

**CHATHAM COUNTY  
NORTH CAROLINA**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

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



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

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## **INTRODUCTORY SECTION**

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November 8, 2024

To the Board of County Commissioners and Citizens of Chatham County, North Carolina:

State law requires that all local governments publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published for the fiscal year ended June 30, 2024.

Generally accepted accounting principles require that management provide a narrative introduction, 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 Management Discussion and Analysis and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Responsibility for the accuracy, completeness, and fairness of the presentations, including all disclosures, rest with the County. We believe the data, as presented, is accurate in all material respects and fairly presents the County's financial position and results of operations.

Martin, Starnes & Associates, CPAs, P.A. a firm of licensed Certified Public Accountants, have issued an unmodified opinion on the County's financial statements for the year ended June 30, 2024. The independent auditor's report is located at the front of the financial section of this report.

#### *Description of the County*

Founded in 1771 and located at the geographic center of the state, Chatham County encompasses an area of 707 square miles. The County borders Orange, Durham, Wake, Lee, Moore, Randolph, Harnett, and Alamance counties and is situated between two of the State's three largest centers of population and commerce, the Research Triangle, and the Piedmont Triad.

The proximity to these two areas continues to promote population growth and keep the County's economy healthy. New residents are attracted to the County because of its rural quality of life coupled with close proximity to major metropolitan areas and employment centers. The County's 2023 population was estimated at 81,624. By 2033, the State estimates that the County's population will grow to 115,000.

Most of the County's population continues to reside in the unincorporated area, with only 17.1 percent of residents living in a municipality. The Town of Pittsboro with a population of 4,930 serves as the County seat.

The County operates under the manager form of government. Policy making and legislative authority are vested in a Board of Commissioners consisting of five members who are elected for four-year terms in even numbered years. The County Manager is appointed by the Board and is responsible for the administration of the affairs of the County. The County is responsible for and maintains a full range of services inherent in the operation of a county government. These services include general government, public safety, human services, cultural and recreational activities, education, economic and physical development, and environmental protection. The County also operates a water system on a user charge basis. This report includes all the County's activities in maintaining these services.

The County operates under an annual budget ordinance, adopted in accordance with the provisions of the Local Government Budget and Fiscal Control Act. Budgetary control is maintained on a departmental basis or project basis and may be amended as changing conditions warrant.

The County's annually budgeted Major Funds include General fund, Capital Improvement Project Reserve fund, and Capital Reserve fund. Major Special Revenue and Capital Funds are budgeted on a project basis and include Facilities Improvement fund, School Construction fund, American Rescue Plan fund, and Opioid Settlement fund. The Emergency Telephone System, the Forfeited Property, the Recreation-Payment in Lieu, the Impact Fees, the Bynum Canoe Access/Easement Monitoring, the Courthouse Clock, the Library Foundation, the Representative Payee, the Fines and Forfeitures, and the Special Fire District funds are annually budgeted and reported as nonmajor special revenue funds. The Tech/System Improvement Project and County Wide Parks Project funds are budgeted on a project basis and are reported as nonmajor capital project funds. The Emergency Vehicle Replacement Capital Reserve Project fund is an annually budgeted nonmajor capital project fund.

### *Local economy*

The County retains a large agricultural base with a mixture of industrial, tourism and service businesses helping support the County's economy. Strong economic influences in surrounding areas, such as Cary, Chapel Hill, Durham, Raleigh, and the Research Triangle Park have a positive effect on the growth of the County's population and economy, especially in the northern and eastern sections of the County. Over 25,000 Chatham County residents commute outside the County for employment, with the urban areas being the top destinations for jobs. The regional prosperity has enabled Chatham County to rank fifth among the state's 100 counties in median household income. The County experienced a 20% growth rate from 2010-2020 according to Census data and is among the 10 fastest growing counties in the state.

Within the County, health services are the largest industry. Major employers in this sector are Carolina Meadows, Galloway Ridge, The Laurels of Chatham, and Piedmont Health Services. Other large employers include manufacturers like Mountaire Farms, Charter Furniture, Brookwood Farms, Southern Veneer, and Arauco. Arauco is investing almost \$9 million and creating 26 new jobs at their plant in Moncure. Gaines Oil of Goldston is also expanding, planning to invest \$350,000 and create 14 new jobs. CTI Systems is investing \$1,000,000 in its Goldston facility and adding 20 new full-time positions. Gilero, a Pittsboro-based medical device manufacturer, continues to grow its presence across the United States and the globe. Charter Furniture (a subsidiary of Brown Jordan) is now the third furniture manufacturer in the county as they moved about 110 jobs from their current facility in Liberty to Siler City. Vacancies for industrial property remain low, with little inventory on the market.

In 2020, to support the economic development goals of the Chatham County Board of Commissioners the Chatham Economic Development Corporation's (EDC) adopted a new five-year Strategic Action Plan. The EDC continues to work on supporting businesses of all sizes, site development and infrastructure solutions. A new regional marketing initiative called Carolina Core was launched by the Piedmont Triad Partnership out of Greensboro in late 2018. The EDC closely collaborates with the Carolina Core effort to promote economic development assets. In addition, the EDC is also a member of the Research Triangle Regional Partnership. This is another asset for the county as the EDC is a part of two different strong regional marketing groups.

In late March of 2022, Vietnamese electric vehicle manufacturer VinFast announced plans to invest \$4 billion and create 7,500 jobs at the Triangle Innovation Point site. The company will manufacture electric vehicles and batteries on the site, which will be their first North American plant. The company will take over the majority of the Triangle Innovation Point site for its plant and suppliers. The groundbreaking ceremony for the site was held on July 28th, 2023, to much fanfare. Directly adjacent is the Triangle Innovation Point West, a brownfield site that is being redeveloped as a business park. A distribution center for FedEx is nearly completed at the TIP West site and will create approximately 300 jobs.

Chatham County's 2017 Comprehensive Plan dictated that once a major tenant landed at the TIP site a small area plan would be initiated. The small area plan will provide various scenarios to the community on what the future looks like for the Moncure area. Chatham County staff and the consultant team have engaged with the community, encouraged the public to be involved and their meetings have been very well attended. The EDC has been involved in this process as it is vital for the future development of the area. Plan Moncure's adoption is projected to occur in October of 2024.

At the intersection of US 64 and Highway 751, Durham Coca-Cola Bottling Company, the region's distribution arm of Coca-Cola, announced plans to build a new headquarters to relocate from existing facilities in Durham and Lee Counties. The move will bring 180-200 existing employees to the area. In addition to the Coca-Cola building, the

developers of Apex Gateway Park have planned four speculative buildings and have already broken ground on the first building. Due to the proximity to RTP, the developers are hoping to recruit life sciences industries to the park.

On September 9th, 2022, Wolfspeed, a silicon carbide manufacturing company headquartered in Durham, North Carolina, announced that it will establish a new facility in Siler City. The facility will produce a silicon carbide product, often referred to as chips, for use in electric vehicles, 4G and 5G mobile development, and other industrial and commercial uses. The North Carolina-based company purchased land at Chatham-Siler City Advanced Manufacturing Site in Siler City and will create 1,800 jobs at an average salary of \$77,753. The company plans to invest \$5 billion in the project in Siler City over the next five years. Construction on the site is already underway.

Due to the size of the Wolfspeed project, and other residential developments, Siler City is looking for options for additional sewer capacity. The EDC is working closely with the Town of Siler City and other developers to ensure capacity is available for future growth. TriRiver water will play a major role in adding capacity to Siler City's wastewater processing capabilities. A merger between the two agencies is being negotiated. The product is expected to look like the agreement reached with the Town of Pittsboro. Once a solution is found for additional sewer, Siler City will be in a prime position for significant development.

In addition to the major industrial sites, the EDC works with developers for Chatham Park, a 7,000-acre mixed-use development. The development is approved for 22,000 new residential units and 22 million square feet of non-residential space. Progress at Chatham Park has been steady, with new retail and commercial tenant announcements and home construction at the Vineyards. A grand opening was held at Mosaic for a new apartment complex that will add 165 rental housing units to the local market. Additional new businesses now open at Mosaic include 79 West, a coworking space, urgent care, restaurants, and various construction and engineering offices. The offerings at Mosaic also include condominiums. Progress is happening across the street at Northwood Landing, where a Lowes Foods grocery store will anchor the commercial development. Other Chatham Park projects underway or completed include a water reclamation facility, a solar farm, site work for additional residential development and infrastructure expansion. Penguin Place, a three-acre multi-tenant center, is fully leased with retail and office tenants.

Chatham County continues to foster expansion and retention of its existing industries through pursuit of external funding for building renovations, workforce development incentives, and capital investment subsidies. Examples of successful projects include Arauco's \$28.5 million expansion and addition of 26 new employees, CTI System's \$1 million expansion, as well as Gaines Oil's \$350,000 investment in an administrative office expansion, adding 14 new full-time positions to their Goldston headquarters. All projects were funded through the North Carolina Department of Commerce's Building Reuse program, a funding initiative that is vital to our business retention and expansion program. The County currently has one application pending within that program and continues to monitor funding opportunities to assist existing businesses within Chatham County.

Several major highways (US 15-501, US 1, US 64, and Future I-685) and numerous state roads access the County and link it to Interstates 40 and 85. The area is served by major freight carriers, bus lines and delivery services, and air transportation is less than one hour away at Raleigh-Durham International Airport in the heart of the Research Triangle Region and Piedmont Triad International Airport in Greensboro. The Siler City Municipal Airport has a 5,000-foot paved, lighted runway with instrument approach capability and can accommodate small business aircraft. The Raleigh Executive Jetport in neighboring Lee County is near the Moncure industrial area in the southeastern portion of the County and is another selling point for the Triangle Innovation Point site.

Agriculture and agribusiness (food, fibers, and forestry) remain significant in the local economy. Total farm cash receipts in the County for 2022 amounted to \$197,505,574, which ranked 31<sup>st</sup> in the State. The most recent 2022 Census of Agriculture reported Chatham County as having 1,076 farms, of which 95% identified as family farms. Over one-third of the 1,800 agricultural producers within the county are female. Most farms range in size from 10 to 179 acres, and the total land used for farming is 114,051 acres. The County ranks 2<sup>nd</sup> in the State in beef cattle (3<sup>rd</sup> in overall cattle production) and 18<sup>th</sup> in broiler chicken production out of the 100 counties. The county also ranks 9<sup>th</sup> in hay production, and 3<sup>rd</sup> in sheep and goat population, as compared to other North Carolina counties. There are five dairy operations in Chatham County currently, and the County ranks 9<sup>th</sup> in the state for number of dairy cattle. The horticulture industry in the county is diverse and includes some very specialized niche nurseries that produce aquatic/wetlands plants, herbs, shady perennials, crinum, daylilies, orchids, exotic ferns, trees, and shrubs. Additionally, there are approximately 245,334 acres of private timberland in Chatham County, with an economic contribution of approximately \$438M in industry output to the County's economy on an annual basis. The County has gained a reputation as an area of innovative and sustainable agriculture practices. Because of the

County's proximity to the Research Triangle and Piedmont Triad metropolitan regions, there is a large demand for local agricultural products. Producers in the County currently are unable to satisfy this growing demand. Agritourism showcasing our diverse agricultural industry brings many visitors to Chatham County to spend their money. The dynamic agricultural industry of the County is also attracting investors to potential new agribusiness enterprises.

Chatham County is home to substantial and expanding tourism assets, supporting immense growth of other sectors in the region, and with a visitor profile that meets varied interests and budgets. The county's official destination marketing organization (DMO), the Pittsboro-Siler City Convention & Visitors Bureau (CVB), has a strategic marketing campaign targeted to reach multiple traveler types.

Chatham County's location and abundance of outdoor activities and events plus the development of both tourism and ancillary businesses support the onset of future growth. Road trips, day trips, and extended overnight stays have continued to be robust in our area. Chatham County's visitor-related economic impact continues to rise.

Jordan Lake State Recreation Area, Jordan Lake Educational State Forest, numerous hiking and cycling trails, the American Tobacco Trail (multi-county trail), nature preserves, and six golf courses are among the outdoor sports and adventures that continue to drive day and overnight guests, and therefore sales and occupancy taxes. Chatham County remains one of only a few destinations in North Carolina with a five-star inn, restaurant, and spa.

Domestic tourism in Chatham County generated an economic impact of \$79.59 million in 2023. This was a 5.1% increase from 2022.

**Tourism impact highlights for 2023-2024:**

- The travel and tourism industry directly employ more than 651 in Chatham County.
- Total payroll generated by the tourism industry in Chatham County was \$23.4 million.
- State tax revenue generated in Chatham County totaled \$3.3 million through state sales and excise taxes, and taxes on personal and corporate income. About \$2.9 million in local taxes were generated from sales and property tax revenue from travel-generated and travel-supported businesses.
- Visitor spending results in a \$76.75 tax savings per resident.

These statistics come from the "Economic Impact of Travel on North Carolina Counties 2023." The study was prepared for Visit North Carolina by Tourism Economics in collaboration with the U.S. Travel Association.

The CVB staff supports Chatham County's tourism and hospitality businesses (accommodations, attractions, restaurants, venues, meeting services, golf courses, etc.) through marketing and public relations. A majority of the local industry is comprised of small businesses.

The CVB industry partnerships and collaborations continue with state and national organizations: Visit North Carolina, American Express (Small Business Saturday program), Meetings Mean Business Coalition, N.C. Department of Environment and Natural Resources, North Carolina Restaurant and Lodging Association, and U.S. Travel Association. The CVB continues to work with universities: North Carolina State University, East Carolina University (Center for Sustainable Tourism), Great Trails State, and Central Carolina Community College Culinary Institute. The CVB staff continues to partner with national and international university professors through the BEST End Think Tank (invite-only initiatives) HQ at James Cook University, Australia.

[The Pittsboro-Siler City Convention & Visitors Bureau](#) (CVB) and its work in sports via the [www.ChathamSportsAlliance.com](http://www.ChathamSportsAlliance.com) have already shown strides in driving economic impact through the positive power of sports. The website offers an inventory of venues for sporting events, helpful information for event organizers, and upcoming sports events, plus sports-related blogs. The Moore County hosting of the U.S. Open – Men's (June 2024) and a successful bid for Cycle NC's Mountains to Coast stop in Pittsboro (Oct 9 – 10) have further reinforced Chatham County as a destination for varied sports, whether hosted statewide, regionally, and/or at our facilities.

A new hotel is scheduled to open late summer 2024. The focus for 2025 is managing the increased demand for travel, varied travel patterns, and providing support for clients, which include visitors, film scouts, sporting event organizers, and tourism and hospitality industry partners. More information: <https://visitpittsboro.com/>

### *Financial Information*

County management is responsible for establishing and maintaining an internal control structure that is designed to provide reasonable 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 generally accepted accounting principles and maintaining accountability for assets; and (3) compliance with applicable laws and regulations related to federal and state financial assistance programs. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived; and the evaluation of costs and benefits requires estimates and judgments by management.

### *Long-term financial planning*

The County updates annually during the budget process its seven-year Capital Improvements Program (CIP). The CIP is a systematic way of anticipating, planning, and budgeting for major capital projects. The CIP includes all major projects costing \$100,000 or more. The CIP includes summaries of all major projects and detailed descriptions of each project, including justifications, cost detail, funding sources, and impact on the operating budget.

### *Major Initiatives*

Chatham County received the first and second tranches of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program authorized by the American Rescue Plan Act (ARPA) for a total allocation of \$14,464,924. Steps were taken to develop a plan that involved communities throughout the county. The process was explained in detail and residents' input was gathered on how best to use the funding that meets the community needs and abides by federal, state, and local laws.

Under the Final Rule, U.S. Treasury's regulatory document for SLFRF, Chatham County elected to use the "Standard Allowance" approach for expenditures, allowing \$10,000,000 of the county's allocation for SLFRF to be used for revenue replacement. The ability to claim the Standard Allowance allows the county to replace local dollars, used for general government expenditures, with federal funds. Local dollars offset by revenue replacement can then be used to implement prioritized projects more easily, without the restrictions of federal dollars.

Chatham County staff created a three-phase planning process to launch the use of ARPA funds. In phase one, the information gathering phase, staff engaged with community members, nonprofits, and departments to gather feedback on needs that could be addressed by ARPA funds. During phase two, the prioritization phase, needs and possible projects were prioritized based on the criteria established by the Board of Commissioners and management. At the end of phase two, staff presented a recommended plan of use to the Board of Commissioners in August 2022. Phase three, the implementation phase, began in FY2023 to launch and implement approved projects.

Completed projects include revenue replacement for payroll costs related to the Sheriff's office, Emergency Management, and Emergency Communications, a COVID-19 vaccine incentive program for county employees, and costs related to community engagement during the phase one of the county's ARPA process. Projects currently in progress include positions related to housing and diversion programs, emergency housing support, and a hydrant repair capital project. Projects not yet started include a county match for NCDIT's Completing Access to Broadband (CAB) program.

Additionally, several projects were made possible using local dollars offset by revenue replacement. These include additional funding for capital projects such as Parker's Ridge Park, fiber extension to county facilities in Siler City, and buildout of shell-space within the Detention Center. Other non-capital projects included grants to nonprofits, an early childhood assessment, a contract with a local nonprofit for BIPOC entrepreneurship support, support for housing initiatives through the UNC Fellows program, computers and supplies for new housing and diversion positions, and administrative support for a homeless and housing instability working group. The county also received an award from NCDIT's Great Grant for broadband infrastructure by utilizing these funds for a required match.

For more information on Chatham County's process and the feedback from the information gathering phase, please visit [www.chathamcountync.gov/our-community/american-rescue-plan-act-arpa](http://www.chathamcountync.gov/our-community/american-rescue-plan-act-arpa).

## **Chatham County Major Initiatives Fiscal Year 2023-24**

### **HIGHLIGHTS OF MAJOR FY 2023-24 PROJECTS**

Implementation activities related to the [Chatham Comprehensive Plan](#) continued to make progress countywide in Fiscal Year 2023-24. The plan focuses on Chatham County initiatives over 25 years, and departments across the county are accomplishing both short-term goals as well as long-term projects to position the county for current development and future growth. Two major economic development projects, the largest in North Carolina history, are progressing. These projects totaling a **historic \$9 billion in investments**, accompanied by **9,000 jobs**, will bring unprecedented growth, change, and opportunity to the county, region, and state.

- **Wolfspeed is the largest building** in Chatham County (**2.4 million square feet**) and is the largest single investment yet. The company is planning to be operational by the end of the 2024 calendar year and has already hired more than 350 employees for the John Palmour Manufacturing Center for Silicon Carbide in Siler City. *See more details below, in the Economic Development section.*
- **VinFast** has completed significant site work at its Triangle Innovation Point location in Moncure. The company has spent more than \$100 million on land development and is staging materials in preparation to go vertical. A portion of steel has been delivered to the site, and more is expected. *See more details below, in the Economic Development section.*
- The Chatham County Planning Department, in partnership with its consultant team at White & Smith Planning and Law Group, has been diligently advancing the Unified Development Ordinance (UDO) project. The consolidated draft of the UDO was released to the public in September. The draft plan, along with feedback from the public, is being reviewed by the Chatham County Planning Board and Board of Commissioners. Adoption of the UDO is anticipated in November of this year. Details of this important project can be found at <https://www.recodechathamnc.org>.
- Since its adoption in October 2023, Plan Moncure has established itself as an essential instrument for guiding land use decisions and proposals within the plan’s study area. Moving forward, the Chatham County Planning Department will continue to leverage this plan to realize the vision and execute the strategic initiatives defined within Plan Moncure.
- Chatham County Public Utilities continues its work with other Western Intake Partners (City of Durham, Town of Pittsboro, and Orange Water and Sewer Authority/OWASA) in the planning, permitting and detailed design of a future, joint water treatment plant.
- Chatham County Public Utilities continues its work with the City of Sanford to master plan the water and sewer service areas for Vinfast and the surrounding Moncure Area.
- Chatham County and the Town of Siler City are considering merging water and wastewater services with TriRiver Water. By combining resources as one water/wastewater utility, Chatham County, Town of Siler City, Town of Pittsboro, and City of Sanford see value in a variety of possible benefits including reduced operational costs, greater water and wastewater system resiliency and reliability, positive regional economic impact, and enhanced funding opportunities.

### **CONSTRUCTION TRENDS**

#### **Residential**

- For a second consecutive year, permitting of single-family homes has declined due to many economic factors as well as available sewer capacity. Approximately 500 units total are expected in calendar year 2024.
- A 90-bed skilled nursing facility, including multi-family units, valued at more than \$52 million was permitted at Carolina Meadows.
- An additional 400 apartments are expected to be permitted soon in Chatham Park, Pittsboro.
- Chatham Park has been able to continue progressing due to the construction of a Water Recovery Plant on East Street. Completion is anticipated in the next year, providing additional sewer allocation. As a result, permitting is expected to increase in Calendar Year 2025 and into 2026.

## **Commercial**

- So far in Calendar Year 2024, the County has permitted approximately \$200 million in commercial construction value.
  - WolfSpeed is responsible for the vast majority of the value of commercial construction, with total value of construction exceeding \$1.9 billion over the past year and half. Some areas have received a temporary Certificate of Occupancy. It will be early next year before construction is completed.
  - VinFast has not received any new permits in the past year, although it is expected to start construction on the general assembly building later this year. A revised permit will be issued.
  - YMCA in Chatham Park was permitted in October 2023 with a construction value of \$18 million.
  - O2 Fitness was permitted in May 2024 for approximately 30,000 square feet with a construction value of \$7 million.

## **EDUCATION**

### **Chatham County Schools Significant Announcements**

- For the 2024-25 school year, students will receive breakfast AND lunch, free of charge, in partnership with the Community Eligibility Provision (CEP).
- The Chatham County Board of Commissioners unanimously approved a teacher supplement increase of \$2,000 and a non-certified supplement increase of \$500 beginning the 2024 school year, allowing Chatham County Schools to maintain a competitive salary with neighboring districts.
- 91.63% of teachers say that Chatham County Schools is a great place to work. Chatham County Schools also scored above state average in all 100 indicators on the North Carolina Teacher Working Conditions Survey.

### **Academic Achievements and Honors**

- Chatham County Schools 2024 graduation rate is 89.7%.
- Chatham County Schools Class of 2024 were awarded over \$36 million in scholarship money. Of that \$36 million, seniors enrolled in the AVID program secured over \$18 million of that scholarship money.
- The class of 2024 earned a total of 5,404 college credits, the equivalent to 360 college semesters. On top of earned college credits, 25 students earned associate degrees.
- 91% of the class of 2024 have post-secondary plans to attend either a 4-year or 2-year institution of higher education.
- Chatham County Schools opened One Academy in August of 2023, a non-traditional school that serves a variety of students, grades 6-12, who desire a smaller instructional environment, more flexible schedule, or have varied interests/priorities outside of school.
- Seven students graduated from One Academy during the 2023-2024 school year.
- 78.9% of schools met or exceeded growth.
- 84.2% of schools have a grade of A, B, or C; compared to only 65% of the schools in the state.
- 100% of our elementary and K-8 schools met or exceeded growth.
- Chatham County Schools was named a NAMM Foundation Best Community for Music, one of only two school systems in the state.

### **Chatham County Promise**

During its first five years, almost 500 Chatham County residents benefited from the program which provides up to two years of free in-state tuition and fees at Central Carolina Community College. On average over the last five years, a third of the students have been first-generation college students, and just over half have come from economically disadvantaged situations. Two-thirds of the students have been enrolled in career and technical programming, and a third have been enrolled in university-transfer programs. The College anticipates continued success as the most recent high school graduates enter the program in Fall 2024.

## **ECONOMIC DEVELOPMENT CORPORATION (EDC)**

### **New/Developing Businesses**

- **Wolfspeed is the largest building** in Chatham County (**2.4 million square feet**) and is the largest single investment yet. The company is planning to be operational by the end of the 2024 calendar year. Wolfspeed has currently hired more than 350 employees specifically for the John Palmour Manufacturing Center for Silicon Carbide in Siler City. Those employees are completing training both in Durham and Siler City at

Central Carolina Community College. Construction is expected to continue at that site for the next 10 years. Wolfspeed will eventually employ **1,800 people** making it a key player in the semiconductor industry.

- **VinFast** has completed significant site work at its Triangle Innovation Point location in Moncure. The company has spent more than \$100 million on land development and is staging materials in preparation to go vertical. A portion of steel has been delivered to the site, and more is expected. The company was approved to receive a foreign trade zone designation which will save them money through customs deferrals and exemptions. The Chatham Economic Development Corporation spearheaded that effort in coordination with the Central Pines Regional Council.
- **Project Ice** – Innovative Construction Group announced in April of this year that it will bring 157 jobs and \$39 million of capital investment to the Chatham-Siler City Advanced Manufacturing (CAM) site in Siler City.

### **Expanding Businesses**

- **CTI Systems – Goldston**
  - \$1 million investment in its existing facility.
  - Addition of 20 new full-time employees.
  - Median Income of new employees is \$56,000.
  - Hired 2 engineering interns from NC State’s *RuralWorks!* Program to scale capacity.
  - Received a \$100,000 grant from NC Commerce, EDC administered those funds.
- **Hunt Forest Resources (DBA: Kindled Provisions) – Siler City**
  - Purchased 120,000 square foot existing building in Siler City for \$3.8 million.
  - Working with Town of Siler City to configure that space for optimal use.
- **MAS-ACME – Siler City**
  - The EDC, in partnership with Samet, is working with MAS to execute the expansion that best serves them.
  - The company is negotiating terms for executing a long-term lease with the building owner which would include major renovations/expansion with additional employees added to meet its growing demand.
  - Samet has also developed potential site plans for a 300,000 square foot building at the CAM site; an ideal client for this site due to its limited wastewater needs.
- **Gilero – Pittsboro**
  - Details regarding this project are highly confidential, but several meetings have been hosted between leadership at Gilero, commercial developers, and public officials for meeting its needs in Chatham County.
- **Jordan Electric Motors – Siler City**
  - This Sanford-based company is moving its small operation from Lee County to Siler City near Stockyard Road.
  - This is a family-run machine shop that performs contract manufacturing services for some large national brands.

### **BROADBAND INITIATIVES**

- **Broadband Grants:**
  - In Spring 2024, Chatham County, in partnership with the North Carolina Department of Information Technology (NCDIT), facilitated the award of a Completing Access to Broadband (CAB) grant to Brightspeed. This grant aims to bring reliable internet to rural areas in the county that currently lack it. Funded by matches from the county, state, and Brightspeed, this grant is part of a broader initiative to connect underserved areas with high-speed internet as quickly as possible. The program provides grants to broadband service providers, enabling them to expand their networks and ensure greater access to high-speed internet for residents.
  - Brightspeed was awarded this CAB Grant, which will serve 2,555 previously unserved addresses in Chatham County with reliable fiber internet. The anticipated completion date for this project is Fall 2026.
  - This newest project brings the total addresses being served with high-speed internet through Chatham County partnerships and funding to 4,959 addresses.

- **Digital Inclusion Grants:**
  - In partnership with Chatham County, Central Pines Regional Council (CPRC) was awarded \$800,000 to expand digital literacy training, recruit community technology instructors, and provide refurbished laptops to residents. Additionally, they will hire a regional coordinator to manage the project and facilitate a peer network of digital literacy programs, aligning with state initiatives and promoting regional collaboration. The grant will serve populations in both Chatham and Durham counties.
  - Chatham County will collaborate with community partners to identify eligible residents who can benefit from these digital inclusion efforts. The CPRC is still in the process of developing the program, with a focus on ensuring it meets the specific needs of the communities involved. As the program takes shape, more detailed information will be made available over the next year.
- **Digital Inclusion Plan:**
  - Internet and broadband are crucial for everyday life. The COVID-19 pandemic highlighted the need for better broadband in Chatham County. In response, local governments, organizations, schools, businesses, and non-profits are teaming up to create a Digital Inclusion Plan for the Chatham community. This upcoming plan will provide a clear guide for improving availability, access, and adoption across the county.

## **MAJOR LEADERSHIP NEWS**

**Libraries – Christy Bondy** joined Chatham County as Library Director in December 2023. Bondy has 23 years of experience in North Carolina Public Libraries and local government, most recently as Warren County Library Director. She has experience working in various library roles including children’s services and administration positions. Bondy holds a Bachelor of Science in Interdisciplinary Arts for Children from SUNY Brockport and a Master in Library Science from North Carolina Central University. She is also a 2016 UNC LGFCU Leading for Results Fellow.

**Governing Board – Jenifer Johnson** was appointed by the Chatham County Board of Commissioners as Clerk to the Board in November of 2023. Johnson originally joined Chatham County government in 1999, working for the Chatham County Economic Development Corporation for 14 years, before joining the Town of Siler City as Town Clerk, and most recently as Budget Manager. Johnson is a proud Chatham County native and is one of 1,485 certified Master Clerks in the world.

**Housing and Community Development – Jason Smith** was named the Director of Housing and Community Development in February 2024 after serving Chatham County as the Emergency Housing Manager. Prior to coming to Chatham County from New England, Smith spent the last 28 years working with at-risk populations to include prison re-entry, youth, and veterans’ services. In addition, Smith has taught as an adjunct professor at NH Technical Institute for the past 18 years, teaching coursework in its criminal justice and addiction services programs. Smith holds a Bachelor of Science in Criminal Justice as well as a Master in Business Administration with a focus in Leadership.

**Information Technology (IT) – Kevin Smith** joined Chatham County in March 2024 as the Director of Information Technology. He is an experienced Information Systems Manager with a robust background in IT management, customer service, and technology innovation. With more than two decades of experience, Smith has demonstrated exceptional leadership and strategic planning skills in various high-profile roles. Most recently, he served as the Director of IT & Facilities at Duke University's Nicholas School of the Environment, where he supervised all computing services across two campuses and led a team of nine staff members.

## **OTHER BIG NEWS IN CHATHAM COUNTY**

### **Public Health**

- **Community Assessment** – The 2024 Chatham County Community Assessment is underway. More than 400 Chatham households provided input through the Community Cohort Survey, and nearly 100 additional residents participated in one of 13 focus groups held across the county. The report will be finalized in early 2025.

- **Opioid Overdose Response** – Efforts to respond to the opioid overdose epidemic continue. In fiscal year 2023-24, more than 1,000 naloxone kits were distributed across Chatham County and 167 people were trained on how to respond to an opioid overdose.
- **Heat Action Plan** – Chatham County finalized the first local Heat Action Plan with help from partners at the State Climate Office and the NC Office of Resiliency & Recovery, as well as several local partners. The plan’s goals are to educate the community about how extreme heat can affect county residents and help leadership develop ways to prepare for future heat events.

### Social Services

- North Carolina’s expansion of Medicaid offered the opportunity for uninsured residents to qualify for health insurance. Between December 2023 and June 2024 (or in the first six months) 2,000 Chatham County residents enrolled through the Department of Social Services.
- The Department of Social Services hosted a community-wide poverty simulation to raise awareness regarding challenges faced by individuals and families living in poverty. Participants represented local non-profits, a district court judge, county departments, schools, and local faith communities.
- In collaboration with the Clerk of Court, the Department of Social Services recognized National Adoption Day in November 2023 with a signing ceremony where four children were adopted from foster care.
- The Department of Social Services is continuing to make strides in offering additional professional development opportunities for employees.
  - In 2024 all employees completed Mental Health First Aid certification, an evidenced-based early-intervention course that teaches about mental health and substance use challenges.
  - A series of Lunch and Learn events was developed by the Department of Social Services Equity Committee, providing information about bias, microaggressions, and other topics that foster equitable treatment and outcomes for people served by the Department.

### Affordable Housing

- **Chatham County Housing Trust Fund (HTF)** issued a total of \$300,000 for the following projects:
  - Chatham County Habitat for Humanity - \$75,000 to help support the building of (4) new townhomes in the region to increase the available stock of affordable housing.
  - Rebuilding Together of the Triangle (RTT) - \$225,000 to help support the preservation and/or repair of (58) area homes. RTT’s mission is to preserve safe, healthy homes for homeowners in need by providing home repairs, accessibility modifications, and energy efficiency upgrades.
- **Emergency Housing Assistance Program (EHAP)** established in June 2023, EHAP is designed to assist Chatham County residents who have fallen behind in their rent and are facing potential eviction. Awards are single use and paid directly to the landlord/leasing company. Over the past 12 months Chatham County awarded over \$150,000 through EHAP which has helped over 125 area families avoid eviction from their homes.
- **Emergency Housing Fund (EHF)** is a dedicated \$100,000 fund that continues to help provide funding to area programs that assist residents who are displaced, at risk of being displaced, or in need of emergency sheltering. This fund is allocated directly to area non-profits such as the Salvation Army and Love Chatham.

### Elections

- Held successful elections – Towns of Cary, Goldston, Siler City, and Pittsboro; Goldston Gulf Sanitary District; statewide Primary and Republican Second Primary – with the implementation of the new Voter ID law without any complications or issues.
- Voter ID Information Session held on September 6, 2023, at the Chatham County Agriculture & Conference Center for Chatham County political parties and residents. The Board of Elections staff provided the opportunity for citizens who did not have photo IDs to obtain one at the information session. Residents are now able to obtain a photo ID at the Chatham County Board of Elections office.
- Purchased Articulate 360 and authored training to implement virtual election official training. Election officials now have access to training at their convenience in the event of scheduling conflicts, inclement weather, etc.
- Configured tablets to use with SEIMS (State Elections Management System) to assist greeters at voting sites with long lines.

## **Tax Office**

- The Tax Office collected 99.37% of 2023 property taxes.
- The conversion to DevNet property tax software has been completed.
- Appraisal staff continue to work with Tanner Valuations on 2025 reappraisal.

## **Chatham County Visitor Spending – Tourism Impact Highlights**

- The Pittsboro-Siler City Convention & Visitors Bureau (CVB) focused on continued support for businesses in the tourism and hospitality industry as travel continues to increase.
- Domestic and international visitors to and within Chatham County spent \$79.59 million in 2023, an increase of 5.1% from 2022.
  - The travel and tourism industry directly employs more than 651 people in Chatham County.
  - The tourism industry in Chatham County generated \$23 million in total payroll.
  - State tax revenue generated in Chatham County totaled \$3.3 million through state sales and excise taxes, and taxes on personal and corporate income.
  - About \$2.9 million in local taxes were generated from sales and property tax revenue from travel-generated and travel-supported businesses.
  - State/Local Tax Savings per Resident \$76.75.
- The CVB successfully submitted a bid to host one of Cycle NC's 2024 spots for the Mountains to Coast Ride, for its 25<sup>th</sup> year. It is the second overnight experience for Chatham County (Siler City, 2019) and the first for Pittsboro.
- The CVB continued to plan and ramped up work with the team at Bryant Corp. to prepare for the opening of the new hotel.

## **Aging Services**

Chatham County Aging Services completed its first full year as a department within Chatham County government as of July 1, 2024, building upon the distinguished record of service provided by the former Chatham County Council on Aging.

- 31,492 meals served (Congregate, Shelf-Stable, Frozen and Home Delivered).
- The 12 Meals on Wheels routes in Chatham County serve a total of 123 clients.
- 15,796 in-home aide hours of personal care provided.
- Assisted an average of 103 clients per month with incontinence supplies.
- Loaned 282 pieces of durable medical equipment.
- The Aging Services Minor Home Repair team provided repairs to 22 homes during the 2023-24 fiscal year.
- The Seniors' Health Insurance Information Program (SHIIP) provided Medicare counseling to 268 individuals during the 2023 Medicare Open Enrollment period representing a 77% increase over 2022.
- During FY 23-24, more than 500 Chatham County older adults signed up to use the Pittsboro and Siler City Centers for Active Living for the first time.

## **Libraries**

- Received more than 83,000 library visitors, a 14% increase over 2023.
- Answered 20,356 reference questions including those related to employment and technology, a 10% increase.
- Circulated over 312,600 items (print and electronic), an increase of 6.5%.
- Created 11,949 new library card accounts.
- In December of 2023, Chatham County Public Libraries was awarded the Community Partnership for Literacy Mini Grant from the State Library of North Carolina. This grant allowed for the creation of 4 literacy and learning centers in Siler City including a laundromat, urgent care, barbershop, and El Vinculo Hispano.
- Chatham County Libraries partnered with the North Carolina Museum of Art to present Creative Impressions, a program designed for mindful art observation and artmaking that has been specifically adapted for people living with dementia, Alzheimer's, or other forms of memory loss and their caregivers.

