; therefore, no questioned costs are applicable.

**Recommendation:** Implement stronger controls over the reporting process to detect possible errors in reporting before submission to the NC DOT.

**Views of Responsible Officials and Planned Corrective Actions:** See Corrective Action Plan submitted with this report.



**COUNTY OF WILSON**  
**FINANCE DEPARTMENT**  
PO BOX 1728, WILSON, NC 27894-1728  
252-399-2950 Fax 252-399-2943

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**CORRECTIVE ACTION PLAN**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**2. Findings Related to the Audit of the Basic Financial Statements**

**Finding 2020-001**

**Name of Contact Person:** Angel Landrau, Finance Director

**Corrective Action/Management's Response:** The Finance Department currently has processes and procedures in place that have proven to be effective for many years in the past. The department is providing ongoing training to new employees. Although full potential has not been achieved, progress has been made. The learning curve continued to be a challenge. In addition, COVID has played a significant contributor to making this year extremely difficult for the staff in completing assignments on-time.

The Finance Director will be seeking recommendations from professionals in the field to put a plan in place that will assist the department in eliminating future audit findings. The Finance Director will continue to closely monitor the progress of the employees and make recommendation/changes as necessary to ensure we meet our deadlines in a timely manner.

**Proposed Completion Date:** Immediately and ongoing.

**3. Federal Award Findings and Questioned Costs**

None noted.



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**CORRECTIVE ACTION PLAN (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**4. State Award Findings and Questioned Costs**

**N.C. Department of Transportation**

Program Name: ROAP Cluster

**Finding 2020-002**

**Name of Contact Person:** Mark M. Johnson, Development Services Director

**Corrective Action/Management's Response:** Wilson County Transportation Division believes this finding in part can be attributed to the CTS software (referred to in the audit as "transportation billing system") calculations changes overtime for the same time period being queried. In light of this discovery staff run reports more frequently in order to ensure that the reports and billing statements matches.

The Transportation Coordinator and Administrative Assistant will work closer, reviewing the billing statements and reports in order to reconcile any discrepancies before submission to NCDOT.

**Proposed Completion Date:** Immediately and ongoing.



**WILSON COUNTY, NORTH CAROLINA**

**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2020**

**2019-001:** Modified and repeated as 2020-001.

**2019-002:** Corrected.

**2019-003:** Corrected.

**2019-004:** Modified and repeated as 2020-002.

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## COUNTY OF WILSON, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020