## **Parks and Recreation**

- Offered 174 programs and events across Chatham County, attracting 8,517 participants and attendees.
- Chatham County parks welcomed 411,406 visitors, marking a 15% increase from FY23.


- The Chatham Moves Trailer debuted at the Juneteenth Celebration, which is part of an ongoing collaboration with Chatham County Parks and Recreation and the Chatham Health Alliance.
- In January 2024, Chatham County Parks and Recreation appointed its first Arts & Cultural Program Supervisor, Leigh Babcock, who introduced 12 new multimedia art classes and programs. These offerings catered to all age groups and included workshops, extended classes, special events, partnerships, and art history.

### AWARDS & HONORS

- The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Chatham County for its annual comprehensive financial report for the fiscal year 2022-2023. This was the 34<sup>th</sup> consecutive year that the County has received this award, and it is the highest form of recognition in governmental accounting and financial reporting. According to GFOA, its attainment represents a significant accomplishment by a government and its management.
- **For the 11th straight year, Chatham County received several top awards from the North Carolina Department of Labor for outstanding safety practices:**
  - Gold, 11th Year, Library
  - Gold, 11th Year, Tax
  - Gold, 11th Year, Telecommunications
  - Gold, 8th Year, Water & Water Treatment Plant
  - Gold, 6th Year, Social Services
  - Gold, 6th Year, Waste Management
  - Gold, 4th Year, Facilities
  - Gold, 4th Year, Recreation
  - Gold, 4th Year, Public Health Department
  - Gold, 2nd year, Sheriff/Jail
- In September 2023, the Siler City Center for Active Living was recertified as a “Center of Excellence” by the North Carolina Division of Aging and Adult Services (DAAS). The distinction runs through September 30, 2028, and evaluates centers across the state on their quality of service in six distinct areas. The Pittsboro Center for Active Living earned recertification in July of 2022, making Chatham County just one of 16 counties in the state to have multiple centers, all with Center of Excellence ratings.
- **Donna Gigowski**, Economic Services Program Administrator, Chatham County Department of Social Services, was selected as a 2023 Local Government Federal Credit Union/Civic Fellow, completing the Leading for Results Course in October 2023.
- In recognition of her many hours of service and dedication to Aging Services in a volunteer role, **Juliana Walton** was honored with the Governor’s Volunteer Service Award on May 6 in Durham at an event hosted by the Triangle Nonprofit and Volunteer Leadership Center.

Acknowledgments – We appreciate the assistance and dedication of the members of the Finance Department throughout the preparation of this report. We would like to thank the entire county staff for the contributions they provided and the County’s independent certified public accountants, Martin Starnes & Associates CPAs, PA, for their guidance and assistance in preparation of the financials. We would also like to thank the members of the Board of Commissioners for their continued support throughout the past year.

Respectfully submitted,

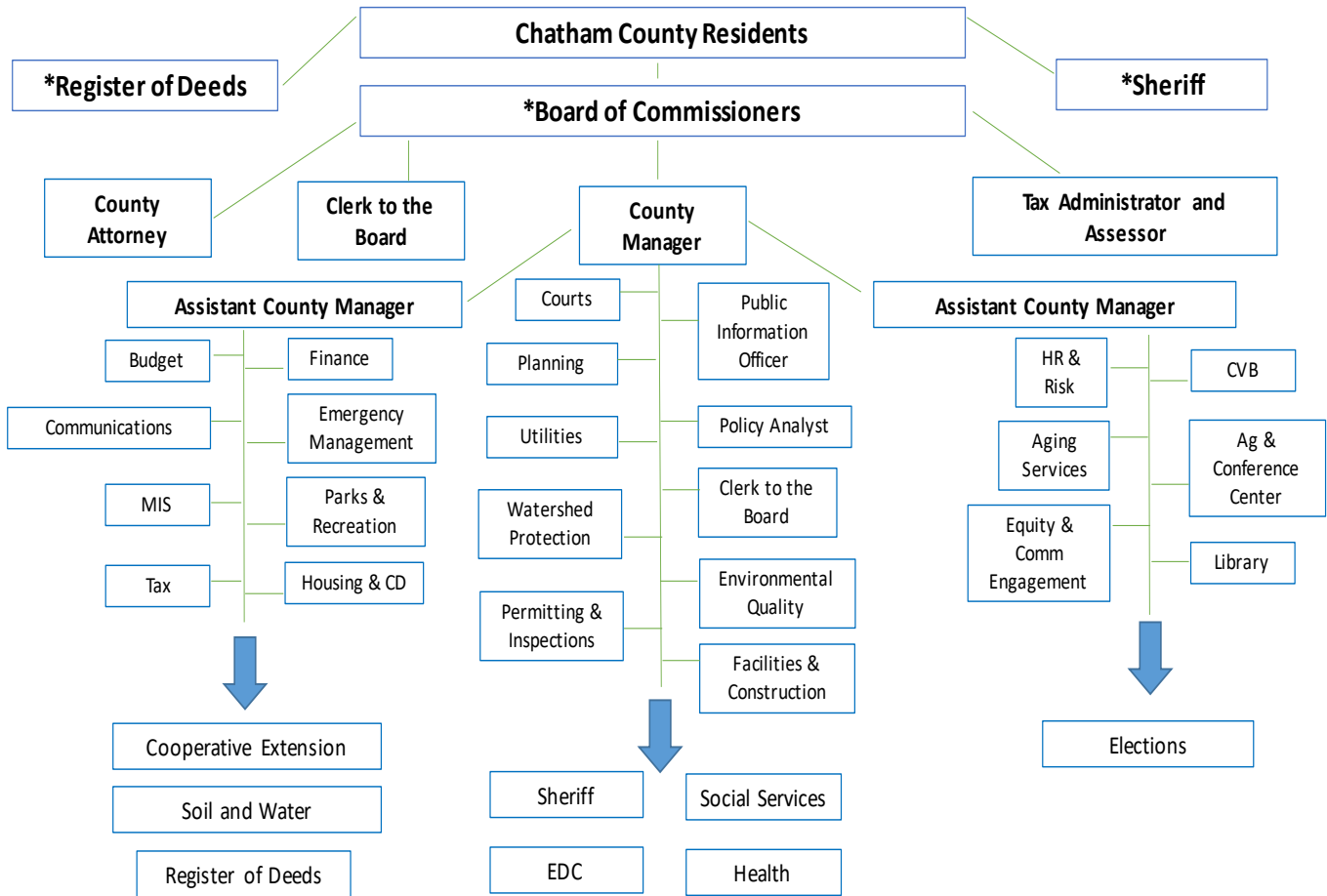


Dan LaMontagne  
County Manager



Roy Lynch  
Finance Officer

## Chatham County Government Organizational Chart



*Board of County Commissioners*

<i>Mike Dasher</i>	<i>Chairman</i>
<i>Karen Howard</i>	<i>Vice Chairman</i>
<i>David Delaney</i>	<i>Commissioner</i>
<i>Franklin Gomez Flores</i>	<i>Commissioner</i>
<i>Katie Kenlan</i>	<i>Commissioner</i>

*County Officials:*

<i>Dan LaMontagne</i>	<i>County Manager</i>
<i>Bryan Thompson</i>	<i>Assistant County Manager</i>
<i>Carolyn Miller</i>	<i>Assistant County Manager</i>
<i>Roy Lynch</i>	<i>Finance Officer</i>
<i>Darrell Butts</i>	<i>Budget Director</i>
<i>Mike Roberson</i>	<i>Sheriff</i>
<i>Lunday Riggsbee</i>	<i>Register of Deeds</i>
<i>Susannah Goldston</i>	<i>Soil and Water Director</i>
<i>Ginger Cunningham</i>	<i>Cooperative Extension Director</i>
<i>Michael Zelek</i>	<i>Health Director</i>
<i>Jennie Kristiansen</i>	<i>Social Services Director</i>
<i>Jenny Williams</i>	<i>Tax Administrator</i>
<i>Pandora Paschal</i>	<i>Elections Director</i>
<i>Ashlyn Martin</i>	<i>Aging Services Director</i>
<i>Mike Reitz</i>	<i>Communications Director</i>
<i>Renita Foxx</i>	<i>Court Programs Director</i>
<i>Steve Newton</i>	<i>Emergency Operations Director</i>
<i>Kevin Lindley</i>	<i>Environmental Director</i>
<i>Brian Stevens</i>	<i>Facilities Management</i>
<i>Christy Bondy</i>	<i>Library Services Director</i>
<i>Kevin Smith</i>	<i>Information Services Director</i>
<i>Tracy Burnett</i>	<i>Parks and Recreation Director</i>
<i>David Camp</i>	<i>Permits and Inspections Director</i>
<i>Neha Shah</i>	<i>Pittsboro-Siler City CVB Director</i>
<i>Jason Sullivan</i>	<i>Planning Director</i>
<i>Blake Mills</i>	<i>Utilities Director</i>
<i>Rachael Thorn</i>	<i>Watershed Protection Director</i>



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**Chatham County  
North Carolina**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

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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  
Chatham County  
Pittsboro, North Carolina

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Chatham County, North Carolina, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Chatham County's basic financial statements as listed in the table of contents.

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

We did not audit the financial statements of the Chatham County ABC Board, which represents 100%, 100% and 100%, respectively, of the assets, net position, and revenues of the discretely presented component units as of June 30, 2024, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Chatham County ABC Board, is based solely on the report of the other auditors.

#### ***Basis for Opinions***

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

### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Employee's

Payroll, the Other Post-Employment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios, the Local Governmental Employees' Retirement System Schedules of the County's Proportionate Share of Net Pension (Asset) Liability and County Contributions, and the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Liability (Asset) and Schedule of County Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by 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 Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Chatham County's basic financial statements. The combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards, as required by 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, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual fund financial statements, budgetary 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.

### ***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2024 on our consideration of Chatham 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 Chatham 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 Chatham County's internal control over financial reporting and compliance.

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

Martin Starnes & Associates, CPAs, P.A.  
Hickory, North Carolina  
November 27, 2024

## Management's Discussion and Analysis

As management of Chatham County, we offer readers of Chatham County's financial statements this narrative overview and analysis of the financial activities of Chatham County for the fiscal year ended June 30, 2024. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements which follow this narrative.

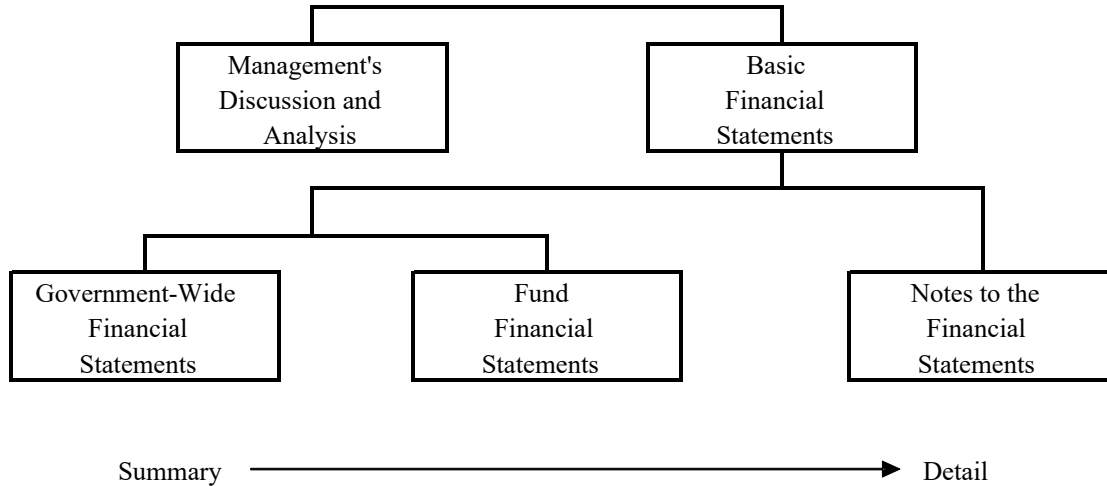
### Financial Highlights

- The assets and deferred outflows of resources of Chatham County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$192,798,575 (*net position*).
- Long term liabilities decreased by \$12,036,937. The decrease can be attributed to the annual retirement of long-term debt.
- The government's total net position increased by \$31,177,403 primarily due to the improvement in the local economy and management's continued focus on monitoring spending and maximizing revenue collection.
- As of the close of the current fiscal year, Chatham County's governmental funds reported combined ending fund balances of \$188,868,019 a net increase in fund balance of \$16,301,405. Approximately 9.09% of this total amount, or \$17,177,503, is nonspendable or restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$53,592,332 or 29.78%, of total General Fund expenditures and transfers to other funds for the fiscal year.

### Overview of the Financial Statements

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

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

The next section of the basic financial statements is the notes. 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 non-major 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.

**Government-wide Financial Statements**

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

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the total of the County's 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, human services, education, parks and recreation, and general administration. Property taxes, sales taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water, sewer, and waste management services offered by Chatham County. The final category is the component unit. Chatham 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. Chatham County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Chatham 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 resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Chatham 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. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balance.

**Proprietary Funds** – Chatham County has two kinds of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Chatham County uses enterprise funds to account for its water and sewer activity and for its waste management operations. 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 the County. The County uses an Internal Service Fund to account for one activity – its Self-Insurance Fund. 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. Chatham County has six fiduciary 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 18 of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Chatham County's progress in funding its obligation to provide pension benefits to its employees.

### **Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$192,798,575.

During the 2023-2024 fiscal year, the County's net position increased by \$31,177,403. This increase is primarily due to the improvement in the local economy and management's continued focus on monitoring spending and maximizing revenue collection. An additional portion of Chatham County's net position \$17,176,130 (8.91%) represents resources that are subject to external restrictions on how they may be used.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Assets:</b>						
Current and other assets	\$ 217,701,995	\$ 201,382,187	\$ 39,033,677	\$ 39,433,069	\$ 256,735,672	\$ 240,815,256
Capital assets	144,469,243	143,558,159	51,480,204	50,724,786	195,949,447	194,282,945
Total assets	<u>362,171,238</u>	<u>344,940,346</u>	<u>90,513,881</u>	<u>90,157,855</u>	<u>452,685,119</u>	<u>435,098,201</u>
<b>Deferred Outflows of Resources</b>	<u>20,819,078</u>	<u>19,377,438</u>	<u>1,514,268</u>	<u>1,110,647</u>	<u>22,333,346</u>	<u>20,488,085</u>
<b>Liabilities:</b>						
Long-term liabilities outstanding	251,243,529	262,985,146	11,215,402	11,510,722	262,458,931	274,495,868
Other liabilities	12,001,568	11,390,880	1,196,485	1,183,105	13,198,053	12,573,985
Total liabilities	<u>263,245,097</u>	<u>274,376,026</u>	<u>12,411,887</u>	<u>12,693,827</u>	<u>275,656,984</u>	<u>287,069,853</u>
<b>Deferred Inflows of Resources</b>	<u>6,274,512</u>	<u>6,626,543</u>	<u>288,394</u>	<u>268,718</u>	<u>6,562,906</u>	<u>6,895,261</u>
<b>Net Position:</b>						
Net investment in capital assets	67,531,636	56,918,805	43,173,622	41,261,016	110,705,258	98,179,821
Restricted	17,176,130	13,905,281	-	-	17,176,130	13,905,281
Unrestricted	28,762,941	12,491,129	36,154,246	37,044,941	64,917,187	49,536,070
Total net position	<u>\$ 113,470,707</u>	<u>\$ 83,315,215</u>	<u>\$ 79,327,868</u>	<u>\$ 78,305,957</u>	<u>\$ 192,798,575</u>	<u>\$ 161,621,172</u>

Several particular aspects of the County's financial operations influenced the total unrestricted governmental net position:

- Continued diligence in the collection of property taxes resulting in a high collection percentage of 99.40%.
- The County continued to accumulate funds in the Capital Improvement Projects Reserve Fund. Chatham County Commissioners set aside 9.7 cents on the tax rate to fund debt payments on current and future capital projects.
- Continued low cost of debt due to the County's high bond rating. The County maintained its AAA rating from Standard and Poor's and its Aa1 rating from Moody's Investor Service.
- Construction was completed on the new Emergency Operations Building and the Central Services Building and both facilities were occupied.

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

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Revenues:</b>						
Program revenues						
Charges for services	\$ 12,465,069	\$ 10,064,941	\$ 13,604,514	\$ 12,744,919	\$ 26,069,583	\$ 22,809,860
Operating grants and contributions	17,050,634	27,794,427	772,610	370,398	17,823,244	28,164,825
General revenues:						
Property taxes	119,758,549	110,557,782	-	-	119,758,549	110,557,782
Sales taxes	31,538,819	28,513,275	-	-	31,538,819	28,513,275
Other taxes and licenses	1,462,396	1,698,749	-	-	1,462,396	1,698,749
Grants and contributions not restricted	5,121,400	5,634,962	-	-	5,121,400	5,634,962
Unrestricted investment earnings	5,980,540	3,579,833	1,192,486	818,388	7,173,026	4,398,221
Other	3,556,708	683,557	-	47,672	3,556,708	731,229
Total revenues	196,934,115	188,527,526	15,569,610	13,981,377	212,503,725	202,508,903
<b>Expenses:</b>						
General government	29,166,020	22,450,287	-	-	29,166,020	22,450,287
Public safety	53,141,250	41,277,569	-	-	53,141,250	41,277,569
Economic and physical development	4,989,302	4,692,779	-	-	4,989,302	4,692,779
Human services	21,532,770	18,575,711	-	-	21,532,770	18,575,711
Cultural and recreational	4,007,929	3,472,876	-	-	4,007,929	3,472,876
Education	48,246,320	50,602,853	-	-	48,246,320	50,602,853
Interest on long-term debt	8,097,636	8,855,068	-	-	8,097,636	8,855,068
Utility	-	-	8,941,404	8,380,829	8,941,404	8,380,829
Southeast water district	-	-	761,705	764,437	761,705	764,437
Solid waste management	-	-	4,844,590	4,094,937	4,844,590	4,094,937
Total expenses	169,181,227	149,927,143	14,547,699	13,240,203	183,728,926	163,167,346
Change in net position	27,752,888	38,600,383	1,021,911	741,174	28,774,799	39,341,557
Special item	2,402,604	-	-	-	2,402,604	-
Change in net position, after special item	30,155,492	38,600,383	1,021,911	741,174	31,177,403	39,341,557
<b>Net Position:</b>						
Beginning of year - July 1	83,315,215	44,714,832	78,305,957	77,564,783	161,621,172	122,279,615
End of year - June 30	\$ 113,470,707	\$ 83,315,215	\$ 79,327,868	\$ 78,305,957	\$ 192,798,575	\$ 161,621,172

**Governmental activities.** Governmental activities increased the County's net position by \$30,155,492.

Key elements affecting net position:

- Property tax revenue for the year continues to grow based on a robust real estate market that reflects demand outpacing supply of improved property. Real property saw a greater than 3.65% increase along with Personal property growing at a greater than 8.79% rate, mainly due to an increase in business listings.
- Sales Tax distributions grew at an average rate of 11% in total, slightly lower than the statewide average of 15%, based on the same growth factors as seen in other sources of the county's financials. Consumers continue to support the local economy as we see an increase in business development, allowing for a strong recovery.

**Business-type activities.** Business-type activities increased the County's net position by \$1,021,911. This increase can be attributed to continued growth in in both the residential and commercial development reflecting an increase in the number of new connections for water services and fees collected for these services.

### **Financial Analysis of the County's Funds**

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

**Governmental Funds.** The focus of Chatham County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Chatham County's financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2024, the governmental funds of Chatham County reported a combined fund balance of \$188,868,019 a 9.45% increase over last year.

The General Fund is the chief operating fund of Chatham County. The County's total General Fund as shown on Exhibit C consist of five consolidated funds, the General Fund, the Revaluation Fund, the Housing Trust Fund, the Land Preservation Fund, the Coal Ash Fund, and the Law Enforcement Pension Fund. At the end of the current fiscal year, Chatham County's fund balance available for appropriation in the General Fund was \$71,254,249, while total fund balance was \$84,930,909. The County currently has an available fund balance of 39.85% of General Fund expenditures and transfers out, while total fund balance represents 47.50% of that same amount.

The governing body of Chatham County has determined that the County should maintain an unassigned fund balance in its General Fund equal to 20% of the previous annual operating budget in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the County. At June 30, 2024, this percentage was 26%.

The County received \$376,988 in fiscal year 2023 and \$798,229 in fiscal year 2024 in Opioid Settlement funding to be used toward collaborative strategic planning, early intervention, post-overdose response teams, reentry programs and evidence-based addiction treatment.

The Capital Reserve Fund increased 7.18% in fund balance due to additional revenues and fees received allowing for an additional \$650,135 to be transferred over the original budgeted transfer of \$3,482,504. These funds will be used for future projects.

The Facilities Improvement Projects Fund decreased \$3,180,945 or 18.50% based on the expenditures related to the construction of the Emergency Operations Center and other related projects. The School Construction Fund increased by \$7,462 or 0.38% based on the expenditures related to the construction on the Central Services Facility.

**General Fund Budgetary Highlights.** During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as federal and state grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased

revenues and transfers in by \$6,178,949 and decreased expenditures and transfers out by \$1,922,685.

**Proprietary Funds.** Chatham County’s proprietary funds provide the same type of information found in the government-wide statements but in more detail. At the end of the fiscal year, unrestricted net position amounted to \$28,395,667 for the Utility Fund, \$1,131,548 for the Southeast Water District, and \$6,627,031 for the Waste Management Fund. The total increase in net position for all proprietary funds was \$1,021,911.

**Capital Asset and Debt Administration**

**Capital assets.** Chatham County’s capital assets for its governmental and business-type activities as of June 30, 2024, totaled \$195,949,447 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, park facilities, vehicles, and infrastructure for utility and solid waste management services.

**Chatham County’s Capital Assets  
(net of depreciation)  
Figure 4**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Non-Depreciable Assets:</b>						
Land	\$ 13,364,018	\$ 13,364,018	\$ 980,258	\$ 980,258	\$ 14,344,276	\$ 14,344,276
Construction in progress	40,081,565	42,007,004	13,011,484	10,967,745	53,093,049	52,974,749
<b>Depreciable Assets:</b>						
Buildings	82,722,769	80,088,861	1,514,109	1,617,474	84,236,878	81,706,335
Equipment and vehicles	6,287,853	6,191,306	68,412	80,918	6,356,265	6,272,224
Infrastructure:						
Water lines	-	-	35,818,548	36,991,050	35,818,548	36,991,050
Right-to-use leased assets	998,517	679,252	27,044	662	1,025,561	679,914
Right-to-use subscription assets	1,014,521	1,227,718	60,349	86,679	1,074,870	1,314,397
Total assets	\$ 144,469,243	\$ 143,558,159	\$ 51,480,204	\$ 50,724,786	\$ 195,949,447	\$ 194,282,945

Major capital asset transactions during the year include:

- Continued acquisition and work on the radio replacement project.

Additional information on the County’s capital assets can be found in Note 2 of the Basic Financial Statements.

**Long-term Debt.** As of June 30, 2024, Chatham County had total bonded debt outstanding of \$2,575,000 all of which is debt backed by the full faith and credit of the County.

**Chatham County’s Outstanding Debt  
General Obligation Bonds and Other Long-Term Obligations  
Figure 5**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
General obligation bonds	\$ -	\$ -	\$ 2,575,000	\$ 2,635,000	\$ 2,575,000	\$ 2,635,000
Revenue bonds	-	-	1,482,000	1,520,000	1,482,000	1,520,000
Other long-term obligations	165,986,111	178,827,491	3,543,890	4,292,509	169,530,001	183,120,000
Direct placement/borrowings	33,068,460	36,286,646	622,923	934,385	33,691,383	37,221,031
Permium on long-term obligations	11,052,728	11,903,100	-	-	11,052,728	11,903,100
Leases	1,018,857	684,946	27,713	708	1,046,570	685,654
Subscriptions	812,210	1,058,175	55,056	81,168	867,266	1,139,343
Compensated absences	2,809,211	2,314,864	199,147	153,794	3,008,358	2,468,658
LGERS pension	23,289,939	19,386,173	1,897,991	1,260,889	25,187,930	20,647,062
LEOSSA pension	3,246,005	2,802,608	-	-	3,246,005	2,802,608
OPEB	9,960,008	9,721,143	811,682	632,269	10,771,690	10,353,412
<b>Total</b>	<u>\$ 251,243,529</u>	<u>\$ 262,985,146</u>	<u>\$ 11,215,402</u>	<u>\$ 11,510,722</u>	<u>\$ 262,458,931</u>	<u>\$ 274,495,868</u>

Chatham County’s total general obligation bonds and other long-term obligations decreased by \$12,036,937 (4.4%) over the past fiscal year. The majority of this decrease can be attributed to the annual retirement of long-term debt.

Chatham County maintained its Aa1 bond rating from Moody’s Investor Service and its AAA rating from Standard and Poor’s Corporation. This bond rating is an indication of the sound financial condition of Chatham County.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government’s boundaries. The legal debt margin for Chatham County is \$1,005,688,000.

Additional information regarding Chatham County’s long-term debt can be found in Note 2 of this audited financial report.

**Economic Factors and Fiscal Year End 2024 Budgets and Rates**

- Chatham continues to maintain a AAA rating from Standard and Poor’s. Only ten other counties in North Carolina and 105 across the US have AAA ratings from Standard and Poor’s. The County also maintained a rating from Moody’s of Aa1.
- As of 2022, the latest data available, Chatham County has the highest per capita income in the state, 37% higher than the state average.
- Chatham County’s seasonally unadjusted unemployment rate (3.5% in June 2024, latest data available) continues to trend below the state (3.6%).
- The County’s FY 2025 property tax rate increased by 4 cents/\$100 valuation to a total of 72.5 cents/\$100 valuation.

- Total property values increased by 4.77%. Values for each part of the base are expected to increase/decrease as follows:
  - Real property, a 3.65% increase, resulting from a robust real estate market in Chatham County that reflects demand outpacing supply of improved property, as well as development growth and additional commercial and industrial development.
  - Personal property, an 8.79% increase, resulting from increases in business property listings.
  - Public utility values, 20.25% increase; Utility values are provided by NC Department of Revenue.
  - Motor vehicles, a 11.07% increase. Motor vehicle values are provided by the NC Department of Motor Vehicles (DMV).
- In FY 2024, locally collected sales tax (Article 39), which is distributed based on where collected, grew by 15% compared to about 3% statewide growth. Locally, FY 2024 sales tax revenues (Articles 39 and 42) were both trending roughly 15% above FY 2023, compared with 3% for sales tax collected statewide (Article 40). A referendum in March of 2020 was successful and levy of Article 46 began in October of 2020. This revenue is not shared with municipalities. Article 46 revenue is projected to bring Chatham about \$3.2 million in FY 2025.
- FY 2024 building permit revenue was estimated to increase 77.78% over the prior year due to continued growth within the county, which was projected to be somewhat impacted by increasing interest rates leading to slower residential development. However, several commercial and industrial projects, including a large-scale industrial project, which began development in FY 2023 continued during FY 2024 and new permit issuance increased substantially. The actual collection increased by 91% over the prior year. Register of Deeds stamps, which are paid when properties are sold within the County, collected 101.15% of the FY 2024 budgeted amount (1.15% over budget), with an estimated \$1.21 million by year-end. Building and real estate activity in Chatham is expected to continue to show growth, with several commercial/industrial projects underway and modest residential growth continuing.
- Chatham County Council on Aging, a non-profit founded on July 8, 1974, whose original mission was “to promote the independence and dignity of our older adults and to help them remain healthy, secure and involved in their own homes and community as long as possible”, ceased operations as of June 30, 2023. The Chatham County Board of Commissioners voted to transition the former non-profit into a department within Chatham County government in 2022, acknowledging tremendous growth within the older adult population. On July 1, 2023 Chatham County Aging Services became an official department of the County.

As part of the agreement, the County took on all assets and liabilities of the former non-profit. The assets acquired totaled \$4,196,460, capital assets included two buildings, equipment, and vehicles with a net book value of \$2,402,604. The liabilities included one lease of no material value. Their FY24 operating budget included \$1,468,295 for salaries and fringe benefits and \$1,525,054 for operating expenditures. The transaction is reflected as a special item in Exhibit B – Statement of Activities.

## **Budget Highlights for the Fiscal Year Ending June 30, 2025**

- **Governmental Activities:** Chatham's FY 2025 budget was prepared in the midst of significant growth and change within Chatham County. Over the last couple of years, major economic development projects, including Wolfspeed and Vinfast, announced they would be coming to Chatham County and those projects are now underway. Chatham continues to be seen as a competitive location for growth – both residential and commercial/industrial. As we move forward into the next fiscal year, the FY 2025 budget will enable us to address current challenges, seize opportunities for growth and innovation, and continue building a stronger, more resilient Chatham County. As a County, we must look to the future and the challenges and opportunities that it will provide. The rapid growth and development we have long anticipated has arrived. While residential growth has slowed recently, we have seen a marked increase in commercial development. Throughout this budget, you will see we are focused on ensuring the development that is occurring is well monitored and aligns with the long-term vision that Plan Chatham has laid out for Chatham County. Additionally, this budget shows that the County is enhancing and expanding services in order to meet the needs of our growing population.
- The county continues to prioritize support for education. The budget funds 98.31% of Chatham County Schools' request for a total of an additional \$4,885,000. Current expense will increase by \$2,400,000 in order to fund the state salary adjustments that were provided to Schools staff in the most recent budget, and address the compression issues that arose as a result of those changes. An additional \$2,360,000 will be added to teacher pay supplement costs to increase the base salary for all teachers by an additional \$2,000. This budget funds the “hybrid” supplement model for a third year, where teachers will receive a set amount of salary supplement based on years of service and education as well as a small percentage of their total salary (percent also based on years of service and education). This model will allow the County and School System to have greater flexibility in addressing needed changes to the supplement funding level while reducing the impact that external factors, primarily state budget changes, will have on our ability to maintain our competitive supplement funding model. Our goal for the teacher supplement is to maintain Chatham's standing as fifth in our region. This year Chatham was surpassed only by the much larger Wake, Chapel Hill, Durham and Orange districts.
- The County continues a partnership with Central Carolina Community College to support Chatham County Promise, a program that guarantees up to two years of free tuition and fees at CCCC to all eligible Chatham County residents who graduate from high school in 2019 through 2025. The program requires \$260,000 in FY 2025.
- The FY 2025 budget includes \$1.8 million to fund twenty-two additional positions (both full and part-time) to meet current and future workload demand; one financial analyst; one commercial tax appraiser; one reappraisal manager; one child welfare adoption social worker; three income maintenance caseworkers; one child welfare on-call social worker; one reentry case manager; one animal resources officer; four animal shelter attendants; one detention maintenance officer; six deputy sheriffs; and one utility customer service technician.

In addition to these twenty-two new positions, expansion items include some additional funding for programs:

- An additional \$113,904 is recommended to increase the amenities offered at the Agriculture & Conference Center. These funds will be used to purchase an announcer stand for the arena, a mobile restroom trailer for use with outdoor events, picnic tables for use outdoors, and additional nesting tables for event use.

- An additional \$87,085 is included in an increase to the contract with the school system for County garage operations. These funds will be used to purchase an alignment machine, provide salary increases to the existing staff, and to hire a new mechanic to perform standard preventative maintenance (oil changes, tire rotations) and to reduce the number of vehicles that have to be sent to privately owned centers for repairs.
- An additional \$56,082 is included for the implementation of in-house meal preparation for Aging Services. The meal preparation process will still be overseen by a vendor; however, by making some one-time upgrades to the kitchen and increasing the hours of two part-time staff members, Aging Services will be able to deliver meals more efficiently. Additionally, by utilizing County owned space, the contractual price per meal is reduced.
- Additional funds are included to finish the current shell space in the Animal Resource Center (ARC) as a surgical suite. The suite will allow vets to perform spay/neuter surgeries on-site at the ARC, which will reduce the number of days between an animal's adoption and when they can leave the shelter. The cost for this project is \$74,219 and includes both the one-time purchases needed to upfit the space and the additional cost of supplies needed to perform the procedures.
- An additional \$43,263 is included in the Detention Center's inmate medical contract. This increase will fund an additional nurse that will work on a different shift schedule than the current nurse, increasing the availability of medical care and reducing the amount of medical triage and medication disbursement that the detention officers will be required to perform.
- Additional funds are included for technology upgrades for the Sheriff's Office, including the purchase of a forensic tower (\$20,000) and upgrades and replacement of the existing body camera system (\$222,595). The forensic tower will be used to further assist investigators in electronic investigations – including decrypting cell phone/tablet/computer data, as well as data storage. Additionally, the current body camera system is nearing end-of-life and this budget funds a partial replacement of the existing cameras, with additional camera replacements occurring over the next several fiscal years. It also funds a transition from an on-premises server, which is also near end-of-life, to a cloud server storage solution.
- An additional \$25,000 is included to join the Central Pines Regional Council's (CPRC) grant assistance program. These funds will allow CPRC to seek out grants on behalf of Chatham County and will assist the County in applying for those grants. This is a pilot program to confirm that the County's participation in this program is a net financial positive for the County.
- An additional \$19,000 is included to contract with a vendor to collect, input, analyze, and provide an easily accessible dashboard for all County energy, water, and fuel usage, as well as public EV charging and county building solar production. This data will allow us to be able to identify issues and direct resources to correct them. Funds are included for the addition of inmate dental care as part of the Detention Center's medical contract. Dental issues can often lead to far greater health concerns and the implementation of this program will hopefully help to further reduce the chance of any significant medical events occurring within the Detention Center.
- The budget also includes a 4% pay increase for employees pay raises. The salaries of the County Manager, Director of Elections, Register of Deeds, Sheriff, and Board of Commissioners will increase 4% over salaries in FY 2023-2024, and is consistent with the increases the County employees will receive. Additionally, the Chair of the Board of Commissioners will receive an additional increase of \$4,000.

### **Requests for Information**

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to Roy Lynch, Finance Officer, Chatham County, Post Office Box 608, Pittsboro, North Carolina 27312. You can also call (919)-542-8471 or visit our website [www.chathamcountync.gov](http://www.chathamcountync.gov) for more information.

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## **BASIC FINANCIAL STATEMENTS**

CHATHAM COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
JUNE 30, 2024

	Primary Government			Chatham
	Governmental Activities	Business-Type Activities	Total	County Board of Alcoholic Beverage Control
<b>Assets:</b>				
Cash, cash equivalents and investments	\$ 189,916,810	\$ 34,561,575	\$ 224,478,385	\$ 913,587
Property taxes receivable, net	1,164,344	-	1,164,344	-
Accounts receivable, net	5,355,607	3,644,197	8,999,804	-
Due from other governments	12,240,164	86,886	12,327,050	-
Lease receivable	1,793,423	-	1,793,423	-
Other receivables	-	219,133	219,133	-
Inventories	-	-	-	1,094,356
Prepaid items	-	-	-	49,218
Cash - restricted	7,135,822	521,886	7,657,708	-
Net pension asset	95,825	-	95,825	-
Capital assets:				
Right to use leased asset, net of amortization	2,013,038	87,393	2,100,431	1,415,937
Land, improvements and construction in progress	56,893,718	13,991,742	70,885,460	206,623
Other capital assets, net of depreciation	85,562,487	37,401,069	122,963,556	2,490,289
Total capital assets	144,469,243	51,480,204	195,949,447	4,112,849
Total assets	362,171,238	90,513,881	452,685,119	6,170,010
<b>Deferred Outflows of Resources:</b>				
Pension deferrals	15,643,209	1,201,315	16,844,524	315,872
OPEB deferrals	3,840,188	312,953	4,153,141	-
Charge on refunding	1,335,681	-	1,335,681	-
Total deferred outflows of resources	20,819,078	1,514,268	22,333,346	315,872
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	6,784,949	674,599	7,459,548	736,830
Liabilities to be paid from restricted assets	1,036,036	521,886	1,557,922	-
Unavailable revenues	4,125,628	-	4,125,628	-
Due to other governments	54,955	-	54,955	-
Long-term liabilities:				
Due within one year	21,110,924	1,471,059	22,581,983	426,064
Due in more than one year	230,132,605	9,744,343	239,876,948	3,358,346
Total liabilities	263,245,097	12,411,887	275,656,984	4,521,240

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

CHATHAM COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
JUNE 30, 2024

	Primary Government			Chatham
	Governmental Activities	Business-Type Activities	Total	County Board of Alcoholic Beverage Control
<b>Deferred Inflows of Resources:</b>				
Pension deferrals	936,812	16,961	953,773	23,458
OPEB deferrals	3,330,708	271,433	3,602,141	-
Leases	1,696,225	-	1,696,225	-
Prepaid taxes	310,767	-	310,767	-
Total deferred inflows of resources	<u>6,274,512</u>	<u>288,394</u>	<u>6,562,906</u>	<u>23,458</u>
<b>Net Position:</b>				
Net investment in capital assets	67,531,636	43,173,622	110,705,258	953,127
Restricted for:				
Stabilization by state statute	15,784,042	-	15,784,042	-
Register of Deeds' pension plan	95,825	-	95,825	-
Courthouse clock	75,067	-	75,067	-
Emergency telephone	211,818	-	211,818	-
Economic development	15,830	-	15,830	-
Fire protection	460,286	-	460,286	-
Human services	118,657	-	118,657	-
Law enforcement	414,605	-	414,605	-
Working capital	-	-	-	265,195
Unrestricted	<u>28,762,941</u>	<u>36,154,246</u>	<u>64,917,187</u>	<u>722,862</u>
Total net position	<u>\$ 113,470,707</u>	<u>\$ 79,327,868</u>	<u>\$ 192,798,575</u>	<u>\$ 1,941,184</u>

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

**CHATHAM COUNTY, NORTH CAROLINA**

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

<u>Functions / Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General government	\$ 29,166,020	\$ 1,068,020	\$ 2,556,004	\$ -
Public safety	53,141,250	6,925,683	2,362,344	-
Economic and physical development	4,989,302	1,092,394	310,502	-
Human services	21,532,770	949,103	11,338,267	-
Cultural and recreational	4,007,929	424,969	483,517	-
Education	48,246,320	2,004,900	-	-
Interest on long-term debt	8,097,636	-	-	-
Total governmental activities	<u>169,181,227</u>	<u>12,465,069</u>	<u>17,050,634</u>	<u>-</u>
<b>Business-Type Activities:</b>				
Utility	8,941,404	8,506,607	489,411	-
Southeast sater district	761,705	919,460	-	-
Solid waste management	4,844,590	4,178,447	283,199	-
Total business-type activities	<u>14,547,699</u>	<u>13,604,514</u>	<u>772,610</u>	<u>-</u>
Total primary government	<u>\$ 183,728,926</u>	<u>\$ 26,069,583</u>	<u>\$ 17,823,244</u>	<u>\$ -</u>
<b>Component Unit:</b>				
Chatham County Board of Alcoholic Beverage Control	<u>\$ 6,955,831</u>	<u>\$ 6,895,080</u>	<u>\$ -</u>	<u>\$ -</u>

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

CHATHAM COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024

Functions / Programs	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Chatham
	Governmental Activities	Business Type Activities	Total	County Board of Alcoholic Beverage Control
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General government	\$ (25,541,996)	\$ -	\$ (25,541,996)	
Public safety	(43,853,223)	-	(43,853,223)	
Economic and physical development	(3,586,406)	-	(3,586,406)	
Human services	(9,245,400)	-	(9,245,400)	
Cultural and recreational	(3,099,443)	-	(3,099,443)	
Education	(46,241,420)	-	(46,241,420)	
Interest on long-term debt	(8,097,636)	-	(8,097,636)	
Total governmental activities	<u>(139,665,524)</u>	<u>-</u>	<u>(139,665,524)</u>	
<b>Business-Type Activities:</b>				
Utility	-	54,614	54,614	
Southeast water district	-	157,755	157,755	
Solid waste management	-	(382,944)	(382,944)	
Total business-type activities	<u>-</u>	<u>(170,575)</u>	<u>(170,575)</u>	
Total primary government	<u>(139,665,524)</u>	<u>(170,575)</u>	<u>(139,836,099)</u>	
<b>Component Unit:</b>				
Chatham County Board of Alcoholic Beverage Control				\$ <u>(60,751)</u>
<b>General Revenues:</b>				
Taxes:				
Property taxes, levied for general purposes	119,758,549	-	119,758,549	-
Local option sales tax	31,538,819	-	31,538,819	-
Other taxes	1,462,396	-	1,462,396	-
Grants and contributions not restricted	5,121,400	-	5,121,400	-
Unrestricted investment earnings	5,980,540	1,192,486	7,173,026	6,068
Miscellaneous	3,556,708	-	3,556,708	1,604
Total general revenues	<u>167,418,412</u>	<u>1,192,486</u>	<u>168,610,898</u>	<u>7,672</u>
Special item - acquisition of Council on Aging	<u>2,402,604</u>	<u>-</u>	<u>2,402,604</u>	<u>-</u>
Total general revenues and special item	<u>169,821,016</u>	<u>1,192,486</u>	<u>171,013,502</u>	<u>7,672</u>
Change in net position	30,155,492	1,021,911	31,177,403	(53,079)
<b>Net Position:</b>				
Net position, beginning	<u>83,315,215</u>	<u>78,305,957</u>	<u>161,621,172</u>	<u>1,994,263</u>
Net position, ending	<u>\$ 113,470,707</u>	<u>\$ 79,327,868</u>	<u>\$ 192,798,575</u>	<u>\$ 1,941,184</u>

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

CHATHAM COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2024

	Major Funds				
	General	American Rescue Plan	Opioid Settlement Fund	Capital Reserve	Capital Improvements Project Reserve
<b>Assets:</b>					
Cash, cash equivalents, and investments	\$ 75,112,138	\$ -	\$ -	\$ 26,770,722	\$ 44,597,871
Cash - restricted	1,966,602	4,128,078	1,041,142	-	-
Property taxes receivable, net	1,004,313	-	-	-	-
Due from other governments	12,077,301	-	-	-	-
Lease receivables	1,793,423	-	-	-	-
Other receivables	1,508,520	-	3,272,270	177,574	241,720
Total assets	<u>\$ 93,462,297</u>	<u>\$ 4,128,078</u>	<u>\$ 4,313,412</u>	<u>\$ 26,948,296</u>	<u>\$ 44,839,591</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	\$ 4,422,867	\$ 2,450	\$ 3,301	\$ -	\$ -
Liabilities to be paid from restricted assets	1,036,036	-	-	-	-
Unearned revenues	-	4,125,628	-	-	-
Due to other governments	54,955	-	-	-	-
Total liabilities	<u>5,513,858</u>	<u>4,128,078</u>	<u>3,301</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources:</b>					
Prepaid taxes	310,633	-	-	-	-
Leases	1,696,225	-	-	-	-
Unavailable revenues	-	-	3,266,543	-	-
Property taxes receivable	1,004,313	-	-	-	-
Health clinic receivable	6,359	-	-	-	-
Total deferred inflows of resources	<u>3,017,530</u>	<u>-</u>	<u>3,266,543</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>					
Nonspendable:					
Leases	97,198	-	-	-	-
Restricted:					
Stabilization by state statute	13,579,462	-	-	177,574	241,720
Courthouse clock	-	-	-	-	-
Emergency telephone	-	-	-	-	-
Economic and physical development	-	-	-	-	-
Fire protection	-	-	-	-	-
Human services	-	-	-	-	-
Law enforcement	-	-	-	-	-
Committed:					
LEO Special Separation Allowance	1,191,628	-	-	-	-
Tax revaluation	930,566	-	-	-	-
Housing trust	1,142,397	-	-	-	-
Land preservation	1,584,188	-	-	-	-
Capital projects	-	-	1,043,568	-	44,597,871

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

CHATHAM COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2024

	Major Funds			Total Governmental Funds
	Facilities Improvements	School Construction Fund	Total Nonmajor Funds	
<b>Assets:</b>				
Cash, cash equivalents, and investments	\$ 14,091,266	\$ 2,077,019	\$ 15,005,353	\$ 177,654,369
Cash - restricted	-	-	-	7,135,822
Property taxes receivable, net	-	-	160,031	1,164,344
Due from other governments	-	-	162,863	12,240,164
Lease receivables	-	-	-	1,793,423
Other receivables	-	18	78,043	5,278,145
Total assets	<u>\$ 14,091,266</u>	<u>\$ 2,077,037</u>	<u>\$ 15,406,290</u>	<u>\$ 205,266,267</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 81,453	\$ 95,668	\$ 131,652	\$ 4,737,391
Liabilities to be paid from restricted assets	-	-	-	1,036,036
Unearned revenues	-	-	-	4,125,628
Due to other governments	-	-	-	54,955
Total liabilities	<u>81,453</u>	<u>95,668</u>	<u>131,652</u>	<u>9,954,010</u>
<b>Deferred Inflows of Resources:</b>				
Prepaid taxes	-	-	134	310,767
Leases	-	-	-	1,696,225
Unavailable revenues	-	-	-	3,266,543
Property taxes receivable	-	-	160,031	1,164,344
Health clinic receivable	-	-	-	6,359
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>160,165</u>	<u>6,444,238</u>
<b>Fund Balances:</b>				
Nonspendable:				
Leases	-	-	-	97,198
Restricted:				
Stabilization by state statute	-	18	1,785,268	15,784,042
Courthouse clock	-	-	75,067	75,067
Emergency telephone	-	-	211,818	211,818
Economic and physical development	-	-	15,830	15,830
Fire protection	-	-	460,286	460,286
Human services	-	-	118,657	118,657
Law enforcement	-	-	414,605	414,605
Committed:				
LEO Special Separation Allowance	-	-	-	1,191,628
Tax revaluation	-	-	-	930,566
Housing trust	-	-	-	1,142,397
Land preservation	-	-	-	1,584,188
Capital projects	14,009,813	1,981,351	-	61,632,603

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

CHATHAM COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2024

	<u>Major Funds</u>				
	<u>General</u>	<u>American Rescue Plan</u>	<u>Opioid Settlement Fund</u>	<u>Capital Reserve</u>	<u>Capital Improvements Project Reserve</u>
Assigned:					
Subsequent year's expenditures	12,813,138	-	-	-	-
General government	-	-	-	26,770,722	-
Public safety	-	-	-	-	-
Education	-	-	-	-	-
Cultural and recreation	-	-	-	-	-
Unassigned	<u>53,592,332</u>	-	-	-	-
Total fund balances	<u>84,930,909</u>	-	<u>1,043,568</u>	<u>26,948,296</u>	<u>44,839,591</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 93,462,297</u>	<u>\$ 4,128,078</u>	<u>\$ 4,313,412</u>	<u>\$ 26,948,296</u>	<u>\$ 44,839,591</u>

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

CHATHAM COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2024

	<u>Major Funds</u>			<u>Total Governmental Funds</u>
	<u>Facilities Improvements</u>	<u>School Construction Fund</u>	<u>Total Nonmajor Funds</u>	
Assigned:				
Subsequent year's expenditures	-	-	-	12,813,138
General government	-	-	-	26,770,722
Public safety	-	-	133,777	133,777
Education	-	-	8,216,701	8,216,701
Cultural and recreation	-	-	4,018,561	4,018,561
Unassigned	-	-	(336,097)	53,256,235
Total fund balances	<u>14,009,813</u>	<u>1,981,369</u>	<u>15,114,473</u>	<u>188,868,019</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 14,091,266</u>	<u>\$ 2,077,037</u>	<u>\$ 15,406,290</u>	<u>\$ 205,266,267</u>

	<u>Total Governmental Funds</u>
Amounts reported for governmental activities in the Statement of Net Position (Exhibit A) are different because:	
Total fund balance - governmental funds	\$ 188,868,019
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	142,456,205
Right-to-use assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	2,013,038
Assets and liabilities of the Self-Insurance Internal Service Fund used by management to account for certain insurance costs are included in governmental activities in the Statement of Net Position.	11,632,903
Charges related to advance refunding bond issue	1,335,681
Net pension asset	95,825
Pension related deferred outflows	15,643,209
OPEB related deferred outflows	3,840,188
Net pension liability - LGERS	(23,289,939)
Total pension liability - LEOSSA	(3,246,005)
Net OPEB liability	(9,960,008)
Deferred inflows of resources for taxes and other receivables	4,437,246
Pension related deferred inflows	(936,812)
OPEB related deferred inflows	(3,330,708)
Compensated absences not expected to be materially liquidated with expendable available resources.	(2,809,211)
Long-term liabilities, including bonds payable, accrued interest payable, lease payable, and installment purchases, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(213,278,924)</u>
Net position of governmental activities	<u>\$ 113,470,707</u>

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

CHATHAM COUNTY, NORTH CAROLINA

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

	Major Funds				
	General	American Rescue Plan	Opioid Settlement Fund	Capital Reserve	Capital Improvement Project Reserve
<b>Revenues:</b>					
Ad valorem taxes	\$ 104,557,481	\$ -	\$ -	\$ -	\$ -
Local option sales tax	31,538,819	-	-	-	-
Other taxes	1,462,396	-	-	-	-
Unrestricted intergovernmental	5,121,400	-	-	-	-
Restricted intergovernmental	10,971,359	196,139	798,229	-	638,700
Permits and fees	7,110,442	-	-	-	-
Sales and services	2,985,814	-	-	-	-
Investment earnings	6,183,555	-	24,231	953,852	1,413,108
Other general revenues	3,774,629	-	-	-	-
Total revenues	<u>173,705,895</u>	<u>196,139</u>	<u>822,460</u>	<u>953,852</u>	<u>2,051,808</u>
<b>Expenditures:</b>					
Current:					
General government	18,553,306	-	-	-	-
Public safety	32,037,510	196,139	-	-	-
Economic and physical development	6,139,593	-	-	-	-
Human services	23,460,127	-	144,851	-	-
Cultural and recreational	4,016,458	-	-	-	-
Intergovernmental:					
Education	48,220,879	-	-	-	-
Debt service:					
Principal retirement	16,904,065	-	-	-	-
Interest and fees	8,279,674	-	-	-	-
Total expenditures	<u>157,611,612</u>	<u>196,139</u>	<u>144,851</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>16,094,283</u>	<u>-</u>	<u>677,609</u>	<u>953,852</u>	<u>2,051,808</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	19,694,185	-	-	4,132,639	16,940,242
Transfers (to) other funds	(21,198,708)	-	-	(3,281,681)	(17,143,754)
Total transfers from (to) other funds	<u>(1,504,523)</u>	<u>-</u>	<u>-</u>	<u>850,958</u>	<u>(203,512)</u>
Debt proceeds:					
Subscription liability issued	380,448	-	-	-	-
Lease liability issued	551,997	-	-	-	-
Total proceeds	<u>932,445</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(572,078)</u>	<u>-</u>	<u>-</u>	<u>850,958</u>	<u>(203,512)</u>
Net change in fund balances	15,522,205	-	677,609	1,804,810	1,848,296
<b>Fund Balances:</b>					
Fund balances, beginning	69,408,704	-	365,959	25,143,486	42,991,295
Fund balances, ending	<u>\$ 84,930,909</u>	<u>\$ -</u>	<u>\$ 1,043,568</u>	<u>\$ 26,948,296</u>	<u>\$ 44,839,591</u>

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

CHATHAM COUNTY, NORTH CAROLINA

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

	Major Funds		Total Nonmajor Funds	Total Governmental Funds
	Facilities Improvement Projects	School Construction Fund		
<b>Revenues:</b>				
Ad valorem taxes	\$ -	\$ -	\$ 15,317,237	\$ 119,874,718
Local option sales tax	-	-	-	31,538,819
Other taxes	-	-	-	1,462,396
Unrestricted intergovernmental	-	-	-	5,121,400
Restricted intergovernmental	-	-	1,024,011	13,628,438
Permits and fees	-	-	2,239,234	9,349,676
Sales and services	-	-	-	2,985,814
Investment earnings	282,776	7,462	435,124	9,300,108
Other general revenues	-	-	-	3,774,629
Total revenues	<u>282,776</u>	<u>7,462</u>	<u>19,015,606</u>	<u>197,035,998</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	823,815	19,377,121
Public safety	5,297,021	-	16,056,426	53,587,096
Economic and physical development	-	-	-	6,139,593
Human services	-	-	220,070	23,825,048
Cultural and recreational	-	-	441,291	4,457,749
Intergovernmental:				
Education	-	598,448	277,365	49,096,692
Debt service:				
Principal retirement	-	-	-	16,904,065
Interest and fees	-	-	-	8,279,674
Total expenditures	<u>5,297,021</u>	<u>598,448</u>	<u>17,818,967</u>	<u>181,667,038</u>
Revenues over (under) expenditures	<u>(5,014,245)</u>	<u>(590,986)</u>	<u>1,196,639</u>	<u>15,368,960</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	1,833,300	598,448	1,262,648	44,461,462
Transfers (to) other funds	-	-	(2,837,319)	(44,461,462)
Total transfers from (to) other funds	<u>1,833,300</u>	<u>598,448</u>	<u>(1,574,671)</u>	<u>-</u>
Debt proceeds:				
Subscription liability issued	-	-	-	380,448
Lease liability issued	-	-	-	551,997
Total proceeds	-	-	-	932,445
Total other financing sources (uses)	<u>1,833,300</u>	<u>598,448</u>	<u>(1,574,671)</u>	<u>932,445</u>
Net change in fund balances	(3,180,945)	7,462	(378,032)	16,301,405
<b>Fund Balances:</b>				
Fund balances, beginning	<u>17,190,758</u>	<u>1,973,907</u>	<u>15,492,505</u>	<u>172,566,614</u>
Fund balances, ending	<u>\$ 14,009,813</u>	<u>\$ 1,981,369</u>	<u>\$ 15,114,473</u>	<u>\$ 188,868,019</u>

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

**CHATHAM 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, 2024**

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

Net changes in fund balances - total governmental funds	\$ 16,301,405
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are depreciated and amortized over their estimated useful lives.	
Expenditures for capital assets	3,816,992
Current year's depreciation/amortization	(5,308,512)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Principal payment, payments to escrow agent and amortization on long-term debt	17,754,437
Increase in accrued interest payable	182,038
Debt proceeds, lease proceeds, subscription proceeds and premium	(932,445)
Deferred charge on refunding	(106,365)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund statements.	
Compensated absences	(494,347)
OPEB plan expense	(210,666)
Contributions to pension plan in the current fiscal year	5,180,658
Pension expense - LGERS	(6,869,771)
Pension expense - ROD	(23,699)
Pension expense - LEOSA	(1,434,954)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental fund statements.	47,401
Special item - acquisition of Council on Aging	2,402,604
Net revenue of the Self-Insurance Internal Service Fund determined to be governmental-type.	<u>(149,284)</u>
Total change in net position of governmental activities	<u>\$ 30,155,492</u>

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

## CHATHAM COUNTY, NORTH CAROLINA

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

	General Fund			Variance With Final Budget Over/Under
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Ad valorem taxes	\$ 102,106,792	\$ 102,106,792	\$ 104,557,481	\$ 2,450,689
Local option sales tax	28,416,672	28,416,672	31,538,819	3,122,147
Other taxes	1,420,324	1,420,324	1,462,396	42,072
Unrestricted intergovernmental	5,044,784	5,044,784	5,121,400	76,616
Restricted intergovernmental	9,141,834	11,036,594	10,971,359	(65,235)
Permits and fees	3,637,600	3,637,600	7,110,442	3,472,842
Sales and services	2,973,341	2,985,648	2,985,814	166
Investment earnings	205,805	205,805	5,958,063	5,752,258
Other general revenues	1,154,131	1,452,048	3,774,629	2,322,581
Total revenues	<u>154,101,283</u>	<u>156,306,267</u>	<u>173,480,403</u>	<u>17,174,136</u>
<b>Expenditures:</b>				
General government	17,808,553	22,899,763	17,416,333	5,483,430
Public safety	33,637,392	34,812,789	32,131,209	2,681,580
Economic and physical development	5,480,852	6,535,894	5,658,552	877,342
Human services	25,020,175	27,461,475	23,460,127	4,001,348
Cultural and recreational	4,078,373	4,971,154	4,016,458	954,696
Intergovernmental:				
Education	48,041,810	48,316,810	48,220,879	95,931
Debt service:				
Principal retirement	16,059,567	16,805,362	16,904,065	(98,703)
Interest and fees	8,292,249	8,324,717	8,279,674	45,043
Total expenditures	<u>158,418,971</u>	<u>170,127,964</u>	<u>156,087,297</u>	<u>14,040,667</u>
Revenues over (under) expenditures	<u>(4,317,688)</u>	<u>(13,821,697)</u>	<u>17,393,106</u>	<u>31,214,803</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	21,216,210	21,216,210	19,694,185	(1,522,025)
Transfers to other funds	(21,898,522)	(22,454,202)	(23,254,202)	(800,000)
Total transfers	<u>(682,312)</u>	<u>(1,237,992)</u>	<u>(3,560,017)</u>	<u>(2,322,025)</u>
Total other financing sources (uses)	<u>(682,312)</u>	<u>(1,237,992)</u>	<u>(3,560,017)</u>	<u>(2,322,025)</u>
Appropriated fund balance	<u>5,000,000</u>	<u>15,059,689</u>	<u>-</u>	<u>(15,059,689)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>13,833,089</u>	<u>\$ 13,833,089</u>
<b>Reconciliation from budgetary basis to modified accrual basis:</b>				
Lease liability issued			551,997	
Capital outlay - leases			(551,997)	
Subscription liability issued			380,448	
Capital outlay - leases			(380,448)	
<b>Fund Balances:</b>				
Fund balance, beginning			61,044,956	
Fund balance, ending			<u>\$ 74,878,045</u>	

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

**CHATHAM COUNTY, NORTH CAROLINA**

**OPIOID SETTLEMENT FUND - MAJOR FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024**

	<b>2024</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>				
Restricted intergovernmental	\$ 2,907,865	\$ 2,907,865	\$ 798,229	\$ (2,109,636)
Investment earnings	-	-	24,231	24,231
Total revenues	<u>2,907,865</u>	<u>2,907,865</u>	<u>822,460</u>	<u>(2,085,405)</u>
<b>Expenditures:</b>				
Human services	<u>2,907,865</u>	<u>2,907,865</u>	<u>144,851</u>	<u>2,763,014</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	677,609	<u>\$ 677,609</u>
<b>Fund Balance:</b>				
Fund balance, beginning			<u>365,959</u>	
Fund balance, ending			<u>\$ 1,043,568</u>	

## CHATHAM COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2024

	Business-Type Activities - Enterprise			Governmental Activities	
	Utility	Southeast Water District	Solid Waste and Recycling	Total	Self-Insurance Internal Service
<b>Assets:</b>					
Current assets:					
Cash, cash equivalents, and investments	\$ 26,271,382	\$ 862,034	\$ 7,428,159	\$ 34,561,575	\$ 12,262,441
Cash - restricted	481,141	40,745	-	521,886	-
Receivables, net	3,318,380	274,641	51,176	3,644,197	8,376
Due from other governments	13,702	-	73,184	86,886	-
Other receivables	155,072	7,428	56,633	219,133	69,086
Total current assets	<u>30,239,677</u>	<u>1,184,848</u>	<u>7,609,152</u>	<u>39,033,677</u>	<u>12,339,903</u>
Non-current assets:					
Capital assets:					
Right to use assets, net of amortization	39,523	-	47,870	87,393	-
Land, improvements, and construction in progress	13,496,237	-	495,505	13,991,742	-
Other capital assets, net of depreciation and amortization	31,744,682	3,925,665	1,730,722	37,401,069	-
Total capital assets, net	<u>45,280,442</u>	<u>3,925,665</u>	<u>2,274,097</u>	<u>51,480,204</u>	<u>-</u>
Total non-current assets	<u>45,280,442</u>	<u>3,925,665</u>	<u>2,274,097</u>	<u>51,480,204</u>	<u>-</u>
Total assets	<u>75,520,119</u>	<u>5,110,513</u>	<u>9,883,249</u>	<u>90,513,881</u>	<u>12,339,903</u>
<b>Deferred Outflows of Resources:</b>					
Pension deferrals	575,630	-	625,685	1,201,315	-
OPEB deferrals	149,957	-	162,996	312,953	-
Total deferred outflows of resources	<u>725,587</u>	<u>-</u>	<u>788,681</u>	<u>1,514,268</u>	<u>-</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable and accrued liabilities	539,256	12,555	122,788	674,599	707,000
Liabilities to be paid from restricted assets	481,141	40,745	-	521,886	-
Compensated absences payable	112,626	-	86,521	199,147	-
General obligation bonds payable	-	63,000	-	63,000	-
Revenue bonds payable	-	39,000	-	39,000	-
Total OPEB liability payable	19,037	-	20,692	39,729	-
Direct borrowings	311,462	-	-	311,462	-
Other long-term borrowings	798,966	-	19,755	818,721	-
Total current liabilities	<u>2,262,488</u>	<u>155,300</u>	<u>249,756</u>	<u>2,667,544</u>	<u>707,000</u>
Non-current liabilities:					
Net pension liability	909,454	-	988,537	1,897,991	-
Total OPEB liability	369,894	-	402,059	771,953	-
General obligation bonds payable	-	2,512,000	-	2,512,000	-
Revenue bonds payable	-	1,443,000	-	1,443,000	-
Direct borrowings	311,461	-	-	311,461	-
Other long-term borrowings	2,780,753	-	27,185	2,807,938	-
Total non-current liabilities	<u>4,371,562</u>	<u>3,955,000</u>	<u>1,417,781</u>	<u>9,744,343</u>	<u>-</u>
Total liabilities	<u>6,634,050</u>	<u>4,110,300</u>	<u>1,667,537</u>	<u>12,411,887</u>	<u>707,000</u>
<b>Deferred Inflows of Resources:</b>					
Pension deferrals	8,127	-	8,834	16,961	-
OPEB deferrals	130,062	-	141,371	271,433	-
Total deferred inflows of resources	<u>138,189</u>	<u>-</u>	<u>150,205</u>	<u>288,394</u>	<u>-</u>
<b>Net Position:</b>					
Net investment in capital assets	41,077,800	(131,335)	2,227,157	43,173,622	-
Unrestricted	28,395,667	1,131,548	6,627,031	36,154,246	11,632,903
Total net position	<u>\$ 69,473,467</u>	<u>\$ 1,000,213</u>	<u>\$ 8,854,188</u>	<u>\$ 79,327,868</u>	<u>\$ 11,632,903</u>

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

## CHATHAM COUNTY, NORTH CAROLINA

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

	<b>Business-Type Activities - Enterprise</b>				<b>Governmental Activities</b>
	<b>Utility</b>	<b>Southeast Water District</b>	<b>Solid Waste and Recycling</b>	<b>Total</b>	<b>Self-Insurance Internal Service</b>
<b>Operating Revenues:</b>					
Charges for services	\$ 8,506,607	\$ 919,460	\$ 4,178,447	\$ 13,604,514	\$ 9,544,893
Other operating revenues	109,357	-	-	109,357	-
Total operating revenues	<u>8,615,964</u>	<u>919,460</u>	<u>4,178,447</u>	<u>13,713,871</u>	<u>9,544,893</u>
<b>Operating Expenses:</b>					
Operating expenses	7,434,006	500,000	4,539,834	12,473,840	10,063,555
Depreciation and amortization	1,301,000	106,338	302,486	1,709,824	-
Total operating expenses	<u>8,735,006</u>	<u>606,338</u>	<u>4,842,320</u>	<u>14,183,664</u>	<u>10,063,555</u>
Operating income (loss)	<u>(119,042)</u>	<u>313,122</u>	<u>(663,873)</u>	<u>(469,793)</u>	<u>(518,662)</u>
<b>Non-Operating Revenues (Expenses):</b>					
Investment earnings	910,304	38,825	243,357	1,192,486	369,378
Interest and other charges	(206,398)	(155,367)	(2,270)	(364,035)	-
Other grants and revenue	380,054	-	283,199	663,253	-
Total non-operating revenues (expenses)	<u>1,083,960</u>	<u>(116,542)</u>	<u>524,286</u>	<u>1,491,704</u>	<u>369,378</u>
Change in net position	964,918	196,580	(139,587)	1,021,911	(149,284)
<b>Net Position:</b>					
Beginning of year - July 1	<u>68,508,549</u>	<u>803,633</u>	<u>8,993,775</u>	<u>78,305,957</u>	<u>11,782,187</u>
End of year - June 30	<u>\$ 69,473,467</u>	<u>\$ 1,000,213</u>	<u>\$ 8,854,188</u>	<u>\$ 79,327,868</u>	<u>\$ 11,632,903</u>

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

## CHATHAM COUNTY, NORTH CAROLINA

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

	Business-Type Activities - Enterprise				Governmental
	Utility	Southeast Water District	Solid Waste and Recycling	Total	Self-Insurance Internal Service
<b>Cash Flows from Operating Activities:</b>					
Cash received from customers	\$ 8,594,188	\$ 950,092	\$ 4,173,076	\$ 13,717,356	\$ 9,544,789
Cash paid for goods and services	(4,859,717)	(501,062)	(1,711,783)	(7,072,562)	(9,780,556)
Cash paid to or on behalf of employees for services	(2,499,980)	-	(2,407,897)	(4,907,877)	-
Customer deposits	9,540	755	-	10,295	-
Net cash provided (used) by operating activities	<u>1,244,031</u>	<u>449,785</u>	<u>53,396</u>	<u>1,747,212</u>	<u>(235,767)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Intergovernmental non-operating revenues/transfers received	380,054	-	272,610	652,664	-
Net cash provided (used) by non-capital financing activities	<u>380,054</u>	<u>-</u>	<u>272,610</u>	<u>652,664</u>	<u>-</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Acquisition and construction of capital assets	(2,374,245)	-	(90,997)	(2,465,242)	-
Proceeds from capital debt	25,577	-	11,997	37,574	-
Principal paid on bonds, notes and capital leases	(1,078,807)	(98,000)	(17,955)	(1,194,762)	-
Interest paid on bonds, notes and capital leases	(218,791)	(155,367)	(2,270)	(376,428)	-
Net cash provided (used) by capital and related financing activities	<u>(3,646,266)</u>	<u>(253,367)</u>	<u>(99,225)</u>	<u>(3,998,858)</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>					
Interest on investments	919,423	37,744	242,349	1,199,516	370,671
Net increase (decrease) in cash and cash equivalents	(1,102,758)	234,162	469,130	(399,466)	134,904
<b>Cash and Cash Equivalents:</b>					
Beginning of year - July 1	27,855,281	668,617	6,959,029	35,482,927	12,127,537
End of year - June 30	<u>\$ 26,752,523</u>	<u>\$ 902,779</u>	<u>\$ 7,428,159</u>	<u>\$ 35,083,461</u>	<u>\$ 12,262,441</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Operating income (loss)	\$ (119,042)	\$ 313,122	\$ (663,873)	\$ (469,793)	\$ (518,662)
<b>Adjustment to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:</b>					
Depreciation and amortization	1,301,000	106,338	302,486	1,709,824	-
Changes in assets and liabilities, and deferred outflows and inflows of resources:					
(Increase) decrease in accounts receivable	(21,776)	30,632	(5,371)	3,485	(104)
(Increase) decrease in deferred outflows of resources - pension	(54,502)	-	(313,008)	(367,510)	-
(Increase) decrease in deferred outflows of resources - OPEB	23,069	-	(59,180)	(36,111)	-
Increase (decrease) in net pension liability	121,398	-	515,704	637,102	-
Increase (decrease) in OPEB liability	(6,237)	-	185,650	179,413	-
Increase (decrease) in deferred inflows of resources - pensions	(23,400)	-	49,294	25,894	-
Increase (decrease) in deferred inflows of resources - OPEB	(6,360)	-	142	(6,218)	-
Increase (decrease) in accounts payable and accrued liabilities	(8,759)	(1,062)	25,299	15,478	282,999
Increase (decrease) in customer deposits	9,540	755	-	10,295	-
Increase (decrease) in accrued vacation pay	29,100	-	16,253	45,353	-
Total adjustments	<u>1,363,073</u>	<u>136,663</u>	<u>717,269</u>	<u>2,217,005</u>	<u>282,895</u>
Net cash provided (used) by operating activities	<u>\$ 1,244,031</u>	<u>\$ 449,785</u>	<u>\$ 53,396</u>	<u>\$ 1,747,212</u>	<u>\$ (235,767)</u>
<b>Non-Cash Investing and Capital Activities:</b>					
Right-to-use asset acquired in exchange for lease liability	\$ 25,577	\$ -	\$ 11,997	\$ 37,574	\$ -

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

**CHATHAM COUNTY, NORTH CAROLINA**

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

	<u>Custodial Funds</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 69,239
Taxes receivable for other governments, net	69,401
Due from other governments	<u>104,085</u>
Total assets	<u>242,725</u>
<b>Liabilities:</b>	
Due to other governments	<u>171,105</u>
<b>Net Position:</b>	
Restricted for:	
Individuals, organizations, and other governments	<u>\$ 71,620</u>

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

**CHATHAM COUNTY, NORTH CAROLINA**

**FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2024**

	<u><b>Custodial Funds</b></u>
<b>Additions:</b>	
Ad valorem taxes for other governments	\$ 13,110,459
Collections on behalf of inmates	<u>231,716</u>
Total assets	<u>13,342,175</u>
<b>Deductions:</b>	
Tax distributions to other governments	13,127,852
Payments on behalf of inmates	<u>231,806</u>
Total liabilities	<u>13,359,658</u>
Net increase (decrease) in fiduciary net position	(17,483)
<b>Net Position:</b>	
Net position, beginning	<u>89,103</u>
Net position, ending	<u>\$ 71,620</u>

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

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# CHATHAM COUNTY, NORTH CAROLINA

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

### **I. Summary of Significant Accounting Policies**

The accounting policies of 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 of Chatham, North Carolina, is a political subdivision of the State of North Carolina. It is one of 100 counties established in North Carolina under North Carolina General Statute 153A-10, is located in the central part of the State, and according to 2020 Census data has a population of approximately 76,285. The County operates under a Commissioner-Manager form of government. The County is responsible for and maintains services inherent to the operation of a county government including general government, public safety, human services, education, economic and physical development, and cultural and recreational services. The County also operates a water and sewer utility system and a solid waste management system.

As required by generally accepted accounting principles, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable. Southeast Water District exists to provide and maintain water systems for the County residents within the district. The district is reported as an enterprise fund in the County’s financial statements. Southwest Water District and Northwest Water District have no financial transactions or account balances; therefore, they are not presented in the basic financial statements. Chatham 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 Chatham County Board of Alcoholic Beverage Control (the ABC Board), which has a June 30 year-end, is presented as if it is a separate proprietary fund 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
Southeast Water District	Blended	Under State law [NCGS 162A-89], the County’s board of commissioners also serve as the governing board for the district. The County has operational responsibility for the district.	None Issued
Southwest Water District	Blended	Under State law [NCGS 162A-89], the County’s board of commissioners also serve as the governing board for the district. The County will have operational responsibility for the district.	None Issued
Northwest Water District	Blended	Under State law [NCGS 162A-89], the County’s board of commissioners also serve as the governing board for the district. The County will have operational responsibility for the district.	None Issued
Chatham 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
Chatham 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.	Chatham County ABC Board 11455 Suite B, US 15-501 Chapel Hill, NC 27516

# CHATHAM COUNTY, NORTH CAROLINA

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

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

#### **Basis of Presentation, Measurement Focus – Basis of Accounting**

*Government-Wide Statements:* The Statement of Net Position and the Statement of Activities display information about the primary government's net position (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. 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. Because the operations of the county's internal service fund benefits predominantly governmental activities the internal service fund has been included within the governmental activities in the government wide statements.

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

*Fund Financial Statements:* The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as 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, Housing Trust Fund, Law Enforcement Separation Allowance Fund, Land Preservation and the Coal Ash 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.

*Capital Improvement Project Reserve Fund.* The County transfers annually an amount equivalent to nine and two tenths' cents on the property tax rate into this fund. The money will be used to fund debt service on a variety of general capital projects, including a new emergency operations center and school administrative building.

# CHATHAM COUNTY, NORTH CAROLINA

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

*Facilities Improvements Fund.* This fund accounts for the financing and construction of facilities and additional office space within the County.

*School Construction Fund.* This fund accounts for the construction of new school facilities and additions to existing facilities within the County.

*American Rescue Plan Fund.* This fund accounts for the infusion of funds to meet pandemic response needs of the community and rebuild a stronger, more equitable economy as the Country recovers.

*Opioid Settlement Fund.* This fund accounts for funds received from a nationwide settlement related to multiple opioid lawsuits.

*Capital Reserve Fund.* This fund accounts for the accumulation of funds for large capital purchases.

The County reports the following major enterprise funds:

*Utility Fund.* This fund is used to account for the County's water and sewer operations.

*Southeast Water District Fund.* This fund is used to account for the operations of the water district covering the southeastern portion of the County.