| Grantor/Pass-Through<br>Grantor/Program Title  | Federal<br>CFDA<br>Number | State/<br>Pass-through<br>Grantor's<br>Number | Federal<br>(Direct &<br>Pass-Through)<br>Expenditures | State<br>Expenditures | Passed-through<br>to<br>Subrecipients |
|--|---------------------------|---|---|-----------------------|---------------------------------------|
| <b>FEDERAL AWARDS:</b>   |                           |   |   |                       |                                       |
| <u>U. S. Department of Agriculture</u>   |                           |   |   |                       |                                       |
| <u>Food and Nutrition Service</u>  |                           |   |   |                       |                                       |
| Passed-Through the N.C. Department of Health and Human Services:   |                           |   |   |                       |                                       |
| Division of Social Services:   |                           |   |   |                       |                                       |
| Administration:  |                           |   |   |                       |                                       |
| <u>Supplemental Nutrition Assistance Program (SNAP) Cluster:</u>   |                           |   |   |                       |                                       |
| <u>Food and Nutrition Services Cluster (Note 3):</u>   |                           |   |   |                       |                                       |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program:                            |                           |   |   |                       |                                       |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - Admin                     | 10.561                    | 205NC406S2514                                 | \$ 1,639,317  | \$ -                  | \$ -                                  |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - Fraud Admin               | 10.561                    | 205NC406S2514                                 | 257,972   | -                     | -                                     |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - Food Stamp E&T & Depend C | 10.561                    | 205NC406S2514                                 | 87,571  | -                     | -                                     |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - Food Stamp E&T            | 10.561                    | 205NC406S2514                                 | 35,000  | -                     | -                                     |
| Total SNAP / Food and Nutrition Services Cluster (Note 3)  |                           |   | <u>2,019,860</u>                                      | <u>-</u>              | <u>-</u>                              |
| Passed-Through the N.C. Department of Health and Human Services:   |                           |   |   |                       |                                       |
| Division of Public Health:   |                           |   |   |                       |                                       |
| WIC Special Supplemental Nutrition Program for Women, Infants, and Children - Administration                       | 10.557                    | 13A25403GA                                    | 527,324   | -                     | -                                     |
| Total U.S. Department of Agriculture   |                           |   | <u>2,547,184</u>                                      | <u>-</u>              | <u>-</u>                              |
| <u>U.S. Department of Health and Human Services</u>  |                           |   |   |                       |                                       |
| <u>Administration for Community Living</u>   |                           |   |   |                       |                                       |
| Passed-Through Upper Coastal Plain Council of Governments:   |                           |   |   |                       |                                       |
| <u>Aging Cluster:</u>  |                           |   |   |                       |                                       |
| Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers               | 93.044                    | DAAS-735                                      | 71,721  | 4,219                 | -                                     |
| Special Programs for the Aging, Title III, Part C Nutrition Services   | 93.045                    | DAAS-735                                      | 263,372   | 15,493                | -                                     |
| Special Programs for the Aging, Title III, Part C Nutrition Services - families first                              | 93.045                    | DAAS-735                                      | 74,700  | -                     | -                                     |
| Nutrition Services Incentive Program   | 93.053                    | DAAS-735                                      | 36,035  | -                     | -                                     |
| State appropriations:  |                           |   |   |                       |                                       |
| Access   |                           | DAAS-735                                      | -   | 7,309                 | -                                     |
| In Home Service  |                           | DAAS-735                                      | -   | 267,198               | -                                     |
| Home Delivered Meals   |                           | DAAS-735                                      | -   | 50,930                | -                                     |
| Total Aging Cluster  |                           |   | <u>445,828</u>  | <u>345,149</u>        | <u>-</u>                              |
| Social Services Block Grant  | 93.667                    | DAAS-735                                      | 30,741  | 878                   | -                                     |
| Total Administration for Community Living  |                           |   | <u>476,569</u>  | <u>346,027</u>        | <u>-</u>                              |
| <u>Administration for Children and Families</u>  |                           |   |   |                       |                                       |
| Passed-Through the N.C. Department of Health and Human Services:   |                           |   |   |                       |                                       |
| Division of Social Services:   |                           |   |   |                       |                                       |
| Temporary Assistance for Needy Families:   |                           |   |   |                       |                                       |
| Work First Admin   | 93.558                    | 2001NCTANF                                    | 418,331   | -                     | -                                     |
| Work First Service   | 93.558                    | 2001NCTANF                                    | 1,719,501   | -                     | -                                     |
| Division of Public Health:   |                           |   |   |                       |                                       |
| Temporary Assistance for Needy Families  | 93.558                    | 13325150T2/13A15151T2                         | 88,415  | -                     | -                                     |
| <u>Subsidized Childcare Cluster (Note 3):</u>  |                           |   |   |                       |                                       |
| <u>Child Care Development Fund Cluster:</u>  |                           |   |   |                       |                                       |
| Division of Social Services:   |                           |   |   |                       |                                       |
| Child Care Mandatory and Matching Funds of the Child Care and Development Fund - Admin                             | 93.596                    | G2001NCCCDF                                   | 272,907   | -                     | -                                     |
| Total Subsidized Child Care Cluster (Note 3) / Child Care Development Fund Cluster                                 |                           |   | <u>272,907</u>  | <u>-</u>              | <u>-</u>                              |
| <u>Foster Care and Adoption Cluster (Note 3)</u>   |                           |   |   |                       |                                       |
| Adoption Assistance  | 93.659                    | 2001NCADPT                                    | 31,598  | -                     | -                                     |
| Foster Care Title IV-E   | 93.658                    | 2001NCFOST                                    | 454,222   | 56,568                | -                                     |
| COVID-19 - Foster Care Title IV-E  | 93.658                    | 2001NCFOST                                    | 5,086   | 324                   | -                                     |
| Foster Care Title IV-E - Direct Benefit Payments   | 93.658                    | 2001NCFOST                                    | 71,635  | 20,786                | -                                     |
| COVID-19 - Foster Care Title IV-E - Direct Benefit Payments - supplemental   | 93.658                    | 2001NCFOST                                    | 7,208   | 2,092                 | -                                     |
| Total Foster Care and Adoption Cluster (Note 3)  |                           |   | <u>569,749</u>  | <u>79,770</u>         | <u>-</u>                              |