*Solid Waste and Recycling Fund.* This fund is used to account for the operations of the County's collection and disposal of solid waste.

The County reports the following fund types:

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

*Nonmajor Funds.* The County maintains several legally budgeted funds. The Emergency Telephone System Fund, the Forfeited Property Fund, the Recreation-Payment in Lieu Fund, the Impact Fees Fund, the Bynum Canoe Access/Easement Monitoring Fund, the Courthouse Clock Fund, the Library Foundation Fund, the Representative Payee Fund, the Fines and Forfeitures Fund, and the Special Fire District Funds are reported as nonmajor special revenue funds. The Tech/System Improvement Project Fund, County Wide Parks Project Fund, and Emergency Vehicle Replacement Capital Reserve Project are reported as nonmajor capital project funds.

*Internal Service Fund.* Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units on a cost reimbursement basis. The measurement focus is upon determination of net income, financial position, and changes in financial position. The generally accepted accounting principles here are those applicable to similar businesses in the private sector and, thus, these funds are maintained on the accrual basis. The County has one internal service fund, the Self-Insurance Internal Service Fund.

# CHATHAM COUNTY, NORTH CAROLINA

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

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

*Government-wide, Proprietary, and Fiduciary Fund Financial Statements.* The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus. Custodial funds use the economic resources measurement focus. The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

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

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

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as 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. Since September 1, 2013, the State of North Carolina has been responsible for billing and collecting the property taxes on registered vehicles on behalf of all municipalities and special tax districts. These property taxes are due when vehicles are registered. Motor vehicle property tax revenues are applicable to the fiscal year in which they are received. Uncollected taxes that were billed by the County for periods prior to September 1, 2013 or those for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

# CHATHAM COUNTY, NORTH CAROLINA

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

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

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 is 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 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, the special revenue funds, and the enterprise funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the general capital projects funds and enterprise capital projects funds. The enterprise capital projects funds are consolidated with the enterprise operating funds for reporting purposes. The Self Insurance internal service fund operates under a financial plan approved by the board.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the department level for all annually budgeted funds and at the project level for the multi-year funds. The County budget officer is authorized by the budget ordinance to transfer appropriations between department areas within a fund up to \$5,000; however, any revisions that alter total expenditures of any fund must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year, or the governing board must adopt an interim budget that covers that tie until the annual ordinance can be adopted.

### **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 and depreciation lives.

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

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

All deposits of the County and the 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.

# CHATHAM COUNTY, NORTH CAROLINA

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

State law [G.S. 159-30] 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 majority of the County and the ABC Board's investments are carried at fair value. Non-participating interest earning investment contracts are accounted for at cost.

The North Carolina Capital Management Trust (NCCMT), which consists of an SEC-registered money market mutual fund is reported at fair value. Governmental Portfolio is a 2a-7 fund, which invests in treasuries and government agencies and is rated AAAm by S&P and AAA-mf by Moody Investor Services.

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

The County pools moneys 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 all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

### **3. Restricted Assets**

The unexpended proceeds of the American Rescue Plan and Opioid Settlement Funds are classified as restricted assets because their use must be expended in accordance with the agreements. Money in the Tax Revaluation Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. Customer deposits and financial guarantees held by the County before any services are supplied are restricted to the service for which they were collected.

<b>Restricted Cash</b>		
<b>Governmental Activities:</b>		
General Fund	Tax revaluation	\$ 930,566
	Customer deposits	80,068
	Financial guarantees	955,968
American Rescue Plan Fund	Unexpended grant proceeds	4,128,078
Opioid Settlement Fund	Unexpended settlement proceeds	1,041,142
Total governmental activities		7,135,822
<b>Business-Type Activities:</b>		
Utility Fund	Customer deposits	481,141
Southeast water district	Customer deposits	40,745
Total business-type activities		521,886
Total restricted cash		\$ 7,657,708

# CHATHAM COUNTY, NORTH CAROLINA

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

### **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, 2023.

### **5. Lease Receivable**

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

### **6. Allowances for Doubtful Accounts**

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years. The ABC Board receivables are stated at realizable value and no allowance for bad debts has been provided.

### **7. 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 ABC Board has prepaid expenses that consist of prepaid insurance and prepaid maintenance contract. The inventory of the County's Enterprise Fund consists of materials and supplies held for consumption or resale. The cost of the inventory carried in the County's Enterprise Fund is recorded as an expense as it is consumed or sold.

### **8. Capital Assets**

Capital assets, which include property, plant, infrastructure, equipment, and vehicles, are reported in the County's government-wide financial and proprietary financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of more than one year. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to July 1, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The County holds title to certain Chatham County Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit the issuance of limited obligation bonds and installment purchase financing for the purpose 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 once all restrictions of the bond and financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Chatham County Board of Education.

# CHATHAM COUNTY, NORTH CAROLINA

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

Capital assets are depreciated using the straight-line method over the assets' estimated useful lives. Assets acquired under capital leases are amortized over the assets' estimated useful lives. Capital assets are reported in the County's basic financial statements net of accumulated depreciation and amortization.

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

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

The right to use subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus payments made to the SBITA vendor before commencement of the subscription term, plus capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The right to use subscription assets are amortized on a straight-line basis over the life of the related SBITA.

The estimated useful lives for the County's capital assets are as follows:

Asset Class	Primary Government	ABC Board
Buildings	20-60 years	
Plant and distribution system	50 years	
Computer, equipment, and vehicles	3-5 years	4-10 years
Leasehold improvements		10-40 years

### **9. 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 assets that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has the following items that meet this criteria – a charge on refunding, pension related deferrals, and OPEB related deferrals. 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 assets that applies to a future period and so will not be recognized as revenue until then. The County has the following items that meet the criteria for this category - prepaid taxes, leases, property taxes receivable, health clinic receivables, unavailable revenues (reported only on the Balance Sheet of the Governmental Funds), pension related deferrals and OPEB related deferrals.

# CHATHAM COUNTY, NORTH CAROLINA

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

### **10. Long-Term Obligations**

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statements of net position. In the fund financial statements for governmental fund types, the face amount of debt issued is reported as other financing sources. Bond premiums and discounts are amortized over the life of the loan using the straight-line method. Bonds payable are recorded net of any applicable premiums or discounts. Bond issuance costs, except for prepaid insurance costs, are expenses in the reporting period in which they are incurred.

The County's general obligation bonds were issued to finance the construction of facilities utilized in the operations of the southeast water district system and are being retired by its resources and reported as long-term debt in the Southeast Water District Fund. All general obligation bonds are collateralized by the full faith, credit, and taxing power of the County. Principal and interest requirement are appropriated when due.

The County has constructed new school facilities, county office facilities, made water system improvements and purchased equipment under private-placement loan agreements, limited obligation bonds, loans from the North Carolina Department of Environment and Natural Resources, and the United States Department of Agriculture. Loan agreements are recorded in the appropriate columns of the government-wide and proprietary fund financial statements. The southeast water district issued revenue bonds to construct water lines within the district. Loan agreements are recorded in the proprietary fund financial statements.

### **11. Compensated Absences**

The vacation policy of the County provides for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned, and the ABC Board employees may accumulate up to forty days earned vacation leave. An expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned in the County's government-wide and proprietary funds.

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.

### **12. 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.

# CHATHAM COUNTY, NORTH CAROLINA

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

### Fund Balances

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

The governmental fund types classify fund balances as follows:

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

Leases – portion of fund balance that is not an available resource because it represents the year-end balance of the lease receivable in excess of the deferred inflow of resources for the lease receivable, which is not a spendable resource.

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

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

Restricted for Emergency Telephone – portion of fund balance restricted by state statute to enhance the County's 911 system

Restricted for Law Enforcement – portion of fund balance restricted by state statute for law enforcement

Restricted for Fire Protection – portion of fund balance restricted by revenue source for fire protection

Restricted for Economic and Physical Development – portion of fund balance restricted by revenue source for economic and physical development

## CHATHAM COUNTY, NORTH CAROLINA

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

Restricted for Human Services – portion of fund balance that can only be used to benefit beneficiaries under the Social Security’s Representative Payee Program

The difference in restricted fund balance on Exhibit C from restricted net position on Exhibit A is ROD pension plan of \$95,825.

*Committed Fund Balance* - This classification represents the portion of fund balance that can only be used for specific purpose imposed by majority vote of Chatham County’s Governing Board (highest level of decision-making authority). Any changes or removal of specific purposes requires majority action by the governing board.

Committed for Tax Revaluation – portion of fund balance that can only be used for Tax Revaluation

Committed for Capital Projects - portion of fund balance to be used for the construction of capital projects. The governing board has adopted an ordinance committing these funds to these projects.

Committed for LEO Special Separation Allowance – portion of fund balance that will be used for the Law Enforcement Officers’ Special Separation Allowance obligations

Committed for Housing Trust – portion of fund balance to be used for Board designated affordable housing projects. The governing board has adopted a policy committing the use of these funds for emergency housing and affordable housing incentive programs.

Committed for Land Preservation – portion of fund balance to be used for Board designated farmland preservation projects. The governing board has adopted a plan committing the use of these funds for farmland preservation plans and initiatives.

*Assigned Fund Balance* - Portion of fund balance that Chatham County’s governing board has budgeted for specific purposes

Subsequent Year’s Expenditures - portion of fund balance that is appropriated in the next year’s budget that is not already classified in restricted or committed. The governing board approves the appropriation; however, the budget ordinance authorizes the manager to make certain modifications utilizing a contingency line item without requiring Board approval.

Assigned for General Government - portion of fund balance budgeted by the Board for capital reserve expenditures

Assigned for Education - portion of fund balance budgeted by the Board for future education expenditures

Assigned for Cultural and Recreation - portion of fund balance budgeted by the Board for cultural and recreation expenditures

Assigned for Public Safety – portion of fund balance budgeted by the Board for future emergency vehicle expenditures

# CHATHAM COUNTY, NORTH CAROLINA

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

*Unassigned Fund Balance* - Portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds

The General Fund may report a positive unassigned fund balance. In governmental funds other than the General fund, it may be necessary to report a negative unassigned fund balance if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned for those purposes.

Chatham 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: debt proceeds, federal funds, state funds, local non-County funds, and/or 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 or when required by grant or other contractual agreements.

Chatham County has also adopted a minimum fund balance policy for the General Fund, which instructs management to conduct the business of the County in such a manner that unassigned fund balance is at least equal to or greater than 20% of the previous annual operating budget.

# CHATHAM COUNTY, NORTH CAROLINA

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

### Reconciliation of the Statement of Revenues, Expenditures, and Fund Balance – Budget and Actual – General Fund to the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds

The Coal Ash Fund, Law Enforcement Separation Allowance Fund, Housing Trust Fund, Land Preservation Fund and Revaluation Fund are consolidated into the General Fund for reporting purposes on the Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds (Exhibit D). Fund balance for the General Fund is reconciled as follows:

	Revaluation Fund	Coal Ash Fund	Housing Trust Fund	Land Preservation Fund	Law Enforcement Separation Allowance Fund	Total
Fund balance, ending - General Fund (Exhibit F)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,878,045
<b>Revenues:</b>						
Investment earnings	-	161,461	26,881	-	37,150	225,492
Other general revenues	-	-	-	-	245,000	245,000
Total revenues	-	161,461	26,881	-	282,150	470,492
<b>Expenditures:</b>						
General government	204,528	-	-	-	-	204,528
Public safety	-	-	-	-	151,301	151,301
Economic and physical development	-	18,085	462,956	-	-	481,041
Total expenditures	204,528	18,085	462,956	-	151,301	836,870
Revenues over (under) expenditures	(204,528)	143,376	(436,075)	-	130,849	(366,378)
<b>Other Financing Sources (Uses):</b>						
Transfers in	500,000	-	939,859	615,635	-	2,055,494
Total other financing sources (uses)	500,000	-	939,859	615,635	-	2,055,494
Revenues and other financing sources over (under) expenditures and other financing uses	295,472	143,376	503,784	615,635	130,849	1,689,116
<b>Fund Balance:</b>						
Beginning of year - July 1	635,094	4,854,994	837,781	968,553	1,067,326	8,363,748
End of year - June 30	\$ 930,566	\$ 4,998,370	\$ 1,341,565	\$ 1,584,188	\$ 1,198,175	10,052,864
Total ending fund balance (Exhibit D)						\$ 84,930,909

### 13. 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 Registers of Deeds’ Supplemental Pension Fund (RODSPF) (collectively, the “state-administered defined benefit pension plans”). For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions

# CHATHAM COUNTY, NORTH CAROLINA

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

to/deductions from the state-administered defined benefit pension plans' fiduciary net positions have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. Investments for all plans are reported at fair value.

### **F. Reconciliation of Government-Wide and Fund Financial Statements**

#### **Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position.**

The governmental fund balance sheet includes a reconciliation between total fund balance for the governmental funds and net position for governmental activities as reported in the government-wide Statement of Net Position. The net adjustment of \$(75,397,312) consists of the following:

Capital assets (net) used in governmental activities are not financial resources and are, therefore, not reported in the funds	\$ 142,456,205
Assets and liabilities of the Self-Insurance Internal Service Fund used by management to account for certain insurance costs are included in the governmental activities in the Statement of Net Position.	11,632,903
Charges related to advance refunding bond issue	1,335,681
Net pension asset	95,825
Right-to-use assets	2,013,038
Pension related deferred outflows	15,643,209
OPEB related deferred outflows	3,840,188
Pension related deferred inflows	(936,812)
OPEB related deferred inflows	(3,330,708)
Deferred inflows of resources for taxes and other receivables	4,437,246
Liabilities that because they are not due and payable in the current period, do not require current resources to pay and are not reported in the fund statements:	
Bonds and installment financing	(213,278,924)
Compensated absences	(2,809,211)
Net pension liability - LGERS	(23,289,939)
Total pension liability - LEOSSA	(3,246,005)
Net OPEB liability	<u>(9,960,008)</u>
Total adjustment	<u>\$ (75,397,312)</u>

# CHATHAM COUNTY, NORTH CAROLINA

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

### Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Government-Wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net changes in fund balances for the governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. The total adjustment of \$13,854,087 is comprised of the following:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the Statement of Activities	\$ 3,816,992
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the Statement of Activities but not in the fund statements	(5,308,512)
Issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes resources of governmental funds. Neither transaction has any effect on net position. Governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued; whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt.	
Debt proceeds, lease proceeds and premium	(932,445)
Principal payment, payments to escrow agent and amortization on long-term debt	17,754,437
Increase in accrued interest payable	182,038
Deferred charge on refunding	(106,365)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.	5,180,658
Expenses reported in the Statement of Activities that do not require the use of current resources to pay are not recorded in the fund statements.	
Compensated absences	(494,347)
OPEB plan expense	(210,666)
Pension expense:	
Local Government Employee Retirement System (LGERS)	(6,869,771)
Register of Deeds (LGERS-ROD)	(23,699)
Law Enforcement Officers Special Separation Allowance (LEOSSA)	(1,434,954)
Revenues reported in the Statement of Activities that do not provide current resources are not recorded in the fund statements	47,401
Special item - acquisition of Council on Aging, net of depreciation	2,402,604
Net revenue of the Self-Insurance Internal Service Fund determined to be governmental-type	(149,284)
Total	\$ 13,854,087

# CHATHAM COUNTY, NORTH CAROLINA

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

### **II. Detail Notes on All Funds**

#### **A. Assets**

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

All of the County's and the ABC Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and 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 and the ABC Board rely on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County and the ABC Board have no formal policy regarding custodial credit risk for deposits.

At June 30, 2024, the County's deposits had a carrying amount of \$5,656,422 and a bank balance of \$6,637,122. Of the bank balance, \$512,287 was covered by federal depository insurance and \$6,124,835 was covered by collateral held under the Pooling Method. The County had \$1,900 of cash on hand at year-end.

At June 30, 2024, the carrying amount of deposits for Chatham County ABC Board was \$800,352 and the bank balance was \$730,683. All of the bank balance was covered by federal depository insurance except for \$248,597.

# CHATHAM COUNTY, NORTH CAROLINA

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

### 2. Investments

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

<u>Investment Type</u>	Valuation	<u>Fair Value</u>	Less Than		
	Measurement Method		<u>6 Months</u>	<u>6-12 Months</u>	<u>1-5 Years</u>
US Government Agencies	Fair Value - Level 2	\$133,447,830	\$20,944,510	\$20,860,249	\$91,643,071
US Government Treasuries	Fair Value - Level 1	18,076,609	998,546	3,870,329	13,207,734
Commercial Paper	Fair Value - Level 2	7,291,798	7,291,798	-	-
NC Capital Management Trust - Government Portfolio	Fair Value - Level 1	67,730,774	67,730,774	-	-
<b>Total</b>		<u>\$ 226,547,011</u>	<u>\$ 96,965,628</u>	<u>\$ 24,730,578</u>	<u>\$ 104,850,805</u>

At June 30, 2024, the ABC Board had \$113,235 invested with the North Carolina Capital Management Trust's Government Portfolio, which carried a credit rating of AAAM by Standard and Poor's. The ABC Board has no policy regarding credit risk.

Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months. The NCCMT Government Portfolio has an AAAM rating from S&P and AAA-mf by Moody's Investor Service.

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

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

*Interest Rate Risk.* As a means of limiting its exposure to fair value losses arising from rising interest rates, the County has an informal investment policy that requires purchases of securities to be tiered with staggered maturity dates and limits investment maturities to a maximum of five 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. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2024, the County's investments in commercial paper were rated P1 by Standard & Poor's, F1 by Fitch Ratings, and A1 by Moody's Investors Service. The County's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's and AAA-mf by Moody's Investors Service as of June 30, 2024. The County's investments in US Agencies (Federal Home Loan Bank) are rated AAA by Standard & Poor's and Aa1 by Moody's Investors Service.

# CHATHAM COUNTY, NORTH CAROLINA

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

*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’s informal policy indicates that the County shall utilize a third-party custodial agent for book entry transactions, all of which shall be a trust department authorized to do trust work in North Carolina who has an account with the Federal Reserve. At June 30, 2024, all of the County’s investments were in the County’s name.

*Concentration of Credit Risk.* The County’s informal investment policy does not limit the amount that the County may invest in any one issuer. The County makes every effort to maintain a diversified investment portfolio according to security type and institution and tries not to allow for an investment in one issuer in excess of 40% of the County’s total investments unless the maturity date range and interest rate provides a better return on investment. More than 5% of the County’s investments are in the following issuers:

	<b>Percent of Total Investments</b>
Federal Farm Credit Bank	23.43%
Federal Home Loan Bank	33.90%
Federal Home Loan Mortgage Corporation	20.50%
Federal National Mortgage Association	8.94%

### **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.

<b>Year Levied</b>	<b>Tax</b>	<b>Interest</b>	<b>Total</b>
2021	\$ 6,698,138	\$ 2,193,640	\$ 8,891,778
2022	7,466,083	1,773,195	9,239,278
2023	7,616,810	1,123,479	8,740,289
2024	7,894,712	453,946	8,348,658
Total	\$ 29,675,743	\$ 5,544,260	\$ 35,220,003

# CHATHAM COUNTY, NORTH CAROLINA

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

### 4. Receivables

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

	<u>Taxes</u> <u>Receivable</u>	<u>Accounts</u> <u>Receivable</u>	<u>Interest</u> <u>Receivable</u>	<u>Lease</u> <u>Receivable</u>	<u>Due from</u> <u>Other</u> <u>Governments</u>
<b>Governmental Activities:</b>					
General	\$ 1,506,900	\$ 1,073,021	\$ 435,499	\$ 1,793,423	\$ 12,077,301
Other governmental	160,031	3,266,541	503,084	-	162,863
Internal service	-	8,376	69,086	-	-
Total	<u>1,666,931</u>	<u>4,347,938</u>	<u>1,007,669</u>	<u>1,793,423</u>	<u>12,240,164</u>
Allowance for doubtful accounts	502,587	-	-	-	-
Total governmental activities	<u>\$ 1,164,344</u>	<u>\$ 4,347,938</u>	<u>\$ 1,007,669</u>	<u>\$ 1,793,423</u>	<u>\$ 12,240,164</u>
<b>Business-Type Activities:</b>					
Utility	\$ -	\$ 3,668,729	\$ 151,982	\$ -	\$ 13,702
Southeast water district	-	298,523	7,428	-	-
Solid waste management	-	92,962	41,479	-	73,184
Total	-	4,060,214	200,889	-	86,886
Allowance for doubtful accounts	-	397,773	-	-	-
Total business-type activities	<u>\$ -</u>	<u>\$ 3,662,441</u>	<u>\$ 200,889</u>	<u>\$ -</u>	<u>\$ 86,886</u>

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

<b>Governmental Activities:</b>	
Local option sales tax	\$ 8,207,365
Sales tax refunds	897,803
Motor vehicle tax	920,298
Local municipalities	7,268
Federal and state grants	<u>2,207,430</u>
Total governmental activities	<u>\$ 12,240,164</u>
<b>Business-Type Activities:</b>	
Solid waste disposal tax	\$ 15,731
White goods disposal tax	10,326
Scrap tire tax	36,710
Federal and state grants	10,417
Local municipalities	<u>13,702</u>
Total business-type activities	<u>\$ 86,886</u>

## CHATHAM COUNTY, NORTH CAROLINA

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

#### Lease Receivable

On July 1, 2021, the County entered into a 203-month lease as lessor for the use of Morehead Water Tank Tower – Governor’s Club. An initial lease receivable was recorded in the amount of \$1,062,125. As of June 30, 2024, the value of the lease receivable is \$953,446. The lessee is required to make monthly fixed payments of \$4,492. The lease has an interest rate of 2.0110%. The value of the deferred inflow as of June 30, 2024 is \$874,538 and the County recognized lease revenue of \$62,529 during the fiscal year. The lessee has three extension option(s), each for 60-months.

On July 1, 2021, the County entered into a 65-month lease as lessor for the use of USDA/FSA – AG Center. An initial lease receivable was recorded in the amount of \$193,098. As of June 30, 2024, the value of the lease receivable is \$87,419. The lessee is required to make monthly fixed payments of \$3,052. The lease has an interest rate of .9800%. The value of the deferred inflow as of June 30, 2024 is \$86,370 and the County recognized lease revenue of \$35,576 during the fiscal year.

On July 1, 2021, the County entered into a 397-month lease as lessor for the use of Southwest Chatham Tower – HXR Revalued. An initial lease receivable was recorded in the amount of \$114,877. As of June 30, 2024, the value of the lease receivable is \$49,893. The lessee is required to make monthly fixed payments of \$1,500. The lease has an interest rate of 3.7090%. The value of the deferred inflow as of June 30, 2024 is \$47,081 and the County recognized lease revenue of \$22,599 during the fiscal year. The lessee has five extension option(s), each for 60-months.

On July 18, 2022, the County entered into a 36-month lease as lessor for the use of Day Mark – 815 Sanford Road Remeasured. An initial lease receivable was recorded in the amount of \$34,595. As of June 30, 2024, the value of the lease receivable is \$11,751. The lessee is required to make monthly fixed payments of \$991. The lease has an interest rate of 2.1840%. The value of the deferred inflow as of June 30, 2024 is \$11,716 and the County recognized lease revenue of \$11,716 during the fiscal year.

On July 1, 2021, the County entered into a 65-month lease as lessor for the use of Chatham County Art Council – 118 West Street. An initial lease receivable was recorded in the amount of \$3,598. As of June 30, 2024, the value of the lease receivable is \$1,317. The lessee is required to make monthly fixed payments of \$190. The lease has an interest rate of 2.8940%. The value of the deferred inflow as of June 30, 2024 is \$1,310 and the County recognized lease revenue of \$2,284 during the fiscal year.

On July 1, 2023, the County entered into a 132-month lease as lessor for the use of Morehead/Chatham Tank – Sprint/T-Mobile. An initial lease receivable was recorded in the amount of \$397,566. As of June 30, 2024, the value of the lease receivable is \$372,437. The lessee is required to make monthly fixed payments of \$2,875. The lease has an interest rate of 2.6580%. The value of the deferred inflow as of June 30, 2024 is \$361,423 and the County recognized lease revenue of \$36,142 during the fiscal year. The lessee has two extension option(s), each for 60-months.

On February 1, 2024, the County entered into a 300-month lease as lessor for the use of Seaforth 64 – Verizon Wireless. An initial lease receivable was recorded in the amount of \$319,605. As of June 30, 2024, the value of the lease receivable is \$317,160. The lessee is required to make monthly fixed payments of \$1,200. The lease has an interest rate of 3.3550%. The value of the deferred inflow as of June 30, 2024 is \$313,787 and the County recognized lease revenue of \$5,318 during the fiscal year. The lessee has four extension option(s), each for 60-months.

# CHATHAM COUNTY, NORTH CAROLINA

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

Year Ending June 30	Governmental Activities	
	Principal	Interest
2025	\$ 148,781	\$ 40,137
2026	143,739	37,567
2027	101,071	35,171
2028	90,925	33,082
2029	96,233	30,913
2030-2034	601,411	115,499
2035-2039	420,319	52,525
2040-2044	85,382	25,383
2045-2049	105,562	8,634
Total	\$ 1,793,423	\$ 378,911

### 5. Capital Assets

Governmental capital asset activity for the year ended June 30, 2024 was as follows:

	Balance July 1, 2023	Increases	Decreases	Transfers In (Out)	Balance July 1, 2024
<b>Governmental activities:</b>					
<b>Non-Depreciable Assets:</b>					
Land	\$ 13,364,018	\$ -	\$ -	\$ -	\$ 13,364,018
Construction in progress	42,007,004	1,522,696	-	(3,448,135)	40,081,565
Total	55,371,022	1,522,696	-	(3,448,135)	53,445,583
<b>Depreciable/Amortizable Assets:</b>					
Buildings	99,154,020	2,157,651	-	2,738,089	104,049,760
Equipment and vehicles	26,381,952	2,207,455	513,597	710,046	28,785,856
Right-to-use leased assets	872,264	551,997	9,613	-	1,414,648
Right-to-use subscription assets	1,710,173	380,448	86,304	-	2,004,317
Total	128,118,409	5,297,551	609,514	3,448,135	136,254,581
<b>Less Accumulated</b>					
<b>Depreciation/Amortization:</b>					
Buildings	19,065,159	2,261,832	-	-	21,326,991
Equipment and vehicles	20,190,646	2,820,954	513,597	-	22,498,003
Right-to-use leased assets	193,012	232,732	9,613	-	416,131
Right-to-use subscription assets	482,455	593,645	86,304	-	989,796
Total	39,931,272	5,909,163	609,514	-	45,230,921
Depreciable/Amortizable assets, net	88,187,137	(611,612)	-	3,448,135	91,023,660
Total governmental activities capital assets, net	\$ 143,558,159	\$ 911,084	\$ -	\$ -	\$ 144,469,243

# CHATHAM COUNTY, NORTH CAROLINA

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

Depreciation and amortization expenses were charged to functions/programs of the primary government as follows:

**Governmental Activities:**

General government	\$ 2,300,508
Public safety	2,625,181
Human services	313,985
Economic and physical development	252,514
Cultural and recreational	416,975
Total	\$ 5,909,163

Enterprise Fund capital asset activity for the year ended June 30, 2024 was as follows:

	<b>Balance July 1, 2023</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance July 1, 2024</b>
<b>Utility Fund:</b>				
<b>Non-Depreciable Assets:</b>				
Land	\$ 484,753	\$ -	\$ -	\$ 484,753
Construction in progress	10,967,745	2,043,739	-	13,011,484
Total	11,452,498	2,043,739	-	13,496,237
<b>Depreciable/Amortizable Assets:</b>				
Buildings	5,474,057	-	-	5,474,057
Equipment and vehicles	2,877,908	304,929	-	3,182,837
Distribution lines	49,354,350	-	-	49,354,350
Right-to-use leased assets	575	21,767	-	22,342
Right-to-use subscription assets	43,234	3,810	-	47,044
Total	57,750,124	330,506	-	58,080,630
<b>Less Accumulated Depreciation/Amortization:</b>				
Buildings	5,323,926	51,473	-	5,375,399
Equipment and vehicles	3,018,265	164,572	-	3,182,837
Distribution lines	16,642,162	1,066,164	-	17,708,326
Right-to-use leased assets	129	3,771	-	3,900
Right-to-use subscription assets	10,943	15,020	-	25,963
Total	24,995,425	1,301,000	-	26,296,425
Depreciable/Amortizable assets, net	32,754,699	(970,494)	-	31,784,205
Total Utility Fund capital assets, net	\$ 44,207,197	\$ 1,073,245	\$ -	\$ 45,280,442

# CHATHAM COUNTY, NORTH CAROLINA

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

	<u>Balance</u> <u>July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>July 1, 2024</u>
<b>Southeast Water District:</b>				
<b>Depreciable Assets:</b>				
Distribution lines	\$ 5,307,500	\$ -	\$ -	\$ 5,307,500
<b>Less Accumulated Depreciation:</b>				
Distribution lines	1,275,497	106,338	-	1,381,835
Depreciable assets, net	<u>4,032,003</u>	<u>(106,338)</u>	<u>-</u>	<u>3,925,665</u>
Total Southeast Water District				
Fund capital assets, net	<u>\$ 4,032,003</u>	<u>\$ (106,338)</u>	<u>\$ -</u>	<u>\$ 3,925,665</u>
<b>Solid Waste &amp; Recycling Fund:</b>				
<b>Non-Depreciable Assets:</b>				
Land	\$ 495,505	\$ -	\$ -	\$ 495,505
<b>Depreciable/Amortizable Assets:</b>				
Buildings	3,497,036	-	-	3,497,036
Equipment and vehicles	2,656,244	79,000	-	2,735,244
Right-to-use leased assets	279	10,148	-	10,427
Right-to-use subscription assets	69,378	1,849	-	71,227
Total	<u>6,222,937</u>	<u>90,997</u>	<u>-</u>	<u>6,313,934</u>
<b>Less Accumulated Depreciation/Amortization:</b>				
Buildings	2,029,693	51,892	-	2,081,585
Equipment and vehicles	2,188,110	231,863	-	2,419,973
Right-to-use leased assets	63	1,762	-	1,825
Right-to-use subscription assets	14,990	16,969	-	31,959
Total	<u>4,232,856</u>	<u>302,486</u>	<u>-</u>	<u>4,535,342</u>
Depreciable/Amortizable assets, net	<u>1,990,081</u>	<u>(211,489)</u>	<u>-</u>	<u>1,778,592</u>
Total Solid Waste Management				
Fund capital assets, net	<u>\$ 2,485,586</u>	<u>\$ (211,489)</u>	<u>\$ -</u>	<u>\$ 2,274,097</u>
Total Enterprise Fund capital assets	<u>\$ 50,724,786</u>	<u>\$ 755,418</u>	<u>\$ -</u>	<u>\$ 51,480,204</u>

# CHATHAM COUNTY, NORTH CAROLINA

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

### 6. Net Investment in Capital Assets

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Capital assets, net of depreciation/amortization	\$ 144,469,243	\$ 51,480,204
Less:		
Gross debt	(200,885,638)	(8,306,582)
Construction retainage payable	25,000	-
Premium on long-term obligations	(11,052,728)	-
Debt related to assets not owned by the County	134,975,759	-
Net capital debt	(76,937,607)	(8,306,582)
Net investment in capital assets	\$ 67,531,636	\$ 43,173,622

Deferred charge on refunding is not related to County's capital assets and is not included in the calculation of governmental Net Investment in Capital Assets.

### 7. **Discretely Presented Component Units**

Activity for the ABC Board for the year ended June 30, 2024 was as follows:

	<b>Balance June 30, 2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance June 30, 2024</b>
<b>ABC Board:</b>				
<b>Non-Depreciable Assets:</b>				
Land	\$ 206,623	\$ -	\$ -	\$ 206,623
<b>Depreciable and Amortizable Assets:</b>				
Leasehold improvements	404,211	172,756	-	576,967
Furniture/equipment	2,613,490	-	-	2,613,490
Leased buildings	1,999,076	-	-	1,999,076
Total	5,016,777	172,756	-	5,189,533
<b>Less Accumulated Depreciation and Amortization:</b>				
Furniture/equipment and leasehold improvements	542,971	157,197	-	700,168
Leased buildings	350,779	232,360	-	583,139
Total	893,750	389,557	-	1,283,307
Total ABC Board capital assets, net	\$ 4,329,650	\$ (216,801)	\$ -	\$ 4,112,849

# CHATHAM COUNTY, NORTH CAROLINA

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

The ABC Board has recorded right to use leased assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

The ABC Board has recorded three right to use leased assets. The assets are right to use assets for leased buildings. The related leases are discussed in the leases subsection of the liabilities section of this note. The right to use lease assets are amortized on a straight line-basis over the terms of the related leases.

### **B. Liabilities**

#### **1. Payables**

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

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Claims Liability</u>	<u>Total</u>
<b>Governmental Activities:</b>				
General	\$ 5,002,334	\$ 1,797,120	\$ -	\$ 6,799,454
Internal service	-	-	707,000	707,000
Other governmental	311,228	3,303	-	314,531
Total governmental activities	<u>\$ 5,313,562</u>	<u>\$ 1,800,423</u>	<u>\$ 707,000</u>	<u>\$ 7,820,985</u>
<b>Business-Type Activities:</b>				
Utility	\$ 938,532	\$ 81,865	\$ -	\$ 1,020,397
Southeast water district	53,300	-	-	53,300
Solid waste management	47,612	75,176	-	122,788
Total business-type activities	<u>\$ 1,039,444</u>	<u>\$ 157,041</u>	<u>\$ -</u>	<u>\$ 1,196,485</u>

### **2. Pension Plan and Other Post-Employment Obligations**

#### **a. Local Governmental Employees' Retirement System**

*Plan Description.* The County and the ABC Board contribute to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's Annual

# CHATHAM COUNTY, NORTH CAROLINA

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

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

*Benefits Provided.* LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of 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. 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 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 LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

*Contributions.* Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2024, was 14.10% of compensation for law enforcement officers and 12.85% 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 \$5,101,903 for the year ended June 30, 2024.

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

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

At June 30, 2024, the County reported a liability of \$25,187,931 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2022.

# CHATHAM COUNTY, NORTH CAROLINA

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

The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. The County’s proportion of the net pension liability was based on a projection of the County’s long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2024, the County’s proportion was .380% (measured as of June 30, 2023), which was an increase of .014% from its proportion as of June 30, 2023 (measured as of June 30, 2022).

For the year ended June 30, 2024, the County recognized pension expense of \$7,199,400. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 2,806,681	\$ 60,423
Changes of assumptions	1,070,342	-
Net difference between projected and actual earnings on pension plan investments	6,741,393	-
Changes in proportion and difference between County contributions and proportionate share of contributions	222,133	164,671
County contributions subsequent to the measurement date	5,101,903	-
Total	\$ 15,942,452	\$ 225,094

The \$5,101,903 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, 2025. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30</b>	<b>Amount</b>
2025	\$ 3,800,587
2026	1,950,681
2027	4,579,126
2028	285,061
2029	-
Thereafter	-
Total	\$ 10,615,455

# CHATHAM COUNTY, NORTH CAROLINA

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

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

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

The plan actuary currently uses 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 and methods used in the December 31, 2022 actuarial valuation were based on the results of an actuarial experience study prepared as of December 31, 2019 and adopted by the Board of Trustees on January 28, 2021.

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, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return</u>
Fixed income	33.0%	0.9%
Global equity	38.0%	6.5%
Real estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Opportunistic fixed income	7.0%	5.0%
Inflation sensitive	6.0%	2.7%
Total	<u>100.0%</u>	

The information above is based on 30-year expectations developed with an investment consulting firm as part of a study that was completed in early 2022, and is part of the asset, liability and investment policy of the North Carolina Retirement Systems. 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

# CHATHAM COUNTY, NORTH CAROLINA

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

multiplicatively subtracting a long-term inflation assumption of 2.25%. Return projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized.

*Discount Rate.* The discount rate used to measure the total pension liability was 6.50%. This discount rate is in line with the long-term nominal expected return on pension plan investments. The calculation of the net pension liability is a present value calculation of the future net pension payments. These net pension payments assume that contributions from plan members will be made at the current statutory contribution rate and that contributions from employers will be made at the contractually required rates, actuarially determined. Based on those 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 6.50%, as well as what the County’s proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
County's proportionate share of the net pension liability (asset)	<u>\$43,637,101</u>	<u>\$25,187,931</u>	<u>\$9,998,846</u>

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

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

#### ***1. Plan Description***

The County administers a public employee retirement system (the *Separation Allowance*), a single employer defined benefit pension plan that provides retirement benefits to the County’s qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. A separate report was not issued for the plan.

# CHATHAM COUNTY, NORTH CAROLINA

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

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

Retirees receiving benefits	7
Active plan members	<u>91</u>
Total	<u><u>98</u></u>

### 2. 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 are recognized when due and payable in accordance with the terms of the plan.

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

### 3. Actuarial Assumptions

The entry age normal actuarial cost method was used in the December 31, 2022 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	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	4.00 percent

The discount rate used to measure the TPL is the S&P Municipal Bond 20-Year High Grade Rate Index.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an experience study completed by the Actuary for the Local Governmental Employees' Retirement System for the five-year period ending December 31, 2019. Other key assumptions include:

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

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

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

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

**Deaths After Retirement (Survivors of Deceased Members):** Mortality rates are based on the Below-median Teachers Mortality Table for Contingent Survivors. Rates for male members are Set Forward 3 years. Rates

# CHATHAM COUNTY, NORTH CAROLINA

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

for female members are Set Forward 1 year. Because the contingent survivor tables have no rates prior to age 45, the Below-median Teachers Mortality Table for Employees is used for ages less than 45.

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

### 4. Contributions

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. The County paid \$138,533 as benefits came due for the reporting period. Administration costs of the separation allowance are paid in the General Fund. There were no contributions made by employees.

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

At June 30, 2024, the County reported a total pension liability of \$3,246,005. The total pension liability was measured as of December 31, 2023 based on a December 31, 2022 actuarial valuation. The total pension liability was rolled forward to December 31, 2023 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2024, the County recognized pension expense of \$327,904.

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 258,255	\$ 210,543
Changes of assumptions	491,346	513,894
County benefit payments and plan administrative expense made subsequent to the measurement date	72,278	-
Total	\$ 821,879	\$ 724,437

The County paid \$72,278 in benefit payments subsequent to the measurement date that are reported as deferred outflows of resources related to pension which will be recognized as a decrease of the total pension liability in the year ending June 30, 2025. Other amounts reported as deferred inflows of resources related to pension will be recognized in pension expense as follows:

<b>Year Ending June 30</b>	<b>Amount</b>
2025	\$ 50,429
2026	57,145
2027	10,464
2028	(93,173)
2029	(20,654)
Thereafter	20,953
Total	\$ 25,164

# CHATHAM COUNTY, NORTH CAROLINA

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

### *Sensitivity of the County's Total Pension Liability to Changes in the Discount Rate*

The following presents the County's total pension liability calculated using the discount rate of 4.00%, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.00%) or 1-percentage-point higher (5.00%) than the current rate:

	1% Decrease (3.00%)	Discount Rate (4.00%)	1% Increase (5.00%)
Total pension liability	\$ 3,575,380	\$ 3,246,005	\$ 2,951,198

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

	2024
Beginning balance	\$ 2,802,608
Service cost	150,754
Interest on the total pension liability	117,807
Differences between expected and actual experience	225,080
Changes of assumptions or other inputs	88,289
Benefit payments	(138,533)
Net pension obligation, end of year	\$ 3,246,005

*Changes of assumptions.* Changes of assumptions and other inputs reflect a change in the discount rate from 4.31% at June 30, 2023 to 4.00% at June 30, 2024.

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.

### **c. Supplemental Retirement Income Plan for Law Enforcement Officers (401k)**

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

# CHATHAM COUNTY, NORTH CAROLINA

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

*Funding Policy.* Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2024 were \$368,038, which consisted of \$293,039 from the County and \$74,999 from law enforcement officers. No amounts were forfeited.

### **d. Supplemental Retirement Income Plan of North Carolina 401(k)**

*Plan Description.* The County contributes to the Supplemental Retirement Income Plan of North Carolina 401(k) (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to all employees not engaged in law enforcement who work more than 20 hours of each week and who are not already receiving supplemental retirement benefits. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

*Funding Policy.* The County contributes each month an amount equal to five percent (5.0%). Also, the employees may make voluntary contributions to the Plan. Contributions for the year ended June 30, 2024 were \$2,155,684, which consisted of \$1,660,989 from the County and \$494,695 from employees.

### **e. Deferred Compensation Plan**

*Plan Description.* The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all employees not engaged in law enforcement, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The County has complied with changes in laws which govern the County's Deferred Compensation Plan, requiring all assets of the plan to be held in trust for the exclusive benefit of the participants and their beneficiaries. In accordance with GASB Statement 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," the County's Deferred Compensation Plan is not reported within the County's Custodial Funds.

*Funding Policy.* The County does not contribute to the deferred compensation plan. Employees may make voluntary contributions to the plan. Contributions from employees for the year ended June 30, 2024 were \$46,523.

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

*Plan Description.* The County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, cost-sharing multiple-employer 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 Governmental Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Registers of Deeds' Supplemental Pension Fund is included in the Annual Comprehensive Financial Report for the State of

# CHATHAM COUNTY, NORTH CAROLINA

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

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

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

*Contributions.* Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary’s required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$6,477 for the year ended June 30, 2024.

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

At June 30, 2024, the County reported an asset of \$95,825 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. The County’s proportion of the net pension asset was based on the County’s share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2024, the County’s proportion was 0.797% (measured as of June 30, 2023), which was a decrease of 0.027% from its proportion as of June 30, 2023 (measured as of June 30, 2022).

For the year ended June 30, 2024, the County recognized pension expense of \$23,698. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ 4,242
Net difference between projected and actual earnings on pension plan investments	48,674	-
Changes in proportion and difference between County contributions and proportionate share of contributions	25,042	-
County contributions subsequent to the measurement date	6,477	-
Total	\$ 80,193	\$ 4,242

# CHATHAM COUNTY, NORTH CAROLINA

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

\$6,477 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, 2025.

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

<b>Year Ending June 30</b>	<b>Amount</b>
2025	\$ 34,447
2026	17,826
2027	14,130
2028	3,071
2029	-
Thereafter	-
Total	<u>\$ 69,474</u>

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

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

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

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

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 99.8% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2023 is 0.9%.

# CHATHAM COUNTY, NORTH CAROLINA

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

The information above is based on 30-year expectations developed with the consulting actuary as part of a study that was completed in early 2022, and is part of the asset, liability and investment policy of the North Carolina Retirement Systems. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.25%. Return projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized.

*Discount Rate.* The discount rate used to measure the total pension liability was 3.00%. This discount rate is in line with the long-term nominal expected return on pension plan investments. The calculation of the net pension asset is a present value calculation of the future net pension payments. These net pension payments assume that contributions from plan members will be made at the current statutory contribution rate and that contributions from employers will be made at the contractually required rates, actuarially determined. Based on those 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 Asset to Changes in the Discount Rate.* The following presents the County’s proportionate share of the net pension asset calculated using the discount rate of 3.00%, as well as what the County’s proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00%) or 1-percentage-point higher (4.00%) than the current rate:

	1% Decrease (2.00%)	Discount Rate (3.00%)	1% Increase (4.00%)
County's proportionate share of the net pension liability (asset)	\$ (65,412)	\$ (95,825)	\$ (121,469)

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

**g. Pension (Asset) Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

The net pension asset (liability) for LGERS and ROD was measured as of June 30, 2023, and the total pension liability used to calculate the net position liability (asset) was determined by an actuarial valuation as of December 31, 2022. The total pension liability for LEOSSA was measured as of December 31, 2023, with an actuarial valuation date of December 31, 2022. The County’s proportion of the net pension liability was based on the County’s share of contributions to the pension plan relative to the contribution of all participating entities. Following is information related to the proportionate share and pension expenses:

	LGERS	ROD	LEOSSA	Total
Proportionate share of net pension (asset) liability	\$ 25,187,931	\$ (95,825)	n/a	\$ 25,092,106
Proportion of the net pension asset (liability)	0.38031%	-0.79741%	n/a	-
Total pension liability	-	-	3,246,005	3,246,005
Pension expense	7,199,400	23,698	327,904	7,551,002

# CHATHAM COUNTY, NORTH CAROLINA

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

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

	<b>LGERS</b>	<b>ROD</b>	<b>LEOSSA</b>	<b>Total</b>
<b><u>Deferred Outflows of Resources</u></b>				
Differences between expected and actual experience	\$ 2,806,681	\$ -	\$ 258,255	\$ 3,064,936
Changes of assumptions	1,070,342	-	491,346	1,561,688
Net difference between projected and actual earnings on pension plan investments	6,741,393	48,674	-	6,790,067
Changes in proportion and differences between County contributions and proportionate share of contributions	222,133	25,042	-	247,175
County contributions (LGERS,ROD)/benefits payments and administration costs (LEOSSA) subsequent to the measurement date	5,101,903	6,477	72,278	5,180,658
	<b>\$ 15,942,452</b>	<b>\$ 80,193</b>	<b>\$ 821,879</b>	<b>\$ 16,844,524</b>
<b><u>Deferred Inflows of Resources</u></b>				
Differences between expected and actual experience	\$ 60,423	\$ 4,242	\$ 210,543	\$ 275,208
Changes of assumptions	-	-	513,894	513,894
Changes in proportion and differences between County contributions and proportionate share of contributions	164,671	-	-	164,671
	<b>\$ 225,094</b>	<b>\$ 4,242</b>	<b>\$ 724,437</b>	<b>\$ 953,773</b>

### **h. Other Post-Employment Benefits**

#### **Healthcare Benefits**

*Plan Description.* Under the terms of resolutions, the County administers a single employer defined benefit Healthcare Benefits Plan (the HCB Plan). The Board has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. On September 25, 2019, the ABC Board voted to approve the revised “Retiree’s Benefit Section” of the personnel policy manual. This section eliminated the other post-employee benefit plan and replaced it with a Retiree Longevity Payout Plan.

*Benefits Provided.* Retirees qualify for benefits provided they participate in the North Carolina Local Governmental Employees’ Retirement System (System) and have at least twenty years of creditable service with the County. Retirees who do not meet the aforementioned criteria have the option to purchase basic medical insurance for themselves and their dependents through the County for eighteen months. The County is self-insured for its healthcare coverage and contributes funding for all employee groups annually. Currently, 21 retirees are eligible for post-employment health benefits. Eligible retirees who elect this coverage will be enrolled in the group health plan. For members that retire with at least 30 years of service, the County pays 100% of the premium cost for pre-medicare eligible health coverage for the retiree. For

# CHATHAM COUNTY, NORTH CAROLINA

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

members that retire with at least 25 years of service, the County pays 75% of the premium cost for pre-medicare eligible health coverage. For members that retire with at least 20 years of service, the County pays 50% of the premium cost for pre-Medicare eligible health coverage. Retirees who qualify for coverage receive the same benefits as active employees. Coverage for all retirees who are eligible for Medicare will be transferred to a Medicare Supplemental plan after qualifying for Medicare. The plan may be amended by the Board of Commissioners. A separate report was not issued for the plan.

<u>Years of County Service at Retirement</u>	<u>County Contribution</u>
30 or more	100.00%
25-29	75.00%
20-24	50.00%
Less than 20	Not eligible

Membership of the other post-employment health benefit plan consisted of the following at June 30, 2022, the date of the latest actuarial valuation:

Retirees receiving benefits	28
Active plan members	<u>513</u>
Total	<u><u>541</u></u>

# CHATHAM COUNTY, NORTH CAROLINA

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

### Total OPEB Liability

The County's total OPEB liability of \$10,771,689 was measured as of June 30, 2023 and was determined by an actuarial valuation as of June 30, 2022.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified.

Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases, including wage inflation	
General employees	3.25% - 8.41%
Law enforcement officers	3.25% - 7.90%
Municipal Bond Index Rate (discount):	
Prior measurement date	3.54%
Measurement date	3.65%
Healthcare cost trends, pre-Medicare	7.00% for 2021 decreasing to an ultimate rate of 4.50% by 2032

The discount rate used to measure the total OPEB liability was based on 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 total OPEB liability.

Changes in the total OPEB Liability:

<b>Total OPEB Liability as of June 30, 2023</b>	<u>\$ 10,353,412</u>
Changes for the year:	
Service cost	579,256
Interest	377,766
Differences between expected and actual experience	126,889
Changes of assumptions or other inputs	(138,400)
Benefit payments	<u>(527,234)</u>
Net changes	<u>418,277</u>
<b>Total OPEB Liability as of June 30, 2024</b>	<u><u>\$ 10,771,689</u></u>

## CHATHAM COUNTY, NORTH CAROLINA

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

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

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

The remaining actuarial assumptions (e.g., initial per capita costs, healthcare cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2022 valuation were based on a review of recent plan experience performed concurrently with the June 30, 2022 valuation.

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

	<b>1% Decrease (2.65%)</b>	<b>Discount Rate (3.65%)</b>	<b>1% Increase (4.65%)</b>
Total OPEB liability	\$ 12,108,495	\$ 10,771,689	\$ 9,604,140

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

	<b>1% Decrease</b>	<b>Current</b>	<b>1% Increase</b>
Total OPEB liability	\$ 9,275,043	\$ 10,771,689	\$ 12,598,001

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

For the year ended June 30, 2024, the County recognized OPEB expense of \$1,140,127. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 1,352,224	\$ 2,343,028
Changes of assumptions	2,273,683	1,259,113
Benefit payments and administrative costs made subsequent to the measurement date	527,234	-
Total	\$ 4,153,141	\$ 3,602,141

# CHATHAM COUNTY, NORTH CAROLINA

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

\$527,234 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 ending June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

<b>Year Ending</b>	
<b>June 30</b>	<b>Amount</b>
2025	\$ 172,827
2026	205,775
2027	134,944
2028	10,461
2029	(26,143)
Thereafter	<u>(474,098)</u>
Total	<u>\$ 23,766</u>

### **i. 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 the time of death are eligible for death benefits. Lump-sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. Because all death benefit payments are made from the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The County considers these contributions to be immaterial.

The County has also elected to provide enrollment in additional term life and accidental death and dismemberment insurance to employees. The plan, which is available to all County employees who work 30 hours or more per week, is valued at \$10,000. Employees may elect to purchase additional coverage for themselves or their dependents at additional cost. Any benefit elections purchased in excess of \$50,000 are considered taxable to the employee as a fringe benefit.

# CHATHAM COUNTY, NORTH CAROLINA

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

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

The County has several deferred inflows and outflows of resources. The deferred amounts are comprised of the following:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Charges on refunding of debt	\$ 1,335,681	\$ -
Pension deferrals	16,844,524	953,773
OPEB deferrals	4,153,141	3,602,141
Leases	-	1,696,225
Prepaid taxes not yet earned (general)	-	310,633
Prepaid taxes not yet earned (special revenue)	-	134
Total	<b><u>\$ 22,333,346</u></b>	<b><u>\$ 6,562,906</u></b>

### **5. Closure and Post-Closure Landfill Costs**

The County closed its landfill facility in October 1993 and placed a cover on the site. The County is required to perform semi-annual monitoring functions at the site. Costs that relate to monitoring activities are expensed as incurred. Post-closure costs for the fiscal year ended June 30, 2024 were approximately \$31,847. As a result of the monitoring, the County submitted an assessment and remediation plan pursuant to NC Administrative Code 13B in November 1998 to the North Carolina Department of Environment and Natural Resources Division of Waste Management. The plan required the County to purchase land adjacent to the site as a buffer zone. All necessary property to provide the buffer zone was purchased and the project was completed during the fiscal year ending June 30, 2009. Future post-closure costs is an estimate subject to changes resulting from inflation, technology, or changes in applicable laws or regulations. Future post-closure costs will be expensed as incurred.

### **6. Risk Management**

The County and the ABC Board are 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 purchases insurance for property, general liability, automobile, errors and omissions, law enforcement liability and employment practices liability. The County's property is insured based on replacement cost up to a limit of \$238,585,941. The County carries flood insurance for non-flood zones with a limit of coverage of \$5,000,000. General liability law enforcement, public official, employment practices and employee benefit liability have a \$1,000,000 per occurrence limit, with a \$3,000,000 total aggregate and automobile liability of \$1,000,000 per occurrence. The County purchases a \$5,000,000 umbrella over all of the casualty coverage. The County carries a workers' compensation policy that has a \$1,000,000 per occurrence limit, with a \$1,000,000 per employee limit and a total \$1,000,000 policy limit. The County self-insures for employee health coverage, which is administered by a private company, with a stop loss provision of \$180,000 per occurrence. The maximum lifetime benefit is unlimited, in accordance with health care reform. The County carries commercial insurance coverage above these limits. 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. In accordance with G.S. 159-29, the County's employees that

# CHATHAM COUNTY, NORTH CAROLINA

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

have access to \$100 or more of the County's funds at any given time are performance bonded through a commercial surety bond. The Register of Deeds and Tax Collector were each individually bonded for \$100,000. The Finance Officer was individually bonded for \$1,000,000. The Sheriff is individually bonded for \$25,000. The remaining employees that have access to funds are bonded under a blanket bond for \$300,000.

The ABC Board has commercial property, general liability, auto liability, liquor legal liability, workmen's compensation and employee health coverage. There have been no significant reductions in insurance coverage in the prior year and settled claims have not exceeded coverage in any of the last three fiscal years. Each board member and employees designated as general manager and finance officer are bonded in the amount of \$50,000 secured by a corporate surety.

### **7. Contingent Liabilities and Commitments**

At June 30, 2024, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

The County self-insures for employee health coverage. The County has recorded a liability in its Self-Insurance Internal Service Fund for estimated unfiled insurance claims.

The following is a reconciliation of the changes in the liability for claims and judgments for the prior two fiscal years:

Accrued claims and judgments, June 30, 2023	\$ 424,000
Additions	8,762,874
Benefits paid	<u>(8,479,874)</u>
Accrued claims and judgments, June 30, 2024	<u>\$ 707,000</u>

### **8. Long-Term Obligations**

#### **a. Leases**

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

On 07/01/2021, Chatham County, NC entered into a 64 month lease as Lessee for the use of Sheriff's Office - Goldston. An initial lease liability was recorded in the amount of \$18,715. As of 06/30/2024, the value of the lease liability is \$8,301, and the value of the short-term lease liability is \$3,534. Chatham County, NC is required to make monthly fixed payments of \$300. The lease has an interest rate of 0.9800%. The value of the right to use asset as of 06/30/2024 is \$18,715 with accumulated amortization of \$10,527.

## CHATHAM COUNTY, NORTH CAROLINA

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

On 07/01/2021, Chatham County, NC entered into a 78 month lease as Lessee for the use of Sheriff's Office - Pittsboro. An initial lease liability was recorded in the amount of \$184,623. As of 06/30/2024, the value of the lease liability is \$102,600, and the value of the short-term lease liability is \$28,841. Chatham County, NC is required to make monthly fixed payments of \$2,000. The lease has an interest rate of 1.2960%. The value of the right to use asset as of 06/30/2024 is \$184,623 with accumulated amortization of \$85,211.

On 07/01/2021, Chatham County, NC entered into a 80 month lease as Lessee for the use of Sheriff's Office - Siler City - 134 Village Lake Drive. An initial lease liability was recorded in the amount of \$191,684. As of 06/30/2024, the value of the lease liability is \$107,371, and the value of the short-term lease liability is \$28,779. Chatham County, NC is required to make monthly fixed payments of \$2,500. The lease has an interest rate of 1.2960%. The value of the right to use asset as of 06/30/2024 is \$191,684 with accumulated amortization of \$86,258. Chatham County, NC has 2 extension option(s), each for 60 months.

On 07/01/2021, Chatham County, NC entered into a 71 month lease as Lessee for the use of Sheriff's Office - Siler City - 124 Village Lake Drive. An initial lease liability was recorded in the amount of \$57,219. As of 06/30/2024, the value of the lease liability is \$55,351, and the value of the short-term lease liability is \$18,462. Chatham County, NC is required to make monthly fixed payments of \$1,650. The lease has an interest rate of 2.8510%. The value of the right to use asset as of 06/30/2024 is \$114,090 with accumulated amortization of \$58,747. Chatham County, NC has 1 extension option(s), each for 24 months. The Lessor has 1 extension option(s), each for 36 months.

On 03/01/2023, Chatham County, NC entered into a 72 month lease as Lessee for the use of Asarum Ventures - Platinum Commons - Suites D,E-1 & F. An initial lease liability was recorded in the amount of \$399,284. As of 06/30/2024, the value of the lease liability is \$315,346, and the value of the short-term lease liability is \$64,271. Chatham County, NC is required to make monthly fixed payments of \$6,000. The lease has an interest rate of 2.7020%. The value of the right to use asset as of 06/30/2024 is \$399,284 with accumulated amortization of \$88,730. Chatham County, NC has 1 extension option(s), each for 12 months.

On 10/28/2022, Chatham County, NC entered into a 36 month lease as Lessee for the use of Pitney Bowes - Manager Send Pro P. An initial lease liability was recorded in the amount of \$11,979. As of 06/30/2024, the value of the lease liability is \$5,607, and the value of the short-term lease liability is \$4,467. Chatham County, NC is required to make quarterly fixed payments of \$1,149. The lease has an interest rate of 3.2380%. The value of the right to use asset as of 06/30/2024 is \$11,979 with accumulated amortization of \$6,689.

On 12/01/2023, Chatham County, NC entered into a 60 month lease as Lessee for the use of Pitney Bowes - DSS Send Pro P. An initial lease liability was recorded in the amount of \$19,664. As of 06/30/2024, the value of the lease liability is \$17,769, and the value of the short-term lease liability is \$3,716. Chatham County, NC is required to make quarterly fixed payments of \$1,070. The lease has an interest rate of 3.4510%. The value of the right to use asset as of 06/30/2024 is \$19,664 with accumulated amortization of \$2,259.

On 09/05/2023, Chatham County, NC entered into a 60 month lease as Lessee for the use of Sharp Business Systems. An initial lease liability was recorded in the amount of \$507,378. As of 06/30/2024, the value of the lease liability is \$434,225, and the value of the short-term lease liability is \$99,879. Chatham County, NC is required to make monthly fixed payments of \$9,184. The lease has an interest rate of 2.6560%. The value of the right to use asset as of 06/30/2024 is \$507,378 with accumulated amortization of \$83,435.

## CHATHAM COUNTY, NORTH CAROLINA

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

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

<b>Year Ending June 30</b>	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2025	\$ 245,348	\$ 21,870	\$ 6,601	\$ 658
2026	247,982	16,036	6,533	481
2027	248,736	10,164	6,625	307
2028	210,007	4,543	6,803	129
2029	66,784	567	1,151	4
Total	<u>\$ 1,018,857</u>	<u>\$ 53,180</u>	<u>\$ 27,713</u>	<u>\$ 1,579</u>

#### ABC Board

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

The first agreement was executed on December 20, 2022 to lease a store building (Store #1) and requires 60 monthly payments of \$5,833. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 4.50%, which is the Board's incremental borrowing rate. As a result of the lease, the Board has recorded a right to use asset with a net book value of \$232,828 at June 30, 2024.

The second agreement was executed on October 1, 2021 to lease a store building (Store #3) and requires 60 monthly payments of \$4,966. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 4.50%, which is the Board's incremental borrowing rate. As a result of the lease, the Board has recorded a right to use asset with a net book value of \$127,412 at June 30, 2024.

The third agreement was executed on December 23, 2019 to lease a store building (Store #4) and requires 180 monthly payments of \$10,417. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 4.50%, which is the Board's incremental borrowing rate. As a result of the lease, the Board has recorded a right to use asset with a net book value of \$1,055,696 at June 30, 2024.

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

<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>
2025	\$ 205,769	\$ 65,984
2026	223,552	56,362
2027	189,815	46,698
2028	146,893	38,867
2029	117,446	33,302
2030-2034	675,494	75,046
Total	<u>\$ 1,558,969</u>	<u>\$ 316,259</u>

# CHATHAM COUNTY, NORTH CAROLINA

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

### **b. Subscriptions**

The County has entered into subscription-based information technology arrangements (SBITAs). The SBITAs qualify as other than short-term SBITAs under GASB 96 and, therefore, have been recorded at the present value of the future minimum subscription payments as of the date of their inception.

On 07/01/2022, Chatham County, NC entered into a 39 month subscription for the use of GovAccess License. An initial subscription liability was recorded in the amount of \$36,653. As of 06/30/2024, the value of the subscription liability is \$12,906, and the value of the short-term subscription liability is \$12,906. Chatham County, NC is required to make annual fixed payments of \$11,962. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2024 is \$36,653 with accumulated amortization of \$22,289.

On 10/01/2022, Chatham County, NC entered into a 32 month subscription for the use of ClearGov - Civic Edition. An initial subscription liability was recorded in the amount of \$55,831. As of 06/30/2024, the value of the subscription liability is \$23,5, and the value of the short-term subscription liability is \$23,224. Chatham County, NC is required to make annual fixed payments of \$23,040. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2024 is \$58,231 with accumulated amortization of \$37,056.

On 07/01/2022, Chatham County, NC entered into a 26 month subscription for the use of JailCore Software. An initial subscription liability was recorded in the amount of \$12,039. As of 06/30/2024, the value of the subscription liability is \$0, and the value of the short-term subscription liability is \$0. Chatham County, NC is required to make annual fixed payments of \$6,600. The subscription has an interest rate of 2.0240%. The value of the right to use asset as of 06/30/2024 is \$12,039 with accumulated amortization of \$10,917. Chatham County, NC had a termination period of 1 month as of the subscription commencement.

On 07/06/2022, Chatham County, NC entered into a 36 month subscription for the use of ESRI Enterprise. An initial subscription liability was recorded in the amount of \$161,499. As of 06/30/2024, the value of the subscription liability is \$53,824, and the value of the short-term subscription liability is \$53,824. Chatham County, NC is required to make annual fixed payments of \$55,000. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2024 is \$161,499 with accumulated amortization of \$106,918.

On 08/01/2022, Chatham County, NC entered into a 36 month subscription for the use of Microsoft Enterprise License. An initial subscription liability was recorded in the amount of \$644,359. As of 06/30/2024, the value of the subscription liability is \$214,753, and the value of the short-term subscription liability is \$214,753. Chatham County, NC is required to make annual fixed payments of \$219,443. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2024 is \$644,359 with accumulated amortization of \$411,674. Chatham County, NC has 1 extension option(s), each for 36 months.

On 07/01/2022, Chatham County, NC entered into a 35 month subscription for the use of DebtBook Software. An initial subscription liability was recorded in the amount of \$24,247. As of 06/30/2024, the value of the subscription liability is \$0, and the value of the short-term subscription liability is \$0. Chatham County, NC is required to make annual fixed payments of \$12,500. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2024 is \$27,997 with accumulated amortization of \$19,198.

## CHATHAM COUNTY, NORTH CAROLINA

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

On 07/01/2022, Chatham County, NC entered into a 60 month subscription for the use of SmartGov. An initial subscription liability was recorded in the amount of \$48,392. As of 06/30/2024, the value of the subscription liability is \$29,905, and the value of the short-term subscription liability is \$9,434. Chatham County, NC is required to make annual fixed payments of \$9,559. The subscription has an interest rate of 2.3660%. The value of the right to use asset as of 06/30/2024 is \$48,392 with accumulated amortization of \$19,357.

On 07/01/2022, Chatham County, NC entered into a 36 month subscription for the use of Comper Pro. An initial subscription liability was recorded in the amount of \$97,920. As of 06/30/2024, the value of the subscription liability is \$28,136, and the value of the short-term subscription liability is \$28,136. Chatham County, NC is required to make annual fixed payments of \$42,250. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of 06/30/2024 is \$97,920 with accumulated amortization of \$65,280.

On 02/20/2023, Chatham County, NC entered into a 36 month subscription for the use of Varonis. An initial subscription liability was recorded in the amount of \$256,343. As of 06/30/2024, the value of the subscription liability is \$85,535, and the value of the short-term subscription liability is \$85,535. Chatham County, NC is required to make annual fixed payments of \$87,807. The subscription has an interest rate of 2.6560%. The value of the right to use asset as of 06/30/2024 is \$256,343 with accumulated amortization of \$116,541.

On 07/01/2022, Chatham County, NC entered into a 54 month subscription for the use of DevNet. An initial subscription liability was recorded in the amount of \$393,048. As of 06/30/2024, the value of the subscription liability is \$159,722, and the value of the short-term subscription liability is \$68,260. Chatham County, NC is required to make quarterly fixed payments of \$60,285. The subscription has an interest rate of 0.6860%. The value of the right to use asset as of 06/30/2024 is \$393,048 with accumulated amortization of \$174,688.

On 01/01/2024, Chatham County, NC entered into a 36 month subscription for the use of OpenGov Software 2024 Main. An initial subscription liability was recorded in the amount of \$240,886. As of 06/30/2024, the value of the subscription liability is \$163,449, and the value of the short-term subscription liability is \$78,174. Chatham County, NC is required to make annual fixed payments of \$77,438. The subscription has an interest rate of 2.5330%. The value of the right to use asset as of 06/30/2024 is \$240,886 with accumulated amortization of \$40,148.

On 03/06/2024, Chatham County, NC entered into a 24 month subscription for the use of Varonis Addition 2024. An initial subscription liability was recorded in the amount of \$79,376. As of 06/30/2024, the value of the subscription liability is \$52,466, and the value of the short-term subscription liability is \$52,466. Chatham County, NC is required to make annual fixed payments of \$26,910. The subscription has an interest rate of 2.5700%. The value of the right to use asset as of 06/30/2024 is \$79,376 with accumulated amortization of \$12,678.

# CHATHAM COUNTY, NORTH CAROLINA

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

On 01/01/2024, Chatham County, NC entered into a 36 month subscription for the use of OpenGov Software 2024 Module. An initial subscription liability was recorded in the amount of \$65,846. As of 06/30/2024, the value of the subscription liability is \$43,346, and the value of the short-term subscription liability is \$21,402. Chatham County, NC is required to make annual fixed payments of \$22,500. The subscription has an interest rate of 2.5330%. The value of the right to use asset as of 06/30/2024 is \$65,846 with accumulated amortization of \$10,974.

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

Year Ending <u>June 30</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 613,529	\$ 16,500	\$ 34,585	\$ 1,300
2026	175,948	3,211	9,961	484
2027	22,733	71	10,510	249
Total	<u>\$ 812,210</u>	<u>\$ 19,782</u>	<u>\$ 55,056</u>	<u>\$ 2,033</u>

### **c. 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. Chatham County's southeast water district issues general obligation bonds to provide funds for the acquisition and construction of major water system capital improvements. These bonds, which are recorded in the southeast water district, are collateralized by the full faith, credit, and taxing power of the district. Principal and interest payments are appropriated when due. In the event of a default, the County agrees to pay to the purchaser, on demand, interest on any and all amounts due and owing by the County under this agreement.

The County's general obligation bonds payable at June 30, 2024 is comprised of the following individual issue:

#### **Serviced by the County's Southeast Water District:**

\$3,200,000 Bonds issued March 23, 2010, interest at 4%; due serially to 2049      \$ 2,575,000

# CHATHAM COUNTY, NORTH CAROLINA

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

Annual debt service requirements to maturity for the County’s and the district’s general obligation bonds and bond anticipation notes are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 63,000	\$ 103,000
2026	65,000	100,480
2027	68,000	97,880
2028	70,000	95,160
2029	73,000	92,360
2030-2034	412,000	415,560
2035-2039	501,000	326,240
2040-2044	611,000	217,640
2045-2049	<u>712,000</u>	<u>85,400</u>
Total	<u>\$ 2,575,000</u>	<u>\$ 1,533,720</u>

### **d. Revenue Bonds**

In March 2010, the County’s Southeast Water District issued \$1,886,000 of direct placement revenue bonds through the USDA to provide funds for the acquisition and construction of major water system capital improvements. The revenue bonds do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any of the County’s property or upon its income, receipts, or revenues. The taxing power of the County is not pledged for the payment of the principal or interest on the revenue bonds and no owner has the right to compel the exercise of the taxing power of the County or the forfeiture of any or its property in connection with any default under the bond order.

The County’s revenue bonds payable at June 30, 2024 are comprised of the following individual issues:

#### **Serviced by the County's Southeast Water District:**

\$262,000 bonds issued March 23, 2010, interest at 4%; due serially to 2049	\$ 212,000
\$1,624,000 bonds issued March 23, 2010, interest at 4%; due serially to 2049	<u>1,270,000</u>
Total	<u>\$ 1,482,000</u>

## CHATHAM COUNTY, NORTH CAROLINA

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

Annual debt service requirements to maturity for the southeast water district’s revenue bonds are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 39,000	\$ 49,755
2026	40,000	48,450
2027	41,000	47,113
2028	43,000	45,743
2029	44,000	44,300
2030-2034	245,000	198,248
2035-2039	289,000	154,338
2040-2044	341,000	102,443
2045-2049	400,000	41,213
Total	<u>\$ 1,482,000</u>	<u>\$ 731,603</u>

The County has been in compliance with the covenants as to service charges in Section 5.01 of the bond order, authorizing the issuance of the Water Revenue Bond Series 2010 A and B since its adoption in 2010. Section 5.01 of the Bond Order requires the debt service coverage ratio to be no less than 110%.

The debt service coverage ratio calculation for the year ended June 30, 2024 is as follows:

Operating revenues	\$ 919,460
Operating expenses	<u>500,000</u>
Operating income*	419,460
Non-operating revenues (expenses)**	<u>(65,860)</u>
Income available for debt service	<u>\$ 353,600</u>
Debt service, principal and interest paid (revenue bond only)	<u>\$ 88,682</u>
Debt service coverage ratio	399%

\* Per revenue covenants, this does not include depreciation of \$106,338.

\*\* Per revenue covenants, this does not include revenue bond interest of \$50,682

# CHATHAM COUNTY, NORTH CAROLINA

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

### e. Other Long-Term Obligations

The County has executed various other long-term obligations including Quality School Construction Bonds, certificates of participation, private placement loans, and state revolving loans for the purpose of property acquisition and construction.

As authorized by state law G.S. 160A-20 and 153A-158.1, the County has financed a portion of these property acquisitions for use by the Chatham County Board of Education. The installment purchases were issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding. The County has entered into a lease with the Chatham County Board of Education that transfers the rights and responsibilities for maintenance and insurance of the property to the Board of Education. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education.