## COUNTY OF WILSON, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020

| Grantor/Pass-Through<br>Grantor/Program Title  | Federal<br>CFDA<br>Number | State/<br>Pass-through<br>Grantor's<br>Number | Federal<br>(Direct &<br>Pass-Through)<br>Expenditures | State<br>Expenditures | Passed-through<br>to<br>Subrecipients |
|--|---------------------------|---|---|-----------------------|---------------------------------------|
| Social Services Block Grant  | 93.667                    | G2001NCSOSR                                   | 523,320   | -                     | -                                     |
| Stephanie Tubbs Jones Child Welfare Services Program   | 93.645                    | G2001NCCWSS                                   | 17,303  | -                     | -                                     |
| Low Income Home Energy Assistance - Crisis Intervention Payments   | 93.568                    | G20B1NCLIEA                                   | 409,281   | -                     | -                                     |
| Low Income Home Energy Assistance - Admin  | 93.568                    | G20B1NCLIEA                                   | 94,454  | -                     | -                                     |
| Low Income Home Energy Assistance  | 93.568                    | G20B1NCLIEA                                   | 444,292   | -                     | -                                     |
| Child Support Enforcement:   |                           |   |   |                       |                                       |
| Title IV-D Administration  | 93.563                    | 2001NCCES                                     | 1,204,901   | -                     | -                                     |
| IV-D Offset Fees - ESC   | 93.563                    | 2001NCCES                                     | 45  | -                     | -                                     |
| IV-D Offset Fees - ESC Admin   | 93.563                    | 2001NCCES                                     | 16  | -                     | -                                     |
| IV-D Offset Fees - Federal   | 93.563                    | 2001NCCES                                     | 13,405  | -                     | -                                     |
| John H. Chafee Foster Care Program for Successful Transition<br>to Adulthood - Administration                                    | 93.674                    | 2001NCC1LP                                    | 14,088  | 3,522                 | -                                     |
| John H. Chafee Foster Care Program for Successful Transition<br>to Adulthood - Direct Benefit Payments                           | 93.674                    | 2001NCC1LP                                    | 13,637  | -                     | -                                     |
| <u>Special Children Adoption Fund Cluster (Note 3)</u>   |                           |   |   |                       |                                       |
| MaryLee Allen Promoting Safe and Stable Families Program   | 93.556                    | G2001NCFPSS                                   | 108,348   | -                     | -                                     |
| Total Special Children Adoption Fund Cluster (Note 3)  |                           |   | 108,348   | -                     | -                                     |
| Total Administration for Children and Families   |                           |   | 5,911,993   | 83,292                | -                                     |
| <u>Centers for Medicare and Medicaid Services</u>  |                           |   |   |                       |                                       |
| Passed-Through the N.C. Department of Health and Human Services:   |                           |   |   |                       |                                       |
| <u>Medicaid Cluster:</u>   |                           |   |   |                       |                                       |
| Division of Health Benefits:   |                           |   |   |                       |                                       |
| Division of Social Services:   |                           |   |   |                       |                                       |
| Medical Assistance Program   |                           |   |   |                       |                                       |
| State County Special Assistance  | 93.778                    | XIX-MAP20                                     | 53,577  | -                     | -                                     |
| Adult Care Home Case Management  | 93.778                    | XIX-MAP20                                     | 49,552  | 7,677                 | -                                     |
| MA Expansion   | 93.778                    | XIX-MAP20                                     | 253,031   | -                     | -                                     |
| Medical Assistance Administration  | 93.778                    | XIX-MAP20                                     | 3,301,434   | -                     | -                                     |
| Medical Transportation Admin   | 93.778                    | XIX-MAP20                                     | 188,696   | -                     | -                                     |