Other long-term debt payables by the County at June 30, 2024 are comprised of the following individual issues:

#### Governmental Activities:

##### Direct Placements:

\$21,940,000 loan with United States Department of Agriculture (USDA); Total loan amount includes three separate loans with USDA; Due in annual installments with interest at 3.125%; maturing in 2053 collateralized by real estate	\$ 18,291,680
\$7,120,000 refunding private placement loan with PNC Bank. Original loan with Capital Bank for the construction of a joint County and Central Carolina Community College (CCCC) library and CCCC classroom facility on the CCCC campus in Pittsboro and CCCC classroom facilities in Siler City. Due in annual principal payments and semi-annual interest payments with interest at 2.160%, maturing in 2029, collateralized by real estate	3,300,000
\$18,151,334 loan with Banc of America; Proceeds to be used for the upgrade and enhancement of the County's emergency communications/radio system, including construction of several communication towers. Due in annual principal payment and semi-annual interest payments with interest at 1.566%, maturing in 2030, collateralized by equipment.	10,890,630
Qualified School Construction Bonds (QSCB) in the amount of \$4,396,129 issued on July 23, 2010: due serially to 2025 with interest at 6.11%; collateralized by real estate including a school building; the QSCB permits a subsidy to the County at 5.34%. Due to federal government sequestration the amount of interest credit received has been reduced by 8.7%.	<u>586,150</u>
Total direct placements	<u>33,068,460</u>

# CHATHAM COUNTY, NORTH CAROLINA

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

### Other Long-Term Obligations:

Limited Obligation Bonds Series 2012 in the amount of \$6,717,498 issued April 5, 2012; interest at 1.00% to 5.00 %; due serially to 2029. Proceeds used for renovations to a County office building and renovations to an existing high school facility; collateralized by the real estate	1,971,111
Limited Obligation Bonds Series 2021A in the amount of \$31,585,000 issued in August 2021 for the construction of a new emergency operations center and a central services facility and warehouse for the County school system; due in annual payments with interest at 3.00% to 5.00%; maturing in 2041; collateralized by the real estate	28,425,000
Limited Obligation Bonds Series 2021B (refunding) in the amount of \$9,455,000 issued in August 2021 for the construction of a new detention facility; due in annual payments with interest at 0.28% to 1.88% maturing in 2032; collateralized by the real estate	7,455,000
Limited Obligation Bonds Series 2014 in the amount of \$45,445,000 issued in November 2014 for the construction of a new agriculture center, the Margaret Pollard Middle School and a joint county-school garage; due in semi-annual payments with interest at 3.00% to 5.00%; maturing in 2033; collateralized by real estate	23,780,000
Limited Obligation Bonds Series 2015 (refunding) in the amount of \$21,655,000 issued in July 2015; interest at 2.00% to 5.00%; due serially to 2035. Proceeds used for the construction of an elementary school, additions to and renovation of an existing high school addition and renovation of the Department of Social Services Building, construction of roads, water lines and sewer lines for the County Business Campus, other miscellaneous school capital projects; collateralized by real estate	11,255,000
Limited Obligation Bonds Series 2018 in the amount of \$111,730,000 issued in July 2018 for the construction of a new high school, a new elementary school and a Health Science Community College Facility; interest at 3.00% to 5.00% due serially to 2038; collateralized by real estate	<u>93,100,000</u>
Total other long-term obligations	<u>165,986,111</u>
Total governmental activities	<u>\$ 199,054,571</u>

# CHATHAM COUNTY, NORTH CAROLINA

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

**Business-Type Activities:**

**Direct Borrowings:**

\$6,229,235 State revolving loan with North Carolina Department of Environment and Natural Resources; due in annual installments with an interest rate of 2.305%: maturing in 2026 \$ 622,923

**Other Long-Term Obligations:**

\$12,077,502 Refunding limited obligation bonds, Series 2012 issued April 5, 2012; interest at 1.00% to 5.00 %; due serially to 2029 3,543,890

Total business-type activities \$ 4,166,813

Total other long-term obligations \$ 203,221,384

Annual debt service requirements to maturity for the County’s other long-term obligation bonds, certificates of participation, and loans are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 16,032,681	\$ 7,649,234	\$ 1,088,997	\$ 172,115
2026	16,061,172	7,002,317	1,117,914	125,336
2027	15,716,975	6,361,585	835,369	77,111
2028	15,708,040	5,697,463	867,498	34,539
2029	15,342,109	5,040,187	257,035	6,426
2030-2034	59,659,775	16,890,223	-	-
2035-2039	44,969,608	6,204,563	-	-
2040-2044	8,077,729	1,703,151	-	-
2045-2049	3,910,373	932,882	-	-
2050-2054	3,576,109	282,972	-	-
Total	<u>\$ 199,054,571</u>	<u>\$ 57,764,577</u>	<u>\$ 4,166,813</u>	<u>\$ 415,527</u>

# CHATHAM COUNTY, NORTH CAROLINA

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

### **f. 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, 2024:

	<u>Balance</u> <u>June 30, 2023</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2024</u>	<u>Current</u> <u>Portion</u>
<b>Governmental Activities:</b>					
Other long-term obligations	\$ 178,827,491	\$ -	\$ 12,841,380	\$ 165,986,111	\$ 12,822,465
Direct placement installment purchase	36,286,646	-	3,218,186	33,068,460	3,210,216
Premium on long-term obligations	11,903,100	-	850,372	11,052,728	850,372
Leases	684,946	551,997	218,086	1,018,857	245,348
Subscriptions	1,058,175	380,448	626,413	812,210	613,529
Net pension liability - LGERS	19,386,173	3,903,767	-	23,289,940	-
Total pension liability - LEOSA	2,802,608	443,397	-	3,246,005	72,278
Total OPEB liability	9,721,143	238,864	-	9,960,007	487,505
Compensated absences	2,314,864	4,973,496	4,479,149	2,809,211	2,809,211
Total governmental activities	<u>\$ 262,985,146</u>	<u>\$ 10,491,969</u>	<u>\$ 22,233,586</u>	<u>\$ 251,243,529</u>	<u>\$ 21,110,924</u>
<b>Business-Type Activities:</b>					
<b>Solid Waste and Recycling:</b>					
Leases	\$ 231	\$ 10,148	\$ 1,563	\$ 8,816	\$ 2,102
Subscriptions	52,667	1,849	16,392	38,124	17,653
Net pension liability - LGERS	472,833	515,704	-	988,537	-
Total OPEB liability	237,101	185,650	-	422,751	20,692
Compensated absences	70,268	159,915	143,662	86,521	86,521
Total solid waste management	<u>833,100</u>	<u>873,266</u>	<u>161,617</u>	<u>1,544,749</u>	<u>126,968</u>
<b>Southeast Water District:</b>					
General obligation bonds	2,635,000	-	60,000	2,575,000	63,000
Direct placement revenue bonds	1,520,000	-	38,000	1,482,000	39,000
Total southeast water district	<u>4,155,000</u>	<u>-</u>	<u>98,000</u>	<u>4,057,000</u>	<u>102,000</u>
<b>Utility:</b>					
Other long-term obligations	4,292,509	-	748,619	3,543,890	777,535
Direct borrowings	934,385	-	311,462	622,923	311,462
Leases	477	21,767	3,347	18,897	4,499
Subscriptions	28,501	3,810	15,379	16,932	16,932
Net pension liability - LGERS	788,056	121,398	-	909,454	-
Total OPEB liability	395,168	-	6,237	388,931	19,037
Compensated absences	83,526	205,937	176,837	112,626	112,626
Total utility	<u>6,522,622</u>	<u>352,912</u>	<u>1,261,881</u>	<u>5,613,653</u>	<u>1,242,091</u>
Total business-type activities	<u>\$ 11,510,722</u>	<u>\$ 1,226,178</u>	<u>\$ 1,521,498</u>	<u>\$ 11,215,402</u>	<u>\$ 1,471,059</u>

At June 30, 2024, Chatham County had a legal debt margin of \$1,005,688,000.

# CHATHAM COUNTY, NORTH CAROLINA

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

The County's outstanding notes from direct placements related to governmental activities of \$33,068,460 contain a provision that in an event of default, outstanding amounts become immediately due if the County is unable to make payment. Net pension liability, total pension liability, and net other post-employment liability for governmental activities are all typically liquidated in the General Fund. Compensated absences for governmental activities typically have been liquidated in the General Fund and are accounted for on an LIFO basis, assuming that employees are taking leave time as it is earned.

**Debt Related to Capital Activities** – Of the total governmental activities debt listed, only \$76,962,607 relates to assets to which the County holds title.

### **ABC Board**

The ABC Board had long-term net pension liability as of June 30, 2024 of \$481,656.

The ABC Board had long-term notes payable as of June 30, 2024 of \$1,743,785.

The ABC Board had long-term lease liabilities as of June 30, 2024 of \$1,558,969.

# CHATHAM COUNTY, NORTH CAROLINA

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

### C. Interfund Balances and Activity

Transfers to/from other funds during the year ended June 30, 2024, consist of the following:

<u>Fund Type</u>	<u>Fund Name</u>	<u>To</u>	<u>From</u>	<u>Purpose</u>
Major Governmental	General	\$ 2,603,131	\$ -	
Nonmajor Governmental	Impact Fees	-	2,603,131	Fund debt on planned capital
Major Governmental	General	17,073,716	-	
Major Governmental	Capital Improvement Project Reserve	-	17,073,716	Fund debt on planned capital
Major Governmental	School Construction	598,448	-	Fund pay-go school capital
Major Governmental	Capital Improvement Project Reserve	-	598,448	projects
Major Governmental	General	-	4,132,639	
Major Governmental	Capital Reserve	4,132,639	-	Fund pay-go capital projects
Major Governmental	General Fund	-	125,827	
Nonmajor Governmental	Tech/System Improvement Project	125,827	-	Fund pay-go technology improver
Major Governmental	General	-	16,940,242	
Major Governmental	Capital Improvement Project Reserve	16,940,242	-	Fund debt on planned capital
Nonmajor Governmental	Capital Reserve	70,038	-	
Major Governmental	County Wide Park	-	70,038	Fund NW Park Dam Project
Nonmajor Governmental	Recreation/Payment in Lieu	-	216,850	
Nonmajor Governmental	County Wide Park	216,850	-	Fund Briar Chapel Park Project
Major Governmental	Capital Reserve	-	1,833,300	
Major Governmental	Facilities Improvements	1,833,300	-	Fund pay-go facilities projects
Major Governmental	Capital Reserve	-	8,210	
Major Governmental	Facilities Improvements	8,210	-	Fund pay-go technology improver
Major Governmental	Capital Reserve	-	849,933	
Nonmajor Governmental	Technical System Improvements	849,933	-	Fund pay-go technology improver
Major Governmental	General	17,338	-	
Nonmajor Governmental	E-911	-	17,338	Reduce revenue of E-911
<b>Total governmental transfers</b>		<b><u>44,469,672</u></b>	<b><u>44,469,672</u></b>	
Major Enterprise	Utility Capital Reserve	\$ -	\$ 1,663,739	Fund water project:
Major Enterprise	Utility Capital Projects	1,663,739	-	Western Intake Project
<b>Total enterprise transfers</b>		<b><u>1,663,739</u></b>	<b><u>1,663,739</u></b>	
<b>Grand total</b>		<b><u>\$ 46,133,411</u></b>	<b><u>\$ 46,133,411</u></b>	

# CHATHAM COUNTY, NORTH CAROLINA

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

### **D. Fund Balance**

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

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

Total fund balance - General Fund		\$ 84,930,909
Less:		
Nonspendable:		
Leases		97,198
Restricted:		
Stabilization by state statute		13,579,462
Committed:		
LEO Special Separation Allowance		1,191,628
Revaluation		930,566
Housing trust		1,142,397
Land preservation		1,584,188
Assigned:		
Subsequent year's expenditures		12,813,138
County fund balance policy minimum		<u>37,577,003</u>
Remaining fund balance		<u>\$ 16,015,329</u>

Chatham County has adopted a minimum fund balance policy for the General Fund, which instructs management to conduct the business of the County in such a manner that available fund balance is at least equal to or greater than 20% of the previous annual operating budget.

Outstanding encumbrances represent amounts needed to pay commitments related to purchase orders and contracts that remain unperformed at year-end. Encumbrances at June 30, 2024 are detailed as follows:

		<b>Other Governmental Funds</b>
		<hr style="border: 0.5px solid black;"/>
Encumbrances	\$	1,544,362

# CHATHAM COUNTY, NORTH CAROLINA

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

### **III. Related Organization**

#### **Chatham County Housing Authority**

The County's officials appoint the board members of the Chatham County Housing Authority. The County's accountability for this organization does not extend beyond making these appointments. There were no appropriations to the Chatham County Housing Authority for the year ended June 30, 2024.

### **IV. Joint Ventures**

#### **a. Vaya Health Area Authority**

The County, in conjunction with Alamance, Cabarrus, Caswell, Davidson, Franklin, Granville, Halifax, Orange, Person, Rowan, Stanly, Union, Vance, and Warren Counties participates in a joint venture to operate Vaya Health (formerly Cardinal Innovations Healthcare Solutions Area Authority) as a Managed Care Organization. The County appoints two members to the Regional Board. The County has an ongoing financial responsibility for the joint venture because the Authority's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Authority; therefore, no equity interest has been reflected in the financial statements at June 30, 2024. The County contributed \$423,007 to the Authority to supplement its activities for the year ended June 30, 2024.

Complete financial statements for Cardinal Innovations Healthcare Solutions Area Authority may be obtained from their administrative offices at 200 Ridgefield Court, Suite 218, Asheville NC 28806.

#### **b. Central Carolina Community College**

The County, in conjunction with the state of North Carolina, Lee County, Harnett County, and Lee County Board of Education, participates in a joint venture to operate Central Carolina Community College (Community College). Each of the participants appoints members to the sixteen-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. In addition, the County has an ongoing financial responsibility for the Community College because of the statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$1,643,921 to the Community College for operating purposes during the fiscal year ended June 30, 2024. The participating governments do not have an equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2024.

Complete financial statements for Central Carolina Community College may be obtained from the Community College's administrative offices at 1105 Kelly Drive, Sanford, North Carolina 27330.

# CHATHAM COUNTY, NORTH CAROLINA

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

### **c. Chatham County Economic Development Corporation**

The County, in conjunction with the Towns of Pittsboro, Siler City and Goldston, participates in a joint venture to operate the Chatham County Economic Development Corporation (Corporation). The Corporation is a joint venture established to facilitate economic expansion within the County. The County has an ongoing financial responsibility for the Corporation because the Corporation's continued existence depends on the participating governments' continued funding. The County contributed \$438,406 to the Corporation during the fiscal year ended June 30, 2024. None of the participating governments has any equity interest in the Corporation, so no equity interest has been reflected in the financial statements at June 30, 2024.

Complete financial statements for the Chatham County Economic Development Corporation may be obtained from the Corporation's administrative offices at 964 East Street, Pittsboro, North Carolina 27312.

### **V. Jointly Governed Organization**

The County, in conjunction with seven other counties and twenty-five municipalities are members of the Central Pines Regional Council (formerly Triangle J Council of Governments). The participating governments established the Council to coordinate certain funding received from federal and state agencies. Each participating government appoints one member to the Council's governing board. The County paid \$151,025 to the Council during the fiscal year ended June 30, 2024.

### **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 moneys to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant moneys.

#### **Special Item – Acquisition of Council on Aging**

Chatham County Council on Aging, a non-profit founded on July 8, 1974, whose original mission was “to promote the independence and dignity of our older adults and to help them remain healthy, secure and involved in their own homes and community as long as possible”, ceased operations as of June 30, 2023. The Chatham County Board of Commissioners voted to transition the former non-profit into a department within Chatham County government in 2022, acknowledging tremendous growth within the older adult population. On July 1, 2023 Chatham County Aging Services became an official department of the County.

Chatham County Aging Services owns and operates two Centers for Active Living in Pittsboro and Siler City, both certified by the North Carolina Division of Aging and Adult Services as “Centers of Excellence”. The centers provide more than 31,000 meals and 27,000 hours of in-home aide annually. The Centers have fitness rooms and host daily exercise programs, health and disease self-management sessions, numerous interest issues groups, caregiver support programs, and a full schedule of social and recreational opportunities including a hiking club. Other services include an assistive loan equipment program, Senior

# CHATHAM COUNTY, NORTH CAROLINA

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

Games and SilverArts, heat-relief fan distribution, Volunteer Income Tax Assistance, incontinence supplies, minor home repairs, Seniors' Health Insurance Information Program, among others. There are currently 23 full and part-time employees and approximately 250 dedicated volunteers who donate 10,000 hours annually.

As part of the agreement, the County took on all assets and liabilities of the former non-profit. The assets acquired totaled \$4,196,460, capital assets included two buildings, equipment, and vehicles with a net book value of \$2,402,604. The liabilities included one lease of no material value. The transaction is reflected as a special item in Exhibit B – Statement of Activities.

### **VII. Opioid Settlement Funds**

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

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

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

The County received \$376,988 in fiscal year 2023 and \$798,229 in fiscal year 2024 as part of this settlement. Per the terms of the MOA, the County created a special revenue fund, the Opioid Settlement Fund, to account for these funds. All funds are to be used for opioid abatement and remediation activities. Funds are restricted until expended. \$163,292 of these funds have been expended as of June 30, 2024. The MOA offered the County two options of expending the funds. The County opted for Option A, which allows a wide array of strategies to address the impact of the opioid epidemic.

### **VIII. Reimbursement for Pandemic-Related Expenditures**

On September 20, 2021, the Board of Commissioners adopted a resolution and budget ordinance to authorize the receipt of and budgetary authority for \$14,464,924 in American Rescue Plan funds. The County received the funds during fiscal years 2022 and 2023. Under the Final Rule, U.S. Treasury's regulatory document for SLFRF, Chatham County elected to use the "Standard Allowance" approach for expenditures, allowing \$10,000,000 of the county's allocation for SLFRF to be used for revenue replacement in fiscal year 2023. The County is on track to encumber the remaining funds of \$4,464,924 by the December 31, 2024 deadline.

## **REQUIRED SUPPLEMENTAL FINANCIAL DATA**

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

- Schedule of Proportionate Share of the Net Pension Liability (Asset) for the Local Governmental Employees' Retirement System
- Schedule of County Contributions - Local Governmental Employees' Retirement System
- Schedule of the County's Proportionate Share of the Net Pension Liability (Asset) – Register of Deeds' Supplemental Pension Fund
- Schedule of County Contributions - Register of Deeds' Supplemental Pension Fund
- Schedule of Changes in Total Pension Liability for the Law Enforcement Officers' Special Separation Allowance
- Schedule of Total Pension Liability as a Percentage of Covered Employee Payroll for the Law Enforcement Officers' Special Separation Allowance
- Schedule of Changes in the Total OPEB Liability and Related Ratios - Healthcare Benefits Plan
- Schedule of County Contributions – Healthcare Benefit Plan

## CHATHAM COUNTY, NORTH CAROLINA

**SCHEDULE OF THE COUNTY'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY (ASSET)  
LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS\***

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
County's proportion of the net pension liability (asset) %	0.380%	0.366%	0.369%	0.376%	0.369%
County's proportionate share of the net pension liability (asset) \$	\$ 25,187,931	\$ 20,647,062	\$ 5,654,675	\$ 13,447,159	\$ 10,090,211
County's covered payroll	\$ 31,569,944	\$ 26,804,771	\$ 25,815,562	\$ 25,097,535	\$ 24,085,796
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	79.785%	77.028%	21.904%	53.580%	41.893%
Plan fiduciary net position as a percentage of the total pension liability **	82.490%	84.144%	95.510%	88.610%	90.860%

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

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

CHATHAM COUNTY, NORTH CAROLINA

SCHEDULE OF THE COUNTY'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY (ASSET)  
LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS\*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's proportion of the net pension liability (asset) %	0.369%	0.367%	0.366%	0.341%	0.332%
County's proportionate share of the net pension liability (asset) \$	\$ 8,759,161	\$ 5,607,813	\$ 7,760,106	\$ 1,534,786	\$ (1,960,376)
County's covered payroll	\$ 22,889,672	\$ 22,413,231	\$ 20,498,220	\$ 20,508,359	\$ 19,459,465
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	38.267%	25.020%	37.857%	7.484%	-10.074%
Plan fiduciary net position as a percentage of the total pension liability **	91.630%	94.180%	91.470%	98.090%	102.640%

## CHATHAM COUNTY, NORTH CAROLINA

**SCHEDULE OF THE COUNTY CONTRIBUTIONS  
 LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM  
 LAST TEN FISCAL YEARS**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 5,101,903	\$ 3,870,389	\$ 3,076,931	\$ 2,662,144	\$ 2,289,955
Contributions in relation to the contractually required contribution	<u>5,101,903</u>	<u>3,870,389</u>	<u>3,076,931</u>	<u>2,662,144</u>	<u>2,289,955</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 39,184,340	\$ 31,569,944	\$ 26,804,771	\$ 25,815,562	\$ 25,097,535
Contributions as a percentage of covered payroll	13.020%	12.260%	11.479%	10.312%	9.124%

## CHATHAM COUNTY, NORTH CAROLINA

**SCHEDULE OF THE COUNTY CONTRIBUTIONS  
 LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM  
 LAST TEN FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,912,737	\$ 1,763,243	\$ 1,675,171	\$ 1,401,182	\$ 1,465,177
Contributions in relation to the contractually required contribution	<u>1,912,737</u>	<u>1,763,243</u>	<u>1,675,171</u>	<u>1,401,182</u>	<u>1,465,177</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 24,085,796	\$ 22,889,672	\$ 22,413,231	\$ 20,498,220	\$ 20,508,359
Contributions as a percentage of covered payroll	7.941%	7.703%	7.474%	6.836%	7.140%

CHATHAM COUNTY, NORTH CAROLINA

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND LAST TEN YEARS\*

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
County's proportion of the net pension liability (asset) %	0.797%	0.825%	1.139%	0.841%	0.726%
County's proportionate share of the net pension liability (asset) \$	\$ (95,825)	\$ (109,210)	\$ (218,878)	\$ (192,692)	\$ (143,297)
Plan fiduciary net position as a percentage of the total pension liability**	135.74%	139.04%	156.53%	173.62%	164.11%

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

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

CHATHAM COUNTY, NORTH CAROLINA

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND LAST TEN YEARS\*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's proportion of the net pension liability (asset) %	0.878%	0.876%	0.820%	0.840%	0.828%
County's proportionate share of the net pension liability (asset) \$	\$ (145,431)	\$ (149,543)	\$ (153,131)	\$ (194,731)	\$ (187,622)
Plan fiduciary net position as a percentage of the total pension liability**	153.31%	153.77%	160.17%	197.29%	193.88%

CHATHAM COUNTY, NORTH CAROLINA

SCHEDULE OF THE COUNTY CONTRIBUTIONS  
REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND  
LAST TEN FISCAL YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 6,477	\$ 7,116	\$ 9,456	\$ 13,672	\$ 8,051
Contributions in relation to the contractually required contribution	<u>6,477</u>	<u>7,116</u>	<u>9,456</u>	<u>13,672</u>	<u>8,051</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CHATHAM COUNTY, NORTH CAROLINA

SCHEDULE OF THE COUNTY CONTRIBUTIONS  
REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND  
LAST TEN FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 6,899	\$ 7,514	\$ 7,612	\$ 7,299	\$ 6,116
Contributions in relation to the contractually required contribution	<u>6,899</u>	<u>7,514</u>	<u>7,612</u>	<u>7,299</u>	<u>6,116</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CHATHAM COUNTY, NORTH CAROLINA

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Beginning balance	\$ 2,802,608	\$ 3,423,021	\$ 3,488,326	\$ 2,216,411
Service cost	150,754	203,648	239,356	163,282
Interest on the total pension liability	117,807	75,891	66,188	70,574
Differences between expected and actual experience in the measurement of the total pension liability	225,080	(164,164)	(136,756)	161,407
Changes of assumptions or other inputs	88,289	(635,630)	(116,255)	979,751
Benefit payments	(138,533)	(100,158)	(117,838)	(103,099)
Ending balance of the total pension liability	<u>\$ 3,246,005</u>	<u>\$ 2,802,608</u>	<u>\$ 3,423,021</u>	<u>\$ 3,488,326</u>

\* Information for this schedule is not presented retroactively.

    Ten years of information will be presented as additional years of information becomes available.

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

**CHATHAM COUNTY, NORTH CAROLINA**

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 2,102,099	\$ 2,049,455	\$ 1,804,635	\$ 1,716,137
Service cost	143,014	153,127	128,004	134,235
Interest on the total pension liability	74,805	63,277	68,070	60,310
Differences between expected and actual experience in the measurement of the total pension liability	(92,897)	32,315	(22,711)	-
Changes of assumptions or other inputs	83,421	(102,044)	153,782	(52,457)
Benefit payments	(94,031)	(94,031)	(82,325)	(53,590)
Ending balance of the total pension liability	<u>\$ 2,216,411</u>	<u>\$ 2,102,099</u>	<u>\$ 2,049,455</u>	<u>\$ 1,804,635</u>

**CHATHAM COUNTY, NORTH CAROLINA**

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability	\$ 3,246,005	\$ 2,802,608	\$ 3,423,021	\$ 3,488,326
Covered-employee payroll**	5,134,234	4,748,140	5,223,248	5,224,374
Total pension liability as a percentage of covered-employee payroll	63.22%	59.03%	65.53%	66.77%

**Notes to the Schedule:**

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

\* Information for this schedule is not presented retroactively.

Ten years of information will be presented as additional years of information becomes available.

\*\* Valuation payroll

**CHATHAM COUNTY, NORTH CAROLINA**

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 2,216,411	\$ 2,102,099	\$ 2,049,455	\$ 1,804,635
Covered-employee payroll**	4,854,871	4,875,211	4,749,118	4,818,486
Total pension liability as a percentage of covered-employee payroll	45.65%	43.12%	43.15%	37.45%

## CHATHAM COUNTY, NORTH CAROLINA

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**HEALTHCARE BENEFITS PLAN**  
**LAST SEVEN FISCAL YEARS\***

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB liability:				
Service cost	\$ 579,256	\$ 949,078	\$ 865,417	\$ 582,904
Interest	377,766	314,412	269,013	353,245
Changes of benefit terms	-	-	-	(1,275,334)
Differences between expected and actual experience	126,889	(3,008,283)	511,429	836,314
Changes of assumptions	(138,400)	(1,355,796)	1,213,844	1,891,571
Benefit payments	<u>(527,234)</u>	<u>(304,480)</u>	<u>(812,264)</u>	<u>(371,676)</u>
Net change in total OPEB liability	418,277	(3,405,069)	2,047,439	2,017,024
Total OPEB liability - beginning	<u>10,353,412</u>	<u>13,758,481</u>	<u>11,711,042</u>	<u>9,694,018</u>
Total OPEB liability - ending	<u>\$ 10,771,689</u>	<u>\$ 10,353,412</u>	<u>\$ 13,758,481</u>	<u>\$ 11,711,042</u>
Covered-employee payroll	\$ 26,232,508	\$ 26,232,508	\$ 27,440,950	\$ 27,440,950
Total OPEB liability as a percentage of covered-employee payroll	41.06%	39.47%	50.14%	42.68%

**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:

<u>Fiscal Year</u>	<u>Rate</u>
2019	3.89%
2020	3.50%
2021	2.21%
2022	2.16%
2023	3.54%
2024	3.65%

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

\* Information for this schedule is not presented retroactively.

Ten years of information will be presented as additional years of information becomes available.

There are no assets accumulated in a trust that meets the criteria for GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB fund.

**CHATHAM COUNTY, NORTH CAROLINA**

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS  
HEALTHCARE BENEFITS PLAN  
LAST SEVEN FISCAL YEARS\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:			
Service cost	\$ 533,397	\$ 440,217	\$ 480,948
Interest	325,835	232,649	196,636
Changes of benefit terms	-	-	-
Differences between expected and actual experience	223,024	1,035,430	(10,437)
Changes of assumptions	450,204	463,615	(476,815)
Benefit payments	<u>(425,294)</u>	<u>(238,211)</u>	<u>(138,851)</u>
Net change in total OPEB liability	1,107,166	1,933,700	51,481
Total OPEB liability - beginning	<u>8,586,852</u>	<u>6,653,152</u>	<u>6,601,671</u>
Total OPEB liability - ending	<u>\$ 9,694,018</u>	<u>\$ 8,586,852</u>	<u>\$ 6,653,152</u>
Covered-employee payroll	\$ 22,136,241	\$ 22,136,241	\$ 20,549,678
Total OPEB liability as a percentage of covered-employee payroll	43.79%	38.79%	32.38%

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**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

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**MAJOR GOVERNMENTAL FUNDS**

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## **GENERAL FUND**

The consolidated General Fund consist of five funds -General Fund, Revaluation Fund, Coal Ash Fund, Housing Trust Fund, Land Preservation and Law Enforcement Special Separation Allowance Fund

General Fund - The General Fund accounts for resources traditionally associated with government that is not required to be accounted for in other funds.

Revaluation Fund - The Tax Revaluation Fund accounts for funds accumulated by the County to fund cost associated with the revaluation of county real and personal property. The County is on a four year revaluation cycle.

Coal Ash Fund - The Coal Ash Fund accounts for the funds received from Duke Energy to compensate the County for the siting of a coal ash structural fill facility within the County. Funds will be used for various projects including monitoring the facility for any environmental impacts.

Housing Trust Fund - The Housing Trust Fund accounts for funds accumulated by the County to support affordable housing projects.

Land Preservation Fund - The Land Preservation Fund accounts for funds accumulated by the County to support both a local working lands protection program and ag economic development program.

Law Enforcement Special Separation Allowance Fund - The Law Enforcement Separation Allowance accounts for funds accumulated by the County to fund cost associated with law enforcement officer's special separation allowance obligations.

## **CAPITAL IMPROVEMENT PROJECT RESERVE**

The Capital Improvement Reserve Fund accounts for the accumulation of funds to pay debt service and other expenses for major construction projects.

## **FACILITIES IMPROVEMENTS**

The Facilities Improvement Project Fund accounts for the financing and construction of additions to County facilities.

## **SCHOOL CONSTRUCTION PROJECT FUND**

The School Construction Project Fund accounts for the construction of new school facilities and additions to existing facilities.

## **AMERICAN RESCUE PLAN FUND**

The American Rescue Plan Fund accounts for the infusion of funds to meet pandemic response needs of the community and rebuild a stronger, more equitable economy as the Country recovers.

## **OPIOID SETTLEMENT FUND**

The Opioid Settlement Fund accounts for funds received from a nationwide settlement related to multiple opioid lawsuits.

## **CAPITAL RESERVE FUND**

The Capital Reserve Fund accounts for the accumulation of funds for large capital purchases.

CHATHAM COUNTY, NORTH CAROLINA

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

	<u>General Fund</u>	<u>Revaluation Fund</u>	<u>Coal Ash Fund</u>	<u>Housing Trust Fund</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 104,557,481	\$ -	\$ -	\$ -
Local option sales taxes	31,538,819	-	-	-
Other taxes	1,462,396	-	-	-
Unrestricted intergovernmental revenues	5,121,400	-	-	-
Restricted intergovernmental revenues	10,971,359	-	-	-
Permits and fees	7,110,442	-	-	-
Sales and services	2,985,814	-	-	-
Interest earned on investments	5,958,063	-	161,461	26,881
Other general revenues	3,774,629	-	-	-
Total revenues	<u>173,480,403</u>	<u>-</u>	<u>161,461</u>	<u>26,881</u>
<b>Expenditures:</b>				
General government	17,416,333	204,528	-	-
Public safety	32,131,209	-	-	-
Economic and physical development	5,658,552	-	18,085	462,956
Human services	23,460,127	-	-	-
Cultural and recreation	4,016,458	-	-	-
Intergovernmental:				
Education	48,220,879	-	-	-
Debt service:				
Principal repayments	16,904,065	-	-	-
Interest	8,279,674	-	-	-
Total expenditures	<u>156,087,297</u>	<u>204,528</u>	<u>18,085</u>	<u>462,956</u>
<b>Revenues over (under) expenditures</b>	<u>17,393,106</u>	<u>(204,528)</u>	<u>143,376</u>	<u>(436,075)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	19,694,185	500,000	-	939,859
Transfers out	(23,254,202)	-	-	-
Total transfers	<u>(3,560,017)</u>	<u>500,000</u>	<u>-</u>	<u>939,859</u>
Total other financing sources (uses)	<u>(3,560,017)</u>	<u>500,000</u>	<u>-</u>	<u>939,859</u>
<b>Net change in fund balances</b>	13,833,089	295,472	143,376	503,784
<b>Fund Balances:</b>				
Fund balance, beginning	61,044,956	635,094	4,854,994	837,781
Fund balance, ending	<u>\$ 74,878,045</u>	<u>\$ 930,566</u>	<u>\$ 4,998,370</u>	<u>\$ 1,341,565</u>

CHATHAM COUNTY, NORTH CAROLINA

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

	<u>Land Preservation Fund</u>	<u>Law Enforcement Separation Allowance Fund</u>	<u>Eliminations</u>	<u>Total General Fund</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 104,557,481
Local option sales taxes	-	-	-	31,538,819
Other taxes	-	-	-	1,462,396
Unrestricted intergovernmental revenues	-	-	-	5,121,400
Restricted intergovernmental revenues	-	-	-	10,971,359
Permits and fees	-	-	-	7,110,442
Sales and services	-	-	-	2,985,814
Interest earned on investments	-	37,150	-	6,183,555
Other general revenues	-	245,000	(245,000)	3,774,629
Total revenues	<u>-</u>	<u>282,150</u>	<u>(245,000)</u>	<u>173,705,895</u>
<b>Expenditures:</b>				
General government	-	-	-	17,620,861
Public safety	-	151,301	(245,000)	32,037,510
Economic and physical development	-	-	-	6,139,593
Human services	-	-	-	23,460,127
Cultural and recreation	-	-	-	4,016,458
Intergovernmental:				
Education	-	-	-	48,220,879
Debt service:				
Principal repayments	-	-	-	16,904,065
Interest	-	-	-	8,279,674
Total expenditures	<u>-</u>	<u>151,301</u>	<u>(245,000)</u>	<u>156,679,167</u>
<b>Revenues over (under) expenditures</b>	<u>-</u>	<u>130,849</u>	<u>-</u>	<u>17,026,728</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	615,635	-	(2,055,494)	19,694,185
Transfers out	-	-	2,055,494	(21,198,708)
Total transfers	<u>615,635</u>	<u>-</u>	<u>-</u>	<u>(1,504,523)</u>
Total other financing sources (uses)	<u>615,635</u>	<u>-</u>	<u>-</u>	<u>(1,504,523)</u>
<b>Net change in fund balances</b>	615,635	130,849	-	15,522,205
<b>Fund Balances:</b>				
Fund balance, beginning	968,553	1,067,326	-	69,408,704
Fund balance, ending	<u>\$ 1,584,188</u>	<u>\$ 1,198,175</u>	<u>\$ -</u>	<u>\$ 84,930,909</u>

CHATHAM COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	2024		2023	
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Current year taxes:				
Real/personal	\$ 93,401,851	\$ 94,816,635	\$ 1,414,784	\$ 88,369,964
DMV - Motor vehicles	8,002,441	8,995,734	993,293	7,740,320
Total current year taxes	101,404,292	103,812,369	2,408,077	96,110,284
Prior year taxes	665,500	612,399	(53,101)	688,487
Penalties, interest, other	37,000	132,713	95,713	(41,405)
Total ad valorem taxes	102,106,792	104,557,481	2,450,689	96,757,366
<b>Local Option Sales Tax:</b>				
Article 39 - 1 percent	10,100,000	11,384,100	1,284,100	9,919,833
Article 40 - 1/2 percent	7,300,000	7,565,287	265,287	7,318,505
Article 42 - 1/2 percent	6,000,000	6,832,880	832,880	6,075,354
Article 44 - 1/2 percent	1,816,672	1,980,736	164,064	1,830,006
Article 46 - 1/2 percent	3,200,000	3,775,816	575,816	3,369,577
Total local option sales tax	28,416,672	31,538,819	3,122,147	28,513,275
<b>Other Taxes:</b>				
Deed stamp excise tax	1,200,000	1,213,859	13,859	1,465,637
Occupancy tax	200,324	222,241	21,917	204,829
Other	20,000	26,296	6,296	28,283
Total other taxes and licenses	1,420,324	1,462,396	42,072	1,698,749
<b>Intergovernmental:</b>				
Unrestricted intergovernmental:				
Payments in lieu of taxes	100,000	130,096	30,096	122,323
Beer and wine excise tax	237,000	302,153	65,153	276,300
ABC profit distribution	200,000	248,215	48,215	188,343
Medicaid hold harmless	4,500,000	4,433,669	(66,331)	5,040,213
Other	7,784	7,267	(517)	7,783
Total unrestricted	5,044,784	5,121,400	76,616	5,634,962
<b>Restricted intergovernmental:</b>				
State and federal grants	10,232,918	10,061,930	(170,988)	9,557,990
Other	803,676	909,429	105,753	920,845
Total restricted	11,036,594	10,971,359	(65,235)	10,478,835
Total intergovernmental	16,081,378	16,092,759	11,381	16,113,797
<b>Permits and Fees:</b>				
Inspections fees	3,200,000	6,692,023	3,492,023	3,493,700
Register of Deeds fees	400,000	369,171	(30,829)	406,917
Other	37,600	49,248	11,648	61,765
Total permits and fees	3,637,600	7,110,442	3,472,842	3,962,382