| Total Medicaid Cluster   |                           |   | 3,846,290   | 7,677                 | -                                     |
| Children's Health Insurance Program:   |                           |   |   |                       |                                       |
| NC Health Choice - Admin   | 93.767                    | CHIP20  | 128,895   | 3,356                 | -                                     |
| Total Centers for Medicare and Medicaid Services   |                           |   | 3,975,185   | 11,033                | -                                     |
| <u>Centers for Disease Control and Prevention</u>  |                           |   |   |                       |                                       |
| Passed-Through the N.C. Department of Health and Human Services:   |                           |   |   |                       |                                       |
| Division of Public Health:   |                           |   |   |                       |                                       |
| Immunization Cooperative Agreements  | 93.268                    | 1331631AEJ                                    | 24,578  | -                     | -                                     |
| Hospital Preparedness Program (HPP) and Public Health Emergency<br>Preparedness (PHEP) Aligned Cooperative Agreements            | 93.074                    | 12642680EN                                    | 34,651  | -                     | -                                     |
| COVID-19 - Hospital Preparedness Program (HPP) and Public Health<br>Emergency Preparedness (PHEP) Aligned Cooperative Agreements | 93.074                    | 12642680CP                                    | 88,439  | -                     | -                                     |
| Project Grants and Cooperative Agreements for Tuberculosis<br>Control Programs   | 93.116                    | 1460272ANF/1460272ENF                         | 27,433  | -                     | -                                     |
| Cancer Prevention and Control Programs for State, Territorial and<br>Tribal Organizations  | 93.898                    | 1320310CD7                                    | 10,400  | -                     | -                                     |
| Preventative Health & Health Services Block Grant  | 93.991                    | 12615503PH                                    | 30,921  | -                     | -                                     |
| <u>HIV Cluster (Note 3):</u>   |                           |   |   |                       |                                       |
| Sexually Transmitted Diseases (STD) Prevention and Control Grants  | 93.977                    | 1311462BNB                                    | 42  | -                     | -                                     |
| Total HIV Cluster (Note 3)   |                           |   | 42  | -                     | -                                     |
| Total Centers for Disease Control and Prevention   |                           |   | 216,464   | -                     | 76,849                                |
| <u>Health Resources and Services Administration</u>  |                           |   |   |                       |                                       |
| Passed-Through the N.C. Department of Health and Human Services:   |                           |   |   |                       |                                       |
| Division of Public Health:   |                           |   |   |                       |                                       |
| Maternal and Child Health Services Block Grant to the States   | 93.994                    | 13A15146AR98                                  | 92,402  | 23,951                | -                                     |
| <u>Office of Assistant Secretary for Health</u>  |                           |   |   |                       |                                       |
| Passed-Through the N.C. Department of Health and Human Services:   |                           |   |   |                       |                                       |
| Family Planning Services   | 93.217                    | 13A1592AFP98/13A1592CFP98                     | 67,881  | -                     | -                                     |
| Total U.S. Department of Health and Human Services   |                           |   | 10,740,494  | 464,303               | 76,849                                |
| <u>U.S. Department of Treasury</u>   |                           |   |   |                       |                                       |
| Passed through the Office of State Budget and Management   |                           |   |   |                       |                                       |
| NC Pandemic Recovery Office  |                           |   |   |                       |                                       |
| COVID-19 - Coronavirus Relief Fund (Note 5)  | 21.019                    |   | 375,950   | -                     | 255,831                               |
| Total U.S. Department of Treasury  |                           |   | 375,950   | -                     | 255,831                               |

## COUNTY OF WILSON, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020

| Grantor/Pass-Through<br>Grantor/Program Title  | Federal<br>CFDA<br>Number | State/<br>Pass-through<br>Grantor's<br>Number | Federal<br>(Direct &<br>Pass-Through)<br>Expenditures | State<br>Expenditures | Passed-through<br>to<br>Subrecipients |
|--|---------------------------|---|---|-----------------------|---------------------------------------|
| <u>U.S. Department of Justice</u>  |                           |   |   |                       |                                       |
| <u>Office of Justice</u>   |                           |   |   |                       |                                       |
| Direct Program:  |                           |   |   |                       |                                       |
| State Criminal Alien Assistance Program  | 16.606                    | 2016-AP-BX-0140                               | 33,508  | -                     | -                                     |
| Edward Byrne Memorial Justice Assistance Grant Program   | 16.738                    | G:2018DJBX0041                                | 24,488  | -                     | -                                     |
| Total U.S. Department of Justice   |                           |   | 57,996  | -                     | -                                     |
| <u>U. S. Department of Transportation</u>  |                           |   |   |                       |                                       |
| <u>Federal Transit Administration</u>  |                           |   |   |                       |                                       |
| Passed-Through the N.C. Department of Transportation   |                           |   |   |                       |                                       |
| Passed-Through City of Wilson  |                           |   |   |                       |                                       |
| Formula Grants for Rural Areas and Tribal Transit Program -<br>Capital 20-CT-001                       | 20.509                    | 36233.26.21.3                                 | 88,903  | 11,213                | -                                     |
| Formula Grants for Rural Areas and Tribal Transit Program -<br>Admin 20-CT-001                         | 20.509                    | 36233.26.21.1                                 | 37,618  | 2,351                 | -                                     |
| COVID-19 - Formula Grants for Rural Areas and Tribal Transit Program -<br>Section 5311 CARES ACT Grant | 20.509                    | 36233.26.21.1                                 | 53,054  | -                     | -                                     |
| Total U.S. Department of Transportation  |                           |   | 179,575   | 13,564                | -                                     |
| <u>National Endowment for the Humanities</u>   |                           |   |   |                       |                                       |
| Passed-Through State Library of North Carolina   |                           |   |   |                       |                                       |
| Grants to States - LSTA EZ Grants  | 45.310                    | 2020  | 93,732  | -                     | -                                     |
| Total National Endowment for the Humanities  |                           |   | 93,732  | -                     | -                                     |
| Total Federal Awards   |                           |   | 13,994,931  | 477,867               | 332,680                               |
| <b>STATE AWARDS:</b>   |                           |   |   |                       |                                       |
| <u>N.C. Department of Administration</u>   |                           |   |   |                       |                                       |
| Division of Veterans Affairs:  |                           |   |   |                       |                                       |
| County Veterans Service Program  |                           | XXXXX   | -   | 2,182                 | -                                     |
| <u>N.C. Department of Cultural and Natural Resources</u>   |                           |   |   |                       |                                       |
| Division of State Library:   |                           |   |   |                       |                                       |
| State Aid to Public Libraries  |                           | XXXXX   | -   | 128,295               | -                                     |
| <u>N.C. Department of Agriculture and Consumer Services</u>  |                           |   |   |                       |                                       |
| Visit NC Farms App   |                           | 19-060-4005                                   | -   | 3,000                 | 2,750                                 |
| Division of Soil and Water Conservation:   |                           |   |   |                       |                                       |
| Stream Debris Removal Program  |                           | 17-175-4062                                   | -   | 310,187               | -                                     |
| District Matching and Technical Assistance Agreement   |                           | 18-024-4066                                   | -   | 27,030                | -                                     |
| Total Division of Soil and Water Conservation  |                           |   | -   | 340,217               | 2,750                                 |
| <u>N.C. Department of Environmental Quality</u>  |                           |   |   |                       |                                       |
| Division of Water Infrastructure:  |                           |   |   |                       |                                       |
| Water System Asset Inventory Assessment Grant  |                           | H-AIA-D-18-0142                               | -   | 17,414                | -                                     |
| Water System Asset Inventory Assessment Grant  |                           | H-AIA-D-18-0122                               | -   | 19,302                | -                                     |
| Total Division of Water Infrastructure   |                           |   | -   | 36,716                | -                                     |
| <u>N.C. Department of Health and Human Services</u>  |                           |   |   |                       |                                       |
| Division of Aging and Adult Services:  |                           |   |   |                       |                                       |
| Passed-Through Upper Coastal Plain Council of Governments:   |                           |   |   |                       |                                       |
| State appropriations:  |                           |   |   |                       |                                       |
| Senior Center Outreach   |                           | DAAS-735                                      | -   | 7,050                 | -                                     |
| Division of Public Health:   |                           |   |   |                       |                                       |
| Other Receipts / State Supported Expenditures  |                           |   |   |                       |                                       |
| Food and Lodging Fees  |                           | 11534752SZ                                    | -   | 25,112                | -                                     |
| Public Health Nursing  |                           | 1161430100                                    | -   | 400                   | -                                     |
| Aid to Counties  |                           | 1161411000                                    | -   | 138,713               | -                                     |
| Healthy Community Activities   |                           | 1261550300                                    | -   | 3,785                 | -                                     |
| General Communicable Disease Control   |                           | 1175451000                                    | -   | 8,294                 | -                                     |
| Breast and Cervical Cancer Control   |                           | 1320335504/1320559900                         | -   | 15,775                | -                                     |
| School Health Center   |                           | 1332535700                                    | -   | 88,880                | -                                     |
| Child Health   |                           | 1271574500                                    | -   | 9,930                 | -                                     |
| TB Control   |                           | 1460455100/1460455400                         | -   | 63,051                | -                                     |
| Family Planning - State  |                           | 13A1573500                                    | -   | 16,011                | -                                     |
| School Nursing Funding Initiative  |                           | 1332535800                                    | -   | 149,103               | -                                     |
| Maternal Health  |                           | 13A1574000                                    | -   | 75,542                | -                                     |