CHATHAM COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	2024		2023	
	Final Budget	Actual	Variance Over/Under	Actual
<b>Sales and Services:</b>				
Charges to other funds	477,477	490,012	12,535	477,195
Aging	-	19,450	19,450	-
Environmental services	778,120	808,231	30,111	605,866
Fire inspections	60,000	61,015	1,015	64,863
Health	1,046,259	936,039	(110,220)	845,567
Library	6,000	12,943	6,943	11,895
Planning	125,000	162,615	37,615	149,449
Recreation fees	120,860	177,692	56,832	137,636
Sheriff	93,247	98,622	5,375	100,385
Tax	250,185	187,263	(62,922)	183,148
Other	28,500	31,932	3,432	38,872
Total sales and services	<u>2,985,648</u>	<u>2,985,814</u>	<u>166</u>	<u>2,614,876</u>
<b>Investment Earnings:</b>				
Interest on investments	205,805	2,357,590	2,151,785	1,389,127
Fair value investment adjustment	-	3,600,473	3,600,473	(611,018)
Total investment earnings	<u>205,805</u>	<u>5,958,063</u>	<u>5,752,258</u>	<u>778,109</u>
<b>Other General Revenues:</b>				
Rent	336,000	250,612	(85,388)	251,017
Leases	-	174,085	174,085	410,410
Contributions and donations	682,148	1,122,053	439,905	752,709
Sale of surplus property	-	79,574	79,574	58,064
Miscellaneous	433,900	2,148,305	1,714,405	347,951
Total other general revenues	<u>1,452,048</u>	<u>3,774,629</u>	<u>2,322,581</u>	<u>1,820,151</u>
<b>Total revenues</b>	<u>156,306,267</u>	<u>173,480,403</u>	<u>17,174,136</u>	<u>152,258,705</u>
<b>Expenditures:</b>				
<b>General Government:</b>				
<b>Governing Board:</b>				
Salaries and benefits	408,774	362,907	45,867	340,246
Other operating expenditures	131,665	120,807	10,858	116,386
Total	<u>540,439</u>	<u>483,714</u>	<u>56,725</u>	<u>456,632</u>
<b>County Manager:</b>				
Salaries and benefits	1,540,731	1,525,232	15,499	1,026,400
Other operating expenditures	160,312	137,607	22,705	45,149
Total	<u>1,701,043</u>	<u>1,662,839</u>	<u>38,204</u>	<u>1,071,549</u>
<b>Human Resources:</b>				
Salaries and benefits	535,666	528,589	7,077	571,386
Other operating expenditures	111,018	96,596	14,422	34,411
Total	<u>646,684</u>	<u>625,185</u>	<u>21,499</u>	<u>605,797</u>

CHATHAM COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Finance:</b>				
Salaries and benefits	1,161,560	1,097,768	63,792	1,011,822
Other operating expenditures	494,994	486,249	8,745	321,750
Total	<u>1,656,554</u>	<u>1,584,017</u>	<u>72,537</u>	<u>1,333,572</u>
<b>Tax:</b>				
Salaries and benefits	1,763,264	1,724,956	38,308	1,392,253
Other operating expenditures	594,291	326,184	268,107	475,351
Capital outlay	32,060	32,060	-	51,118
Total	<u>2,389,615</u>	<u>2,083,200</u>	<u>306,415</u>	<u>1,918,722</u>
<b>County Attorney:</b>				
Salaries and benefits	82,744	82,988	(244)	72,528
Other operating expenses	276,069	170,599	105,470	148,254
Total	<u>358,813</u>	<u>253,587</u>	<u>105,226</u>	<u>220,782</u>
<b>Information Services:</b>				
Salaries and benefits	1,639,279	1,620,121	19,158	1,324,049
Other operating expenditures	971,957	909,837	62,120	596,863
Capital outlay	86,949	86,718	231	-
Total	<u>2,698,185</u>	<u>2,616,676</u>	<u>81,509</u>	<u>1,920,912</u>
<b>Elections:</b>				
Salaries and benefits	762,939	644,978	117,961	470,897
Other operating expenses	268,604	85,040	183,564	134,841
Capital outlay	-	-	-	405,184
Total	<u>1,031,543</u>	<u>730,018</u>	<u>301,525</u>	<u>1,010,922</u>
<b>General Services:</b>				
Salaries and benefits	-	354	(354)	15,161
Other operating expenses	5,679,914	1,557,889	4,122,025	2,077,297
Total	<u>5,679,914</u>	<u>1,558,243</u>	<u>4,121,671</u>	<u>2,092,458</u>
<b>Register of Deeds:</b>				
Salaries and benefits	647,398	631,990	15,408	548,795
Other operating expenses	111,098	71,512	39,586	127,081
Total	<u>758,496</u>	<u>703,502</u>	<u>54,994</u>	<u>675,876</u>
<b>Facilities Management:</b>				
Salaries and benefits	1,738,108	1,737,016	1,092	1,329,279
Other operating expenditures	2,959,815	2,676,419	283,396	2,172,809
Capital outlay	110,000	109,350	650	149,540
Total	<u>4,807,923</u>	<u>4,522,785</u>	<u>285,138</u>	<u>3,651,628</u>

CHATHAM COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	2024		Variance Over/Under	2023
	Final Budget	Actual		Actual
<b>Agriculture and Conference Center:</b>				
Salaries and benefits	382,650	385,711	(3,061)	289,343
Other operating expenditures	104,199	98,095	6,104	48,863
Total	486,849	483,806	3,043	338,206
<b>Court Facilities:</b>				
Other operating expenditures	143,705	108,761	34,944	81,006
Total	143,705	108,761	34,944	81,006
<b>Total general government</b>	<b>22,899,763</b>	<b>17,416,333</b>	<b>5,483,430</b>	<b>15,378,062</b>
<b>Public Safety:</b>				
<b>Sheriff:</b>				
Salaries and benefits	15,836,491	15,297,638	538,853	12,521,437
Other operating expenditures	3,370,964	2,669,106	701,858	2,542,629
Capital outlay	1,211,506	1,008,140	203,366	981,144
Total sheriff	20,418,961	18,974,884	1,444,077	16,045,210
<b>Law Enforcement Special Separation</b>	<b>245,000</b>	<b>245,000</b>	<b>-</b>	<b>225,000</b>
<b>Emergency Management:</b>				
Salaries and benefits	658,750	667,545	(8,795)	522,903
Other operating expenditures	4,773,015	4,518,741	254,274	4,129,972
Capital outlay	34,449	126,032	(91,583)	367,366
Total	5,466,214	5,312,318	153,896	5,020,241
<b>Emergency Communications:</b>				
Salaries and benefits	2,761,449	2,642,076	119,373	2,095,261
Other operating expenses	948,801	790,170	158,631	607,164
Capital outlay	164,556	84,476	80,080	247,857
Total	3,874,806	3,516,722	358,084	2,950,282
<b>Building Inspections:</b>				
Salaries and benefits	2,164,541	1,770,938	393,603	1,385,669
Other operating expenditures	148,148	100,041	48,107	108,248
Capital outlay	120,000	85,800	34,200	240,284
Total	2,432,689	1,956,779	475,910	1,734,201
<b>Fire Inspections:</b>				
Salaries and benefits	376,341	380,404	(4,063)	329,617
Other operating expenses	45,685	34,202	11,483	32,237
Capital outlay	54,730	-	54,730	-
Total	476,756	414,606	62,150	361,854

CHATHAM COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	2024		2023	
	Final Budget	Actual	Variance Over/Under	Actual
<b>Court-Related Programs:</b>				
Salaries and benefits	1,184,179	1,187,312	(3,133)	900,567
Operating expenses	714,184	523,588	190,596	496,795
Total	1,898,363	1,710,900	187,463	1,397,362
<b>Total public safety</b>	<b>34,812,789</b>	<b>32,131,209</b>	<b>2,681,580</b>	<b>27,734,150</b>
<b>Economic and Physical Development:</b>				
<b>Planning:</b>				
Salaries and employee benefits	1,147,476	1,134,884	12,592	909,509
Other operating expenditures	874,768	491,115	383,653	472,238
Total	2,022,244	1,625,999	396,245	1,381,747
<b>Sustainability:</b>				
Salaries and employee benefits	4,413	1,875	2,538	-
Other operating expenditures	35,967	8,220	27,747	21,223
Capital outlay	-	-	-	43,629
Total	40,380	10,095	30,285	64,852
<b>Central Permitting:</b>				
Salaries and employee benefits	606,270	582,684	23,586	471,887
Other operating expenses	8,397	885	7,512	19,033
Total	614,667	583,569	31,098	490,920
<b>Sedimentation and Erosion Control:</b>				
Salaries and benefits	851,384	868,581	(17,197)	708,969
Operating expenses	192,209	163,210	28,999	164,637
Capital outlay	29,500	28,998	502	53,310
Total	1,073,093	1,060,789	12,304	926,916
<b>Cooperative Extension:</b>				
Salaries and benefits	2,678	2,817	(139)	2,430
Other operating expenditures	804,908	541,762	263,146	477,209
Total	807,586	544,579	263,007	479,639
<b>Soil and Water Conservation:</b>				
Salaries and employee benefits	342,810	346,649	(3,839)	239,663
Other operating expenditures	36,880	30,233	6,647	21,276
Capital outlay	42,976	40,512	2,464	-
Total	422,666	417,394	5,272	260,939
<b>Economic Development:</b>				
Other operating expenditures	1,340,140	1,205,389	134,751	1,033,433
Total	1,340,140	1,205,389	134,751	1,033,433

CHATHAM COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	2024		Variance Over/Under	2023
	Final Budget	Actual		Actual
<b>Pittsboro/Siler City Convention &amp; Visitors Bureau:</b>				
Salaries and employee benefits	194,768	192,073	2,695	139,199
Other operating expenses	20,350	18,665	1,685	11,319
Total	215,118	210,738	4,380	150,518
<b>Total economic/physical development</b>	<b>6,535,894</b>	<b>5,658,552</b>	<b>877,342</b>	<b>4,788,964</b>
<b>Human Services:</b>				
<b>Health:</b>				
Salaries and benefits	6,315,090	5,825,010	490,080	5,024,193
Other operating expenditures	2,485,128	1,374,742	1,110,386	1,433,295
Capital outlay	165,661	164,499	1,162	84,811
Total	8,965,879	7,364,251	1,601,628	6,542,299
<b>Social Services:</b>				
Administration:				
Salaries and benefits	9,915,832	9,349,897	565,935	7,637,820
Other operating expenditures	1,067,192	865,145	202,047	824,194
Capital outlay	29,090	29,090	-	-
Total	11,012,114	10,244,132	767,982	8,462,014
<b>Public Assistance:</b>				
Assistance programs	2,982,908	1,891,848	1,091,060	1,688,582
Total social services	13,995,022	12,135,980	1,859,042	10,150,596
<b>Mental Health:</b>				
Mental health appropriation	421,110	425,678	(4,568)	424,375
Total	421,110	425,678	(4,568)	424,375
<b>Council on Aging:</b>				
Salaries and benefits	1,468,295	1,395,344	72,951	1,243,495
Other operating expenditures	1,525,054	1,168,236	356,818	542,034
Total	2,993,349	2,563,580	429,769	1,785,529
<b>Appropriations to Non-Profit Agencies:</b>				
Chatham Trades	267,000	267,000	-	182,000
Chatham Transit	422,317	308,367	113,950	80,547
Other non-profit agencies	396,798	395,271	1,527	371,852
Total	1,086,115	970,638	115,477	634,399
<b>Total human services</b>	<b>27,461,475</b>	<b>23,460,127</b>	<b>4,001,348</b>	<b>19,537,198</b>

CHATHAM COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Cultural and Recreational:</b>				
<b>Library:</b>				
Salaries and benefits	1,503,428	1,493,984	9,444	1,263,314
Other operating expenditures	1,335,613	468,064	867,549	471,914
Capital outlay	-	-	-	15,000
Total	2,839,041	1,962,048	876,993	1,750,228
<b>Recreation:</b>				
Salaries and benefits	1,283,335	1,233,481	49,854	976,850
Other operating expenditures	702,062	674,314	27,748	578,461
Capital outlay	146,716	146,615	101	43,339
Total	2,132,113	2,054,410	77,703	1,598,650
<b>Total cultural and recreational</b>	<b>4,971,154</b>	<b>4,016,458</b>	<b>954,696</b>	<b>3,348,878</b>
<b>Education:</b>				
<b>Public Schools:</b>				
Appropriation	46,606,370	46,576,958	29,412	39,036,170
Program - Special Project	-	-	-	77,128
Capital outlay	-	-	-	2,300,000
Total	46,606,370	46,576,958	29,412	41,413,298
<b>Community College:</b>				
Appropriation	1,710,440	1,643,921	66,519	1,422,109
Total	1,710,440	1,643,921	66,519	1,422,109
Total education	48,316,810	48,220,879	95,931	42,835,407
<b>Debt Service:</b>				
<b>Principal:</b>				
Public schools - principal	8,905,151	8,905,150	1	8,961,066
Community college - principal	1,306,089	1,306,089	-	1,321,561
General building projects - principal	5,681,602	5,681,602	-	5,409,665
Business campus - principal	166,725	166,725	-	418,098
Lease principal	145,519	218,086	(72,567)	729,082
Subscription principal	600,276	626,413	(26,137)	-
Total	16,805,362	16,904,065	(98,703)	16,839,472
<b>Interest and Fees:</b>				
Public schools - interest	5,384,840	5,318,517	66,323	5,787,161
Community college - interest	576,466	576,464	2	622,201
General building projects - interest	2,175,261	2,131,313	43,948	2,371,137
Business campus - interest	155,682	155,681	1	170,628
Lease interest	13,095	22,638	(9,543)	9,986
Subscription interest	19,373	75,061	(55,688)	17,644
Total	8,324,717	8,279,674	45,043	8,978,757
<b>Total debt service</b>	<b>25,130,079</b>	<b>25,183,739</b>	<b>(53,660)</b>	<b>25,818,229</b>

CHATHAM COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	2024		2023	
	Final Budget	Actual	Variance Over/Under	Actual
<b>Total expenditures</b>	<u>170,127,964</u>	<u>156,087,297</u>	<u>14,040,667</u>	<u>139,440,888</u>
Revenues over (under) expenditures	<u>(13,821,697)</u>	<u>17,393,106</u>	<u>31,214,803</u>	<u>12,817,817</u>
<b>Other Financing Sources (Uses):</b>				
<b>Transfers In:</b>				
ARPA	354,394	-	(354,394)	10,000,000
Enhanced 911	-	17,338	17,338	-
Recreation payment in lieu	-	-	-	22,568
Impact fee	3,788,100	2,603,131	(1,184,969)	1,788,100
Capital projects funds:				
CIP debt reserve	<u>17,073,716</u>	<u>17,073,716</u>	<u>-</u>	<u>15,000,000</u>
Total transfers in	<u>21,216,210</u>	<u>19,694,185</u>	<u>(1,522,025)</u>	<u>26,810,668</u>
<b>Transfers Out:</b>				
General Fund:				
Revaluation	(500,000)	(500,000)	-	(500,000)
Housing trust	(650,000)	(939,859)	(289,859)	(918,112)
Land preservation	(905,494)	(615,635)	289,859	(968,553)
Special revenue funds:				
Emergency telephone system	-	-	-	(27,218)
Capital Projects:				
CIP debt reserve	(16,940,242)	(16,940,242)	-	(16,322,562)
Parks	-	-	-	(3,000,000)
Capital reserve	(3,332,639)	(4,132,639)	(800,000)	(6,424,205)
Tech system improvements	(125,827)	(125,827)	-	-
Facilities improvements	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,100,000)</u>
Total transfers out	<u>(22,454,202)</u>	<u>(23,254,202)</u>	<u>(800,000)</u>	<u>(30,260,650)</u>
Total transfers in (out)	<u>(1,237,992)</u>	<u>(3,560,017)</u>	<u>(2,322,025)</u>	<u>(3,449,982)</u>
<b>Debt proceeds:</b>				
Subscription liability issued	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,643,738</u>
Total proceeds	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,643,738</u>
<b>Total other financing sources (uses)</b>	<u>(1,237,992)</u>	<u>(3,560,017)</u>	<u>(2,322,025)</u>	<u>(1,806,244)</u>
Net change in fund balance	(15,059,689)	13,833,089	28,892,778	11,011,573
Appropriated fund balance	<u>15,059,689</u>	<u>-</u>	<u>(15,059,689)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>13,833,089</u>	<u>\$ 13,833,089</u>	<u>11,011,573</u>

CHATHAM COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	2024		2023
	Final Budget	Actual	Actual
<b>Reconciliation from budgetary basis to modified accrual basis:</b>			
Lease liability issued		551,997	
Capital outlay - leases		(551,997)	
Subscription liability issued		380,448	
Capital outlay - leases		(380,448)	
<b>Fund Balance:</b>			
Fund balance, beginning		61,044,956	50,033,383
Fund balance, ending		<u>\$ 74,878,045</u>	<u>\$ 61,044,956</u>

## CHATHAM COUNTY, NORTH CAROLINA

## REVALUATION

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2024

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	<u>2024</u>			<u>2023</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Expenditures:</b>				
General government	\$ 500,000	\$ 204,528	\$ 295,472	\$ 211,983
Revenues over (under) expenditures	(500,000)	(204,528)	295,472	(211,983)
<b>Other Financing Sources (Uses):</b>				
Transfers from (to) other funds				
General Fund	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Net change in fund balance	<u>\$ -</u>	295,472	<u>\$ 295,472</u>	288,017
<b>Fund Balance:</b>				
Fund balance, beginning		<u>635,094</u>		<u>347,077</u>
Fund balance, ending		<u>\$ 930,566</u>		<u>\$ 635,094</u>

## CHATHAM COUNTY, NORTH CAROLINA

## COAL ASH

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2024

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ 10,000	\$ 161,461	\$ 151,461	\$ 98,591
<b>Expenditures:</b>				
General government	1,510,000	-	1,510,000	-
Economic and physical development	1,500,000	18,085	1,481,915	48,923
Cultural and recreational	1,000,000	-	1,000,000	-
Total expenditures	4,010,000	18,085	3,991,915	48,923
Revenues over (under) expenditures	(4,000,000)	143,376	4,143,376	49,668
Appropriated fund balance	4,000,000	-	(4,000,000)	-
Net change in fund balance	\$ -	143,376	\$ 143,376	49,668
<b>Fund Balance:</b>				
Fund balance, beginning		4,854,994		4,805,326
Fund balance, ending		\$ 4,998,370		\$ 4,854,994

## CHATHAM COUNTY, NORTH CAROLINA

## HOUSING TRUST FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCES - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2024

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 26,881	\$ 26,881	\$ 25,701
<b>Expenditures:</b>				
Economic and physical development	850,000	462,956	387,044	694,424
Revenues over (under) expenditures	(850,000)	(436,075)	413,925	(668,723)
<b>Other Financing Sources (Uses):</b>				
Transfers from (to) other funds				
General Fund	650,000	939,859	289,859	918,112
Appropriated fund balance	200,000	-	(200,000)	-
Net change in fund balance	\$ -	503,784	\$ 503,784	249,389
<b>Fund Balance:</b>				
Fund balance, beginning		837,781		588,392
Fund balance, ending		\$ 1,341,565		\$ 837,781

## CHATHAM COUNTY, NORTH CAROLINA

## LAND PRESERVATION FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCES - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2024

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	<u>2024</u>			<u>2023</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Expenditures:</b>				
Economic and physical development	\$ 325,776	\$ -	\$ 325,776	\$ -
Revenues over (under) expenditures	(325,776)	-	325,776	-
<b>Other Financing Sources (Uses):</b>				
Transfers from (to) other funds				
General Fund	<u>325,776</u>	<u>615,635</u>	<u>289,859</u>	<u>968,553</u>
Net change in fund balance	<u>\$ -</u>	<u>615,635</u>	<u>\$ 615,635</u>	<u>968,553</u>
<b>Fund Balance:</b>				
Fund balance, beginning		<u>968,553</u>		<u>-</u>
Fund balance, ending		<u>\$ 1,584,188</u>		<u>\$ 968,553</u>

## CHATHAM COUNTY, NORTH CAROLINA

**LAW ENFORCEMENT SEPARATION ALLOWANCE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023**

	<u>2024</u>			<u>2023</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment earnings	\$ 2,000	\$ 37,150	\$ 35,150	\$ 17,601
Other general revenues	245,000	245,000	-	225,000
Total revenues	<u>247,000</u>	<u>282,150</u>	<u>35,150</u>	<u>242,601</u>
<b>Expenditures:</b>				
Public safety	<u>247,000</u>	<u>151,301</u>	<u>95,699</u>	<u>126,043</u>
Net change in fund balance	<u>\$ -</u>	<u>130,849</u>	<u>\$ 130,849</u>	<u>116,558</u>
<b>Fund Balance:</b>				
Fund balance, beginning		<u>1,067,326</u>		<u>950,768</u>
Fund balance, ending		<u>\$ 1,198,175</u>		<u>\$ 1,067,326</u>

## CHATHAM COUNTY, NORTH CAROLINA

**MAJOR - CAPITAL IMPROVEMENT PROJECT RESERVE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023**

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental:				
Lottery proceeds	\$ 150,000	\$ 638,700	\$ 488,700	\$ 656,640
Investment earnings	125,000	1,413,108	1,288,108	871,292
Total revenues	<u>275,000</u>	<u>2,051,808</u>	<u>1,776,808</u>	<u>1,527,932</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from (to) other funds:				
General Fund	<u>16,940,242</u>	<u>16,940,242</u>	<u>-</u>	<u>16,322,562</u>
Transfers (to) other funds:				
General Fund	(17,503,678)	(17,073,716)	429,962	(15,000,000)
County wide park project	(70,038)	(70,038)	-	(213,292)
School construction project	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,800,261)</u>
Total transfers (to) other funds	<u>(17,573,716)</u>	<u>(17,143,754)</u>	<u>429,962</u>	<u>(17,013,553)</u>
Total other financing sources (uses)	<u>(633,474)</u>	<u>(203,512)</u>	<u>429,962</u>	<u>(690,991)</u>
Appropriated fund balance	<u>358,474</u>	<u>-</u>	<u>(358,474)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>1,848,296</u>	<u>\$ 1,848,296</u>	<u>836,941</u>
<b>Fund Balance:</b>				
Fund balance, beginning		<u>42,991,295</u>		<u>42,154,354</u>
Fund balance, ending		<u>\$ 44,839,591</u>		<u>\$ 42,991,295</u>

## CHATHAM COUNTY, NORTH CAROLINA

MAJOR - FACILITIES IMPROVEMENTS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024

	Project Budget	Actual		Variance Over/Under	
		Prior Years	Current Year		Total
<b>Revenues:</b>					
Investment earnings	\$ -	\$ 883,624	\$ 282,776	\$ 1,166,400	\$ 1,166,400
<b>Expenditures:</b>					
General government:					
Annex renovations	4,063,002	2,944,781	-	2,944,781	1,118,221
Public safety:					
Emergency communication improvements	19,965,236	14,227,781	4,567,300	18,795,081	1,170,155
Emergency operations center	24,233,330	22,305,095	710,323	23,015,418	1,217,912
EMS base	2,104,360	74,052	19,398	93,450	2,010,910
Total public safety	46,302,926	36,606,928	5,297,021	41,903,949	4,398,977
Total county facility construction	50,365,928	39,551,709	5,297,021	44,848,730	5,517,198
Other:					
Education:					
Health sciences building	12,298,608	10,834,555	-	10,834,555	1,464,053
Jail cell blocks	2,800,000	-	-	-	2,800,000
Total education	15,098,608	10,834,555	-	10,834,555	4,264,053
Total expenditures	65,464,536	50,386,264	5,297,021	55,683,285	9,781,251
Revenues over (under) expenditures	(65,464,536)	(49,502,640)	(5,014,245)	(54,516,885)	10,947,651
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds:					
General Fund	4,952,990	4,952,990	-	4,952,990	-
Capital reserve	4,718,262	74,052	1,833,300	1,907,352	(2,810,910)
Capital improvement project reserve	2,653,590	7,151,791	-	7,151,791	4,498,201
Total transfers from other funds	12,324,842	12,178,833	1,833,300	14,012,133	1,687,291
Transfers (to) other funds:					
Capital reserve	(1,961,890)	(1,961,889)	-	(1,961,889)	1
Total transfers from (to) other funds	10,362,952	10,216,944	1,833,300	12,050,244	1,687,292
Issuance of long-term debt (net):					
Limited obligation bonds	53,991,572	32,346,926	-	32,346,926	(21,644,646)
Other debt proceeds	1,110,012	18,151,334	-	18,151,334	17,041,322
Premium on limited obligation bond	-	5,978,194	-	5,978,194	5,978,194
Total proceeds	55,101,584	56,476,454	-	56,476,454	1,374,870
Total other financing sources (uses)	65,464,536	66,693,398	1,833,300	68,526,698	3,062,162
Net change in fund balance	\$ -	\$ 17,190,758	\$ (3,180,945)	\$ 14,009,813	\$ 14,009,813

## CHATHAM COUNTY, NORTH CAROLINA

MAJOR - SCHOOL CONSTRUCTION PROJECT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024

	Project Budget	Actual		Variance Over/Under	
		Prior Years	Current Year		Total
<b>Revenues:</b>					
Intergovernmental:					
State grants	\$ 540,063	\$ 573,683	\$ -	\$ 573,683	\$ 33,620
Investment earnings	-	-	7,462	7,462	7,462
Total revenues	<u>540,063</u>	<u>573,683</u>	<u>7,462</u>	<u>581,145</u>	<u>41,082</u>
<b>Expenditures:</b>					
Education:					
Construction:					
Chatham Grove Elementary School	32,507,081	32,433,176	-	32,433,176	73,905
Margaret Pollard Middle School	2,000,000	-	-	-	2,000,000
Central services facility	<u>16,463,880</u>	<u>17,051,292</u>	<u>242,298</u>	<u>17,293,590</u>	<u>(829,710)</u>
Total construction	<u>50,970,961</u>	<u>49,484,468</u>	<u>242,298</u>	<u>49,726,766</u>	<u>1,244,195</u>
Facility improvements:					
Mobile classrooms	1,331,695	239,512	-	239,512	1,092,183
Paving	189,002	-	-	-	189,002
Indoor bleachers	272,250	-	-	-	272,250
Track resurfacing	474,480	59,459	356,150	415,609	58,871
HVAC	234,605	-	-	-	234,605
Total facility improvements	<u>2,502,032</u>	<u>298,971</u>	<u>356,150</u>	<u>655,121</u>	<u>1,846,911</u>
Total expenditures	<u>53,472,993</u>	<u>49,783,439</u>	<u>598,448</u>	<u>50,381,887</u>	<u>3,091,106</u>
Revenues over (under) expenditures	<u>(52,932,930)</u>	<u>(49,209,756)</u>	<u>(590,986)</u>	<u>(49,800,742)</u>	<u>3,132,188</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from (to) other funds:					
Transfers from other funds:					
Capital improvement project reserve	2,022,343	4,071,832	-	4,071,832	2,049,489
Capital reserve	4,502,032	298,971	598,448	897,419	(3,604,613)
General Fund	-	-	-	-	-
Total	<u>6,524,375</u>	<u>4,370,803</u>	<u>598,448</u>	<u>4,969,251</u>	<u>(1,555,124)</u>
Transfer to other funds:					
CIP debt reserve	<u>(2,022,343)</u>	<u>(2,022,343)</u>	<u>-</u>	<u>(2,022,343)</u>	<u>-</u>
Net transfers	<u>4,502,032</u>	<u>2,348,460</u>	<u>598,448</u>	<u>2,946,908</u>	<u>(1,555,124)</u>
Proceeds from borrowing:					
Limited obligation bonds issued	44,730,980	42,396,812	-	42,396,812	(2,334,168)
Premium on borrowing	<u>3,699,918</u>	<u>6,438,391</u>	<u>-</u>	<u>6,438,391</u>	<u>2,738,473</u>
Total debt obligations issued	<u>48,430,898</u>	<u>48,835,203</u>	<u>-</u>	<u>48,835,203</u>	<u>404,305</u>
Total other financing sources (uses)	<u>52,932,930</u>	<u>51,183,663</u>	<u>598,448</u>	<u>51,782,111</u>	<u>(1,150,819)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,973,907</u>	<u>\$ 7,462</u>	<u>\$ 1,981,369</u>	<u>\$ 1,981,369</u>

## CHATHAM COUNTY, NORTH CAROLINA

MAJOR - AMERICAN RESCUE PLAN  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024

	<u>Project Budget</u>	<u>Prior Years</u>	<u>Actual</u>		<u>Variance Over/Under</u>
			<u>Current Year</u>	<u>Total</u>	
<b>Revenues:</b>					
Restricted intergovernmental	\$ 14,464,924	\$ 10,143,158	\$ 196,139	\$ 10,339,297	\$ (4,125,627)
<b>Expenditures:</b>					
Public safety	<u>4,329,459</u>	<u>75,425</u>	<u>196,139</u>	<u>271,564</u>	<u>4,057,895</u>
Revenues over (under) expenditures	10,135,465	10,067,733	-	10,067,733	(67,732)
<b>Other Financing Sources (Uses):</b>					
Transfer (to) other funds:					
General Fund	<u>(10,135,465)</u>	<u>(10,067,733)</u>	<u>-</u>	<u>(10,067,733)</u>	<u>67,732</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## CHATHAM COUNTY, NORTH CAROLINA

**MAJOR - CAPITAL RESERVE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR  
THE FISCAL YEAR ENDED JUNE 30, 2023**

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ 60,000	\$ 953,852	\$ 893,852	\$ 398,436
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds:				
General Fund	3,482,504	4,132,639	650,135	6,424,205
Capital Projects:				
Facilities improvement	-	-	-	-
Total transfers from other funds	<u>3,482,504</u>	<u>4,132,639</u>	<u>650,135</u>	<u>6,424,205</u>
Transfers to other funds:				
Capital Projects:				
Tech/Improvement project	(1,500,000)	(849,933)	650,067	(143,420)
Facilities improvement	(3,000,000)	(1,833,300)	1,166,700	(463,590)
School construction project	<u>(1,500,000)</u>	<u>(598,448)</u>	<u>901,552</u>	<u>(15,220)</u>
Total transfers to other funds	<u>(6,000,000)</u>	<u>(3,281,681)</u>	<u>2,718,319</u>	<u>(622,230)</u>
Total transfers to (from) other funds	<u>(2,517,496)</u>	<u>850,958</u>	<u>3,368,454</u>	<u>5,801,975</u>
Appropriated fund balance	<u>2,457,496</u>	-	<u>(2,457,496)</u>	-
Net change in fund balance	<u>\$ -</u>	<u>1,804,810</u>	<u>\$ 1,804,810</u>	<u>6,200,411</u>
<b>Fund Balance:</b>				
Fund balance, beginning		<u>25,143,486</u>		<u>18,943,075</u>
Fund balance, ending		<u>\$ 26,948,296</u>		<u>\$ 25,143,486</u>

**NONMAJOR GOVERNMENTAL FUNDS**

## CHATHAM COUNTY, NORTH CAROLINA

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

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Project Funds</b>	<b>Total Nonmajor Governmental Funds</b>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets:</b>			
Cash, cash equivalents, and investments	\$ 11,715,250	\$ 3,290,103	\$ 15,005,353
Property taxes receivable, net of allowance	160,031	-	160,031
Due from other governmental agencies	162,863	-	162,863
Other receivables	77,312	731	78,043
Total assets	<u>\$ 12,115,456</u>	<u>\$ 3,290,834</u>	<u>\$ 15,406,290</u>
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	<u>\$ 77,928</u>	<u>\$ 53,724</u>	<u>\$ 131,652</u>
<b>Deferred Inflows of Resources:</b>			
Prepaid taxes	134	-	134
Taxes receivable	<u>160,031</u>	<u>-</u>	<u>160,031</u>
Total deferred inflows of resources	<u>160,165</u>	<u>-</u>	<u>160,165</u>
<b>Fund Balances:</b>			
Restricted:			
Stabilization by state statute	399,910	1,385,358	1,785,268
Courthouse clock	75,067	-	75,067
Emergency telephone	211,818	-	211,818
Human Services	118,657	-	118,657
Fire protection	460,286	-	460,286
Law enforcement	414,605	-	414,605
Economic and physical development	15,830	-	15,830
Assigned:			
Education	8,216,701	-	8,216,701
Public safety	-	133,777	133,777
Cultural and recreation	1,964,489	2,054,072	4,018,561
Unassigned	<u>-</u>	<u>(336,097)</u>	<u>(336,097)</u>
Total fund balances	<u>11,877,363</u>	<u>3,237,110</u>	<u>15,114,473</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12,115,456</u>	<u>\$ 3,290,834</u>	<u>\$ 15,406,290</u>

## CHATHAM COUNTY, NORTH CAROLINA

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

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Project Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 15,317,237	\$ -	\$ 15,317,237
Restricted intergovernmental	1,024,011	-	1,024,011
Permits and fees	2,239,234	-	2,239,234
Investment earnings	430,841	4,283	435,124
Total revenues	<u>19,011,323</u>	<u>4,283</u>	<u>19,015,606</u>
<b>Expenditures:</b>			
General government	-	823,815	823,815
Public safety	16,056,426	-	16,056,426
Human services	220,070	-	220,070
Cultural and recreational	-	441,291	441,291
Education	277,365	-	277,365
Total expenditures	<u>16,553,861</u>	<u>1,265,106</u>	<u>17,818,967</u>
Revenues over (under) expenditures	<u>2,457,462</u>	<u>(1,260,823)</u>	<u>1,196,639</u>
<b>Other Financing Sources (Uses):</b>			
Transfers from other funds	-	1,262,648	1,262,648
Transfers (to) other funds	(2,837,319)	-	(2,837,319)
Total	<u>(2,837,319)</u>	<u>1,262,648</u>	<u>(1,574,671)</u>
Net change in fund balances	(379,857)	1,825	(378,032)
<b>Fund Balances:</b>			
Fund balances, beginning	12,257,220	3,235,285	15,492,505
Fund balances, ending	<u>\$ 11,877,363</u>	<u>\$ 3,237,110</u>	<u>\$ 15,114,473</u>

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## NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of special revenue sources that are legally restricted to expenditures for specific purposes.

### Individual Fund Descriptions:

- **Emergency Telephone System Fund** – Accounts for the activities of a County-wide emergency telephone service funded by telephone company line charges.
- **Forfeited Property** – Accounts for revenues received from federal and state law enforcement agencies as a result of property confiscations through court convictions of criminal activities. These funds must be used by the County for law enforcement purposes.
- **Recreation – Payment in Lieu** – Accounts for an additional fee charged to developers of new subdivision lots (except family subdivisions) within the County. Recreation fees are used to offset the cost of recreational facilities within the district that the subdivision is located.
- **Bynum Canoe Access/Easement Monitoring** – Accounts for the funds received from Triangle Land Conservancy to aid in the maintenance and upkeep of the Haw River canoe access and fund received from Mid-Atlantic Mitigation, LLC at the request of the Soil and Water Conservation District for easement monitoring.
- **Impact Fees** - Accounts for an additional fee charged on all building permits issued for the construction of new dwellings. Impact fees collected are to be used to offset a portion of the cost of new school construction
- **Courthouse Clock** – Accounts for monies held for maintenance of the courthouse clock.
- **Library Foundation** – Accounts for the money received to aid in financing library capital and other expenses.
- **Representative Payee** – This fund accounts for the monies of indigents for which the county Department of Social Services acts as an agent.
- **Fines and Forfeitures** – This fund accounts for fines and forfeitures collected by the County that are required to be remitted to the Chatham County Board of Education.
- **Special Fire Districts** – Accounts for the property tax revenues received and distributed to the fire districts within the County.