## COUNTY OF WILSON, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020

| Grantor/Pass-Through<br>Grantor/Program Title               | Federal<br>CFDA<br>Number | State/<br>Pass-through<br>Grantor's<br>Number | Federal<br>(Direct &<br>Pass-Through)<br>Expenditures | State<br>Expenditures | Passed-through<br>to<br>Subrecipients |
|---|---------------------------|---|---|-----------------------|---------------------------------------|
| Women Health Service Fund                                   |                           | 13A16020FR                                    | -   | 11,157                | -                                     |
| HIV/STD State   |                           | 13114536BN/13114536RR                         | -   | 9,722                 | -                                     |
| Gonorrhea Partner Services                                  |                           | 13114601BN                                    | -   | 695                   | -                                     |
| Total Division of Public Health                             |                           |   | -   | 616,170               | -                                     |
| Division of Social Services:                                |                           |   |   |                       |                                       |
| ST Child Welfare/CPS/CS LD                                  |                           | XXXXX   | -   | 71,233                | -                                     |
| Energy Assist Private Grant                                 |                           | XXXXX   | -   | 1,089                 | -                                     |
| AFDC Incent/Prog Integrity                                  |                           | XXXXX   | -   | 45                    | -                                     |
| Direct Benefit Payments-                                    |                           |   |   |                       |                                       |
| Extended FC/Max Non IV-E                                    |                           | XXXXX   | -   | 46,213                | -                                     |
| F/C At Risk Maximization                                    |                           | XXXXX   | -   | 2,608                 | -                                     |
| SFHF Maximization   |                           | XXXXX   | -   | 69,752                | -                                     |
| State Foster Home   |                           | XXXXX   | -   | 34,523                | -                                     |
| Total Division of Social Services                           |                           |   | -   | 225,463               | -                                     |
| Total N.C. Department of Health and Human Services          |                           |   | -   | 848,683               | -                                     |
| <u>Agency N.C. Department of Public Safety:</u>             |                           |   |   |                       |                                       |
| Division of Juvenile Justice and Delinquency Prevention:    |                           |   |   |                       |                                       |
| Juvenile Crime and Delinquency Prevention Council           |                           | 898-10141/11756/22619/10614/10642             | -   | 286,138               | 286,138                               |
| <u>N.C. Department of Transportation:</u>                   |                           |   |   |                       |                                       |
| Rural Operating Assistance Program (ROAP) Cluster           |                           |   |   |                       |                                       |
| ROAP Elderly and Disabled Transportation Assistance Program |                           | 36220.10.9.1                                  | -   | 89,448                | -                                     |
| ROAP Rural General Public Program                           |                           | 36228.22.9.1                                  | -   | 137,297               | -                                     |
| Total ROAP Cluster  |                           |   | -   | 226,745               | -                                     |
| East Nash VFD - paving                                      |                           | 72.1060                                       | -   | 25,000                | 25,000                                |
| Total N.C. Department of Transportation                     |                           |   | -   | 251,745               | 25,000                                |
| <u>N.C. Department of Commerce</u>                          |                           |   |   |                       |                                       |
| Building Reuse Program                                      |                           | Project Cleopatra                             | -   | 500,000               | 500,000                               |
| Total State Awards  |                           |   | -   | 2,393,976             | 813,888                               |
| Total Federal and State Awards                              |                           |   | \$ 13,994,931   | \$ 2,871,843          | \$ 1,146,568                          |

**Notes to the Schedule of Expenditures of Federal and State Financial Awards:****Note 1: Basis of Presentation**

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

The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Food and Nutrition Services, Subsidized Child Care, Special Children Adoption Fund, HIV, and Foster Care and Adoption.

**Note 4: Indirect Cost Rates**

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

**Note 5:**

Wilson County received \$1,580,929 of funding from the Coronavirus Relief Fund (21.019) in accordance with HB 1043 and is scheduled to receive \$1,587,589 appropriated from HB 1023. At least twenty-five percent (25%) of the funds are mandated to go to municipalities within Wilson County, at the discretion of the County. Municipalities are to have a plan to spend these funds by September 1, 2020, or any funds received are to be returned to the County. Counties and municipalities are liable to the state for funds not spent in accordance with US Dept. of Treasury, the granting agency, guidelines. According to the Office of State Budget and Management, the state's pass-through agency, municipalities are considered subrecipients of the Counties; however, municipalities are not liable to the County for any misused or misspent funds. CRF must be spent during the period March 1, 2020 to December 30, 2020.