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL REVENUE FUNDS - NONMAJOR FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2024

	Emergency Telephone System Fund	Forfeited Property	Impact Fee	Recreation Payment In Lieu	Bynum Canoe Access/ Easement Monitoring	Courthouse Clock
<b>Assets:</b>						
Cash, cash equivalents, and investments	\$ 373,427	\$ 418,069	\$ 8,196,026	\$ 1,950,733	\$ 15,830	\$ 75,067
Property taxes receivable, net	-	-	-	-	-	-
Due from other governmental agencies	44,777	-	-	-	-	-
Other receivables	1,986	2,277	58,775	11,748	86	410
Total assets	<u>\$ 420,190</u>	<u>\$ 420,346</u>	<u>\$ 8,254,801</u>	<u>\$ 1,962,481</u>	<u>\$ 15,916</u>	<u>\$ 75,477</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>						
<b>Liabilities:</b>						
Accounts payable and accrued liabilities	\$ 1,874	\$ 3,464	\$ -	\$ -	\$ -	\$ -
<b>Deferred Inflows of Resources:</b>						
Prepaid taxes	-	-	-	-	-	-
Taxes receivable	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
<b>Fund Balances:</b>						
Restricted:						
Stabilization by state statute	206,498	2,277	58,775	11,748	86	410
Courthouse clock	-	-	-	-	-	75,067
Emergency telephone	211,818	-	-	-	-	-
Economic and physical development	-	-	-	-	15,830	-
Health services	-	-	-	-	-	-
Fire protection	-	-	-	-	-	-
Law enforcement	-	414,605	-	-	-	-
Assigned:						
Education	-	-	8,196,026	-	-	-
Cultural and recreation	-	-	-	1,950,733	-	-
Total fund balances	<u>418,316</u>	<u>416,882</u>	<u>8,254,801</u>	<u>1,962,481</u>	<u>15,916</u>	<u>75,477</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 420,190</u>	<u>\$ 420,346</u>	<u>\$ 8,254,801</u>	<u>\$ 1,962,481</u>	<u>\$ 15,916</u>	<u>\$ 75,477</u>

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL REVENUE FUNDS - NONMAJOR FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2024

	<u>Library Foundation</u>	<u>Special Fire Districts</u>	<u>Representative Payee</u>	<u>Fines and Forfeitures</u>	<u>Total</u>
<b>Assets:</b>					
Cash, cash equivalents, and investments	\$ 13,756	\$ 460,420	\$ 118,657	\$ 93,265	\$ 11,715,250
Property taxes receivable, net	-	160,031	-	-	160,031
Due from other governmental agencies	-	118,086	-	-	162,863
Other receivables	75	1,955	-	-	77,312
Total assets	<u>\$ 13,831</u>	<u>\$ 740,492</u>	<u>\$ 118,657</u>	<u>\$ 93,265</u>	<u>\$ 12,115,456</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 72,590	\$ 77,928
<b>Deferred Inflows of Resources:</b>					
Prepaid taxes	-	134	-	-	134
Taxes receivable	-	160,031	-	-	160,031
Total deferred inflows of resources	<u>-</u>	<u>160,165</u>	<u>-</u>	<u>-</u>	<u>160,165</u>
<b>Fund Balances:</b>					
Restricted:					
Stabilization by state statute	75	120,041	-	-	399,910
Courthouse clock	-	-	-	-	75,067
Emergency telephone	-	-	-	-	211,818
Economic and physical development	-	-	-	-	15,830
Health services	-	-	118,657	-	118,657
Fire protection	-	460,286	-	-	460,286
Law enforcement	-	-	-	-	414,605
Assigned:					
Education	-	-	-	20,675	8,216,701
Cultural and recreation	13,756	-	-	-	1,964,489
Total fund balances	<u>13,831</u>	<u>580,327</u>	<u>118,657</u>	<u>20,675</u>	<u>11,877,363</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 13,831</u>	<u>\$ 740,492</u>	<u>\$ 118,657</u>	<u>\$ 93,265</u>	<u>\$ 12,115,456</u>

CHATHAM COUNTY, NORTH CAROLINA

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

	Emergency Telephone System Fund	Forfeited Property	Impact Fee	Recreation Payment In Lieu	Bynum Canoe Access/ Easement Monitoring	Courthouse Clock
<b>Revenues:</b>						
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental	340,630	180,216	-	-	-	-
Permits and fees	-	-	2,004,900	234,334	-	-
Investment earnings	12,528	11,430	315,223	66,982	507	2,403
Total revenues	<u>353,158</u>	<u>191,646</u>	<u>2,320,123</u>	<u>301,316</u>	<u>507</u>	<u>2,403</u>
<b>Expenditures:</b>						
Public safety	345,316	75,709	-	-	-	-
Human services	-	-	-	-	-	-
Education	-	-	-	-	-	-
Total expenditures	<u>345,316</u>	<u>75,709</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	7,842	115,937	2,320,123	301,316	507	2,403
<b>Other Financing Sources (Uses):</b>						
Transfers (to) other funds	<u>(17,338)</u>	<u>-</u>	<u>(2,603,131)</u>	<u>(216,850)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(9,496)	115,937	(283,008)	84,466	507	2,403
<b>Fund Balances:</b>						
Fund balances, beginning	<u>427,812</u>	<u>300,945</u>	<u>8,537,809</u>	<u>1,878,015</u>	<u>15,409</u>	<u>73,074</u>
Fund balances, ending	<u>\$ 418,316</u>	<u>\$ 416,882</u>	<u>\$ 8,254,801</u>	<u>\$ 1,962,481</u>	<u>\$ 15,916</u>	<u>\$ 75,477</u>

CHATHAM COUNTY, NORTH CAROLINA

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

	<u>Library Foundation</u>	<u>Special Fire Districts</u>	<u>Representative Payee</u>	<u>Fines and Forfeitures</u>	<u>Total</u>
<b>Revenues:</b>					
Ad valorem taxes	\$ -	\$ 15,317,237	\$ -	\$ -	\$ 15,317,237
Restricted intergovernmental	-	-	225,800	277,365	1,024,011
Permits and fees	-	-	-	-	2,239,234
Investment earnings	440	21,328	-	-	430,841
Total revenues	<u>440</u>	<u>15,338,565</u>	<u>225,800</u>	<u>277,365</u>	<u>19,011,323</u>
<b>Expenditures:</b>					
Public safety	-	15,635,401	-	-	16,056,426
Human services	-	-	220,070	-	220,070
Education	-	-	-	277,365	277,365
Total expenditures	<u>-</u>	<u>15,635,401</u>	<u>220,070</u>	<u>277,365</u>	<u>16,553,861</u>
Revenues over (under) expenditures	440	(296,836)	5,730	-	2,457,462
<b>Other Financing Sources (Uses):</b>					
Transfers (to) other funds	-	-	-	-	(2,837,319)
Net change in fund balances	440	(296,836)	5,730	-	(379,857)
<b>Fund Balances:</b>					
Fund balances, beginning	<u>13,391</u>	<u>877,163</u>	<u>112,927</u>	<u>20,675</u>	<u>12,257,220</u>
Fund balances, ending	<u>\$ 13,831</u>	<u>\$ 580,327</u>	<u>\$ 118,657</u>	<u>\$ 20,675</u>	<u>\$ 11,877,363</u>

## CHATHAM COUNTY, NORTH CAROLINA

**EMERGENCY TELEPHONE SYSTEM FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR  
THE FISCAL YEAR ENDED JUNE 30, 2023**

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental:				
E-911 telephone grant	\$ -	\$ (196,690)	\$ (196,690)	\$ 196,690
Service fee collections	539,296	537,320	(1,976)	423,372
Investment earnings	1,000	12,528	11,528	7,126
Total revenues	<u>540,296</u>	<u>353,158</u>	<u>(187,138)</u>	<u>627,188</u>
<b>Expenditures:</b>				
Public safety:	<u>643,886</u>	<u>345,316</u>	<u>298,570</u>	<u>675,271</u>
Revenues over (under) expenditures	(103,590)	7,842	111,432	(48,083)
<b>Other Financing Sources (Uses):</b>				
Transfers from (to) other funds:				
General Fund	-	(17,338)	(17,338)	27,218
Appropriated fund balance	<u>103,590</u>	<u>-</u>	<u>(103,590)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(9,496)</u>	<u>\$ (9,496)</u>	<u>(20,865)</u>
<b>Fund Balance:</b>				
Fund balance, beginning		<u>427,812</u>		<u>448,677</u>
Fund balance, ending		<u>\$ 418,316</u>		<u>\$ 427,812</u>

## CHATHAM COUNTY, NORTH CAROLINA

**FORFEITED PROPERTY/CONTROLLED SUBSTANCE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR  
THE FISCAL YEAR ENDED JUNE 30, 2023**

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Controlled Substance:</b>				
Revenues:				
Restricted intergovernmental:				
Controlled substance tax	\$ -	\$ 8,317	\$ 8,317	\$ 42,302
Investment earnings	-	3,772	3,772	3,777
Total revenues	-	12,089	12,089	46,079
<b>Expenditures:</b>				
Public safety:				
Operating expenditures	80,000	22,808	57,192	1,646
Revenues over (under) expenditures	(80,000)	(10,719)	69,281	44,433
Appropriated fund balance	80,000	-	(80,000)	-
Net change in fund balance	\$ -	(10,719)	\$ (10,719)	44,433
<b>Fund Balance:</b>				
Fund balance, beginning		149,967		105,534
Fund balance, ending		\$ 139,248		\$ 149,967
<b>Drug Forfeiture:</b>				
Revenues:				
Restricted intergovernmental:				
Drug forfeiture	\$ -	\$ 171,899	\$ 171,899	\$ 54,544
Investment earnings	1,000	7,658	6,658	3,777
Total revenues	1,000	179,557	178,557	58,321
<b>Expenditures:</b>				
Public safety:				
Operating expenditures	91,000	52,901	38,099	225,222
Revenues over (under) expenditures	(90,000)	126,656	216,656	(166,901)
Appropriated fund balance	90,000	-	(90,000)	-
Net change in fund balance	\$ -	126,656	\$ 126,656	(166,901)
<b>Fund Balance:</b>				
Fund balance, beginning		150,978		317,879
Fund balance, ending		\$ 277,634		\$ 150,978
Total fund balance - controlled substance/drug forfeiture		\$ 416,882		\$ 300,945

## CHATHAM COUNTY, NORTH CAROLINA

RECREATION - PAYMENT IN LIEU  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2024  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR  
 THE FISCAL YEAR ENDED JUNE 30, 2023

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Permits and fees	\$ 278,000	\$ 234,334	\$ (43,666)	\$ 39,326
Investment earnings	3,000	66,982	63,982	42,031
Total revenues	<u>281,000</u>	<u>301,316</u>	<u>20,316</u>	<u>81,357</u>
<b>Expenditures:</b>				
Cultural and recreational	<u>294,150</u>	<u>-</u>	<u>294,150</u>	<u>-</u>
Revenues over (under) expenditures	(13,150)	301,316	314,466	81,357
<b>Other Financing Sources (Uses):</b>				
Transfers from (to) other funds:				
County-Wide Park project	(216,850)	(216,850)	-	(69,882)
Appropriated fund balance	<u>230,000</u>	<u>-</u>	<u>(230,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	84,466	<u>\$ 84,466</u>	11,475
<b>Fund Balance:</b>				
Fund balance, beginning		<u>1,878,015</u>		<u>1,866,540</u>
Fund balance, ending		<u>\$ 1,962,481</u>		<u>\$ 1,878,015</u>

## CHATHAM COUNTY, NORTH CAROLINA

**BYNUM CANOE ACCESS/EASEMENT MONITORING  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR  
THE FISCAL YEAR ENDED JUNE 30, 2023**

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ 50	\$ 507	\$ 457	\$ 308
<b>Expenditures:</b>				
Cultural and recreational	<u>8,575</u>	<u>-</u>	<u>8,575</u>	<u>-</u>
Revenues over (under) expenditures	(8,525)	507	9,032	308
Appropriated fund balance	<u>8,525</u>	<u>-</u>	<u>(8,525)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>507</u>	<u>\$ 507</u>	<u>308</u>
<b>Fund Balance:</b>				
Fund balance, beginning		<u>15,409</u>		<u>15,101</u>
Fund balance, ending		<u>\$ 15,916</u>		<u>\$ 15,409</u>

## CHATHAM COUNTY, NORTH CAROLINA

## IMPACT FEES

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2024

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental				
Permits and fees	\$ 2,850,000	\$ 2,004,900	\$ (845,100)	\$ 2,361,925
Investment earnings	<u>30,000</u>	<u>315,223</u>	<u>285,223</u>	<u>220,121</u>
Total revenues	<u>2,880,000</u>	<u>2,320,123</u>	<u>(559,877)</u>	<u>2,582,046</u>
<b>Expenditures:</b>				
Education	<u>673,200</u>	<u>-</u>	<u>673,200</u>	<u>-</u>
Revenues over (under) expenditures	2,206,800	2,320,123	113,323	2,582,046
<b>Other Financing Sources (Uses):</b>				
Transfer to other funds:				
General Fund	(3,788,100)	(2,603,131)	1,184,969	(1,788,100)
Appropriated fund balance	<u>1,581,300</u>	<u>-</u>	<u>(1,581,300)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(283,008)</u>	<u>\$ (283,008)</u>	793,946
<b>Fund Balance:</b>				
Fund balance, beginning		<u>8,537,809</u>		<u>7,743,863</u>
Fund balance, ending		<u>\$ 8,254,801</u>		<u>\$ 8,537,809</u>

## CHATHAM COUNTY, NORTH CAROLINA

**COURTHOUSE CLOCK  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR  
THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>2024</u>			<u>2023</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 2,403	\$ 2,403	\$ 1,461
<b>Expenditures:</b>				
General government	<u>65,000</u>	<u>-</u>	<u>65,000</u>	<u>-</u>
Revenues over (under) expenditures	<u>(65,000)</u>	<u>2,403</u>	<u>67,403</u>	<u>1,461</u>
Appropriated fund balance	65,000	-	(65,000)	-
Net change in fund balance	<u>\$ -</u>	<u>2,403</u>	<u>\$ 2,403</u>	<u>1,461</u>
<b>Fund Balance:</b>				
Fund balance, beginning		<u>73,074</u>		<u>71,613</u>
Fund balance, ending		<u>\$ 75,477</u>		<u>\$ 73,074</u>

## CHATHAM COUNTY, NORTH CAROLINA

**LIBRARY FOUNDATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2024**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR**  
**THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>2024</u>			<u>2023</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment earnings	\$ 50	\$ 440	\$ 390	\$ 268
<b>Expenditures:</b>				
Cultural and recreational	<u>10,700</u>	<u>-</u>	<u>10,700</u>	<u>-</u>
Revenues over (under) expenditures	(10,650)	440	11,090	268
Appropriated fund balance	<u>10,650</u>	<u>-</u>	<u>(10,650)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	440	<u>\$ 440</u>	268
<b>Fund Balance:</b>				
Fund balance, beginning		<u>13,391</u>		<u>13,123</u>
Fund balance, ending		<u>\$ 13,831</u>		<u>\$ 13,391</u>

## CHATHAM COUNTY, NORTH CAROLINA

**REPRESENTATIVE PAYEE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2024**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR**  
**THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>2024</u>			<u>2023</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Restricted intergovernmental	\$ 400,000	\$ 225,800	\$ (174,200)	\$ 264,399
<b>Expenditures:</b>				
Human services	<u>400,000</u>	<u>220,070</u>	<u>179,930</u>	<u>215,054</u>
Net change in fund balance	<u>\$ -</u>	<u>5,730</u>	<u>\$ 5,730</u>	<u>49,345</u>
<b>Fund Balance:</b>				
Fund balances, beginning		<u>112,927</u>		<u>63,582</u>
Fund balances, ending		<u>\$ 118,657</u>		<u>\$ 112,927</u>

## CHATHAM COUNTY, NORTH CAROLINA

**FINES AND FORFIETURES**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2024**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR**  
**THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>2024</u>			<u>2023</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Restricted intergovernmental	\$ 290,000	\$ 277,365	\$ (12,635)	\$ 270,894
<b>Expenditures:</b>				
Education	<u>290,000</u>	<u>277,365</u>	<u>12,635</u>	<u>270,894</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
<b>Fund Balance:</b>				
Fund balances, beginning		<u>20,675</u>		<u>20,675</u>
Fund balances, ending		<u>\$ 20,675</u>		<u>\$ 20,675</u>

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CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING BALANCE SHEET  
JUNE 30, 2024

	<u>Combined</u>	<u>Bell's Annex</u>	<u>Bennett</u>	<u>Bonlee</u>	<u>Central Chatham</u>	<u>Circle City</u>	<u>Goldston</u>
<b>Assets:</b>							
Cash, cash equivalents, and investments	\$ 460,420	\$ 14,768	\$ 11,913	\$ 20,098	\$ 43,871	\$ 79,313	\$ 15,819
Property taxes receivable, net	160,031	2,337	2,592	8,755	17,445	23,155	8,288
Due from other governments	118,086	2,244	3,574	3,150	6,548	17,125	4,627
Other receivables	1,955	70	48	94	204	360	65
Total assets	<u>\$ 740,492</u>	<u>\$ 19,419</u>	<u>\$ 18,127</u>	<u>\$ 32,097</u>	<u>\$ 68,068</u>	<u>\$ 119,953</u>	<u>\$ 28,799</u>
<b>Deferred Inflows of Resources and Fund Balances:</b>							
<b>Deferred Inflows of Resources:</b>							
Property taxes receivable	160,031	2,337	2,592	8,755	17,445	23,155	8,288
Prepaid taxes	134	-	5	-	-	129	-
Total deferred inflows of resources	<u>160,165</u>	<u>2,337</u>	<u>2,597</u>	<u>8,755</u>	<u>17,445</u>	<u>23,284</u>	<u>8,288</u>
<b>Fund Balances:</b>							
Restricted:							
Stabilization by state statute	120,041	2,314	3,622	3,244	6,752	17,485	4,692
Fire protection	460,286	14,768	11,908	20,098	43,871	79,184	15,819
Total fund balances	<u>580,327</u>	<u>17,082</u>	<u>15,530</u>	<u>23,342</u>	<u>50,623</u>	<u>96,669</u>	<u>20,511</u>
Total deferred inflows of resources and fund balances	<u>\$ 740,492</u>	<u>\$ 19,419</u>	<u>\$ 18,127</u>	<u>\$ 32,097</u>	<u>\$ 68,068</u>	<u>\$ 119,953</u>	<u>\$ 28,799</u>

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING BALANCE SHEET  
JUNE 30, 2024

	<u>Hope</u>	<u>Moncure</u>	<u>North Chatham</u>	<u>Parkwood</u>	<u>Staley</u>	<u>Northview</u>
<b>Assets:</b>						
Cash, cash equivalents, and investments	\$ 23,626	\$ 26,148	\$ 156,557	\$ 64,740	\$ 1,873	\$ 1,694
Property taxes receivable, net	14,498	31,129	49,022	1,285	954	571
Due from other governments	5,174	6,631	65,110	2,523	940	440
Other receivables	98	107	554	341	7	7
Total assets	<u>\$ 43,396</u>	<u>\$ 64,015</u>	<u>\$ 271,243</u>	<u>\$ 68,889</u>	<u>\$ 3,774</u>	<u>\$ 2,712</u>
<b>Deferred Inflows of Resources and Fund Balances:</b>						
<b>Deferred Inflows of Resources:</b>						
Property taxes receivable	14,498	31,129	49,022	1,285	954	571
Prepaid taxes	-	-	-	-	-	-
Total deferred inflows of resources	<u>14,498</u>	<u>31,129</u>	<u>49,022</u>	<u>1,285</u>	<u>954</u>	<u>571</u>
<b>Fund Balances:</b>						
Restricted:						
Stabilization by state statute	5,272	6,738	65,664	2,864	947	447
Fire protection	23,626	26,148	156,557	64,740	1,873	1,694
Total fund balances	<u>28,898</u>	<u>32,886</u>	<u>222,221</u>	<u>67,604</u>	<u>2,820</u>	<u>2,141</u>
Total deferred inflows of resources and fund balances	<u>\$ 43,396</u>	<u>\$ 64,015</u>	<u>\$ 271,243</u>	<u>\$ 68,889</u>	<u>\$ 3,774</u>	<u>\$ 2,712</u>

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Combined Special Fire Districts</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 14,900,109	\$ 15,317,237	\$ 417,128
Investment earnings	-	21,328	21,328
Total revenues	<u>14,900,109</u>	<u>15,338,565</u>	<u>438,456</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	15,495,123	15,495,123	-
Commissions	160,667	140,278	20,389
Total expenditures	<u>15,655,790</u>	<u>15,635,401</u>	<u>20,389</u>
Revenues over (under) expenditures	(755,681)	(296,836)	458,845
Appropriated fund balance	<u>755,681</u>	<u>-</u>	<u>(755,681)</u>
Net change in fund balance	<u>\$ -</u>	<u>(296,836)</u>	<u>\$ (296,836)</u>
<b>Fund Balances:</b>			
Fund balance, beginning		<u>877,163</u>	
Fund balance, ending		<u>\$ 580,327</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024

	<b>Bells Annex Fire District</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 222,115	\$ 235,567	\$ 13,452
Investment earnings	-	321	321
Total revenues	<u>222,115</u>	<u>235,888</u>	<u>13,773</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	219,713	219,713	-
Commissions	<u>2,402</u>	<u>2,142</u>	<u>260</u>
Total expenditures	<u>222,115</u>	<u>221,855</u>	<u>260</u>
Revenues over (under) expenditures	-	14,033	14,033
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>14,033</u>	<u>\$ 14,033</u>
<b>Fund Balances:</b>			
Fund balance, beginning		<u>3,049</u>	
Fund balance, ending		<u>\$ 17,082</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024

	<b>Bennett Fire District</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 195,295	\$ 204,795	\$ 9,500
Investment earnings	-	415	415
Total revenues	<u>195,295</u>	<u>205,210</u>	<u>9,915</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	210,560	210,560	-
Commissions	2,269	1,700	569
Total expenditures	<u>212,829</u>	<u>212,260</u>	<u>569</u>
Revenues over (under) expenditures	(17,534)	(7,050)	10,484
Appropriated fund balance	<u>17,534</u>	<u>-</u>	<u>(17,534)</u>
Net change in fund balance	<u>\$ -</u>	<u>(7,050)</u>	<u>\$ (7,050)</u>
<b>Fund Balances:</b>			
Fund balance, beginning		<u>22,580</u>	
Fund balance, ending		<u>\$ 15,530</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024

	<b>Bonlee Fire District</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 277,832	\$ 286,828	\$ 8,996
Investment earnings	-	543	543
Total revenues	<u>277,832</u>	<u>287,371</u>	<u>9,539</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	283,369	283,369	-
Commissions	<u>3,072</u>	<u>2,521</u>	<u>551</u>
Total expenditures	<u>286,441</u>	<u>285,890</u>	<u>551</u>
Revenues over (under) expenditures	(8,609)	1,481	10,090
Appropriated fund balance	<u>8,609</u>	<u>-</u>	<u>(8,609)</u>
Net change in fund balance	<u>\$ -</u>	<u>1,481</u>	<u>\$ 1,481</u>
<b>Fund Balances:</b>			
Fund balance, beginning		<u>21,861</u>	
Fund balance, ending		<u>\$ 23,342</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Central Chatham Fire District</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 504,420	\$ 549,728	\$ 45,308
Investment earnings	-	1,216	1,216
Total revenues	<u>504,420</u>	<u>550,944</u>	<u>46,524</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	544,115	544,115	-
Commissions	5,688	4,728	960
Total expenditures	<u>549,803</u>	<u>548,843</u>	<u>960</u>
Revenues over (under) expenditures	(45,383)	2,101	47,484
Appropriated fund balance	<u>45,383</u>	-	<u>(45,383)</u>
Net change in fund balance	<u>\$ -</u>	2,101	<u>\$ 2,101</u>
<b>Fund Balances:</b>			
Fund balance, beginning		<u>48,522</u>	
Fund balance, ending		<u>\$ 50,623</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024

	Circle City Fire District		
	Final Budget	Actual	Variance Over/Under
<b>Revenues:</b>			
Ad valorem taxes	\$ 2,054,648	\$ 2,111,724	\$ 57,076
Investment earnings	-	3,388	3,388
Total revenues	<u>2,054,648</u>	<u>2,115,112</u>	<u>60,464</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	2,134,157	2,134,157	-
Commissions	22,115	19,396	2,719
Total expenditures	<u>2,156,272</u>	<u>2,153,553</u>	<u>2,719</u>
Revenues over (under) expenditures	(101,624)	(38,441)	63,183
Appropriated fund balance	<u>101,624</u>	<u>-</u>	<u>(101,624)</u>
Net change in fund balance	<u>\$ -</u>	<u>(38,441)</u>	<u>\$ (38,441)</u>
<b>Fund Balances:</b>			
Fund balance, beginning		<u>135,110</u>	
Fund balance, ending		<u>\$ 96,669</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Goldston Fire District</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 377,855	\$ 399,513	\$ 21,658
Investment earnings	-	558	558
Total revenues	<u>377,855</u>	<u>400,071</u>	<u>22,216</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	402,002	402,002	-
Commissions	4,238	3,515	723
Total expenditures	<u>406,240</u>	<u>405,517</u>	<u>723</u>
Revenues over (under) expenditures	(28,385)	(5,446)	22,939
Appropriated fund balance	<u>28,385</u>	<u>-</u>	<u>(28,385)</u>
Net change in fund balance	<u>\$ -</u>	<u>(5,446)</u>	<u>\$ (5,446)</u>
<b>Fund Balances:</b>			
Fund balance, beginning		<u>25,957</u>	
Fund balance, ending		<u>\$ 20,511</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Hope Fire District</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 587,805	\$ 623,158	\$ 35,353
Investment earnings	-	799	799
Total revenues	<u>587,805</u>	<u>623,957</u>	<u>36,152</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	618,241	618,241	-
Commissions	6,495	5,533	962
Total expenditures	<u>624,736</u>	<u>623,774</u>	<u>962</u>
Revenues over (under) expenditures	(36,931)	183	37,114
Appropriated fund balance	<u>36,931</u>	<u>-</u>	<u>(36,931)</u>
Net change in fund balance	<u>\$ -</u>	<u>183</u>	<u>\$ 183</u>
<b>Fund Balances:</b>			
Fund balance, beginning		<u>28,715</u>	
Fund balance, ending		<u>\$ 28,898</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024

	<b>Moncure Fire District</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 1,102,170	\$ 1,102,962	\$ 792
Investment earnings	-	2,167	2,167
Total revenues	<u>1,102,170</u>	<u>1,105,129</u>	<u>2,959</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	1,180,126	1,180,126	-
Commissions	11,629	10,360	1,269
Total expenditures	<u>1,191,755</u>	<u>1,190,486</u>	<u>1,269</u>
Revenues over (under) expenditures	(89,585)	(85,357)	4,228
Appropriated fund balance	<u>89,585</u>	<u>-</u>	<u>(89,585)</u>
Net change in fund balance	<u>\$ -</u>	<u>(85,357)</u>	<u>\$ (85,357)</u>
<b>Fund Balances:</b>			
Fund balance, beginning		<u>118,243</u>	
Fund balance, ending		<u>\$ 32,886</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024

	<u>North Chatham Fire District</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 9,083,939	\$ 9,286,357	\$ 202,418
Investment earnings	-	9,868	9,868
Total revenues	<u>9,083,939</u>	<u>9,296,225</u>	<u>212,286</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	9,388,015	9,388,015	-
Commissions	97,481	85,620	11,861
Total expenditures	<u>9,485,496</u>	<u>9,473,635</u>	<u>11,861</u>
Revenues over (under) expenditures	(401,557)	(177,410)	224,147
Appropriated fund balance	<u>401,557</u>	-	<u>(401,557)</u>
Net change in fund balance	<u>\$ -</u>	(177,410)	<u>\$ (177,410)</u>
<b>Fund Balances:</b>			
Fund balance, beginning		<u>399,631</u>	
Fund balance, ending		<u>\$ 222,221</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024

	<b>Parkwood Fire District</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 394,438	\$ 410,201	\$ 15,763
Investment earnings	-	1,911	1,911
Total revenues	<u>394,438</u>	<u>412,112</u>	<u>17,674</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	409,016	409,016	-
Commissions	4,162	3,839	323
Total expenditures	<u>413,178</u>	<u>412,855</u>	<u>323</u>
Revenues over (under) expenditures	(18,740)	(743)	17,997
Appropriated fund balance	<u>18,740</u>	<u>-</u>	<u>(18,740)</u>
Net change in fund balance	<u>\$ -</u>	<u>(743)</u>	<u>\$ (743)</u>
<b>Fund Balances:</b>			
Fund balance, beginning		<u>68,347</u>	
Fund balance, ending		<u>\$ 67,604</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Staley Fire District</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 59,869	\$ 65,699	\$ 5,830
Investment earnings	-	73	73
Total revenues	<u>59,869</u>	<u>65,772</u>	<u>5,903</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	64,201	64,201	-
Commissions	682	559	123
Total expenditures	<u>64,883</u>	<u>64,760</u>	<u>123</u>
Revenues over (under) expenditures	(5,014)	1,012	6,026
Appropriated fund balance	<u>5,014</u>	-	<u>(5,014)</u>
Net change in fund balance	<u>\$ -</u>	1,012	<u>\$ 1,012</u>
<b>Fund Balances:</b>			
Fund balance, beginning		<u>1,808</u>	
Fund balance, ending		<u>\$ 2,820</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Northview Fire District</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 39,723	\$ 40,705	\$ 982
Investment earnings	-	69	69
Total revenues	<u>39,723</u>	<u>40,774</u>	<u>1,051</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	41,608	41,608	-
Commissions	434	365	69
Total expenditures	<u>42,042</u>	<u>41,973</u>	<u>69</u>
Revenues over (under) expenditures	(2,319)	(1,199)	1,120
Appropriated fund balance	<u>2,319</u>	-	<u>(2,319)</u>
Net change in fund balance	<u>\$ -</u>	(1,199)	<u>\$ (1,199)</u>
<b>Fund Balances:</b>			
Fund balance, beginning		<u>3,340</u>	
Fund balance, ending		<u>\$ 2,141</u>	

## NONMAJOR CAPITAL PROJECT FUNDS

The Capital Projects Funds are used to account for the acquisition and construction of major capital and capital facilities other than those financed by the proprietary funds and trust funds.

### Individual Fund Descriptions:

- **County-Wide Park Projects** – Accounts for the financing and construction of parks for the recreational use of residents of the County.
- **Tech/System Improvement Project Computer System** – Accounts for the funds used to purchase financial software for the County and to fund upgrades to the County's computer systems.
- **Emergency Vehicle Replacement Capital Reserve Project** – Accounts for the accumulation of funds to assist local rescue squads with the purchase of emergency vehicles.

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## CHATHAM COUNTY, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2024

	<b>Emergency Vehicle Replacement Capital Reserve Project</b>	<b>Tech/System Improvements Projects</b>	<b>County-wide Park Projects</b>	<b>Total</b>
<b>Assets:</b>				
Cash, cash equivalents, and investments	\$ 133,777	\$ 278,365	\$ 2,877,961	\$ 3,290,103
Other receivables	731	-	-	731
Total assets	<u>\$ 134,508</u>	<u>\$ 278,365</u>	<u>\$ 2,877,961</u>	<u>\$ 3,290,834</u>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,724</u>	<u>\$ 53,724</u>
<b>Fund Balances:</b>				
Restricted:				
Stabilization by state statute	731	614,462	770,165	1,385,358
Assigned:				
Public safety	133,777	-	-	133,777
Recreation	-	-	2,054,072	2,054,072
Unassigned:	-	(336,097)	-	(336,097)
Total fund balances	<u>134,508</u>	<u>278,365</u>	<u>2,824,237</u>	<u>3,237,110</u>
Total liabilities and fund balances	<u>\$ 134,508</u>	<u>\$ 278,365</u>	<u>\$ 2,877,961</u>	<u>\$ 3,290,834</u>

## CHATHAM COUNTY, NORTH CAROLINA

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

	<b>Emergency Vehicle Replacement Capital Reserve Project</b>	<b>Tech/System Improvements Projects</b>	<b>County-wide Park Projects</b>	<b>Total</b>
<b>Revenues:</b>				
Investment earnings	\$ 4,283	\$ -	\$ -	\$ 4,283
<b>Expenditures:</b>				
General government	-	823,815	-	823,815
Cultural and recreational	-	-	441,291	441,291
Total expenditures	-	823,815	441,291	1,265,106
Revenues over (under) expenditures	4,283	(823,815)	(441,291)	(1,260,823)
<b>Other Financing Sources (Uses):</b>				
<b>Transfers:</b>				
Transfers from other funds	-	975,760	286,888	1,262,648
Net change in fund balances	4,283	151,945	(154,403)	1,825
<b>Fund Balances:</b>				
Fund balances, beginning	130,225	126,420	2,978,640	3,235,285
Fund balances, ending	\$ 134,508	\$ 278,365	\$ 2,824,237	\$ 3,237,110

## CHATHAM COUNTY, NORTH CAROLINA

**EMERGENCY VEHICLE REPLACEMENT CAPITAL PROJECT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR  
THE FISCAL YEAR ENDED JUNE 30, 2023**

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 4,283	\$ 4,283	\$ 2,604
<b>Expenditures:</b>				
Public safety	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
Revenues over (under) expenditures	(50,000)	4,283	54,283	2,604
Appropriated fund balance	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>4,283</u>	<u>\$ 4,283</u>	<u>2,604</u>
<b>Fund Balance:</b>				
Fund balance, beginning		<u>130,225</u>		<u>127,621</u>
Fund balance, ending		<u>\$ 134,508</u>		<u>\$ 130,225</u>

## CHATHAM COUNTY, NORTH CAROLINA

**TECH/SYSTEM IMPROVEMENTS PROJECT  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE FISCAL YEAR  
ENDED JUNE 30, 2024**

	<b>Project Budget</b>	<b>Actual</b>		<b>Total</b>	<b>Variance Over/Under</b>
	<b>Prior Years</b>	<b>Current Year</b>			
<b>Revenues:</b>					
Intergovernmental:					
Federal/State grants	\$ 1,024,061	\$ -	\$ -	\$ -	\$ (1,024,061)
<b>Expenditures:</b>					
General government	<u>2,188,888</u>	<u>253,329</u>	<u>823,815</u>	<u>1,077,144</u>	<u>1,111,744</u>
Revenues over (under) expenditures	(1,164,827)	(253,329)	(823,815)	(1,077,144)	87,683
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds:					
General fund	1,000,000	-	91,008	91,008	(908,992)
Capital reserve	<u>164,827</u>	<u>379,749</u>	<u>884,752</u>	<u>1,264,501</u>	<u>1,099,674</u>
Total transfers from other funds	<u>1,164,827</u>	<u>379,749</u>	<u>975,760</u>	<u>1,355,509</u>	<u>190,682</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 126,420</u>	<u>\$ 151,945</u>	<u>\$ 278,365</u>	<u>\$ 278,365</u>

## CHATHAM COUNTY, NORTH CAROLINA

COUNTY-WIDE PARK PROJECTS  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE FISCAL YEAR  
 ENDED JUNE 30, 2024

	Project Budget	Actual		Total	Variance Over/Under
		Prior Years	Current Year		
<b>Revenues:</b>					
Intergovernmental:					
State grants	\$ 449,739	\$ 150,000	\$ -	\$ 150,000	\$ (299,739)
<b>Expenditures:</b>					
Cultural and recreational:					
Northwest Park Dam	100,000	-	70,038	70,038	29,962
Briar Chapel	2,913,070	1,525,833	216,850	1,742,683	1,170,387
Parkers Ridge	6,001,885	46,360	154,403	200,763	5,801,122
Haw River Trail	125,000	-	-	-	125,000
Total expenditures	9,139,955	1,572,193	441,291	2,013,484	7,126,471
Revenues over (under) expenditures	(8,690,216)	(1,422,193)	(441,291)	(1,863,484)	6,826,732
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds:					
General Fund	25,000	25,000	-	25,000	-
Recreation in lieu	8,565,216	4,375,833	216,850	4,592,683	(3,972,533)
Capital Improvement Project Reserve	100,000	-	70,038	70,038	(29,962)
Total transfers from other funds	8,690,216	4,400,833	286,888	4,687,721	(4,002,495)
Net change in fund balance	\$ -	\$ 2,978,640	\$ (154,403)	\$ 2,824,237	\$ 2,824,237

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## ENTERPRISE FUNDS

The Enterprise Funds are used to account for County operations that are financed and operated in a manner similar to private business enterprises. The costs of providing services to the general public on a continuing basis are financed primarily through user charges.

### Individual Fund Descriptions:

- **Utility Operating Fund** – Accounts for the water and sewer operations of the County.
- **Utility Capital Reserve Fund** – Accounts for funds accumulated to fund future capital projects.
- **Utility Equipment Reserve Fund** – Accounts for funds accumulated to fund future capital outlay purchases for utility operations.
- **Utility Capital Projects Fund** – Accounts for various capital projects within the Utility Fund.
- **Southeast Water District Fund** – Accounts for the operations of the water district covering the Southeastern portion of the County.
- **Solid Waste and Recycling Operating Fund** – Accounts for the operations of the County's collection and disposal of solid waste.
- **Solid Waste and Recycling Capital Reserve Fund** –Accounts for funds accumulated to fund future capital projects.

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CHATHAM COUNTY, NORTH CAROLINA

UTILITY OPERATING FUND  
SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR  
THE FISCAL YEAR ENDED JUNE 30, 2023

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Operating revenues:				
Charges for services:				
Water sales	\$ 7,868,816	\$ 8,087,943	\$ 219,127	\$ 7,811,582
Sewer charges	21,500	15,415	(6,085)	14,668
Total charges for services	7,890,316	8,103,358	213,042	7,826,250
Other operating revenues	109,357	109,357	-	109,357
Total operating revenues	7,999,673	8,212,715	213,042	7,935,607
Non-operating revenues:				
Investment earnings	58,000	340,796	282,796	252,165
Sale of capital asset	-	-	-	7,819
Other non-operating revenues	-	54	54	2,884
Total revenues	8,057,673	8,553,565	495,892	8,198,475
<b>Expenditures:</b>				
Operating expenditures:				
Salaries and employee benefits	2,548,268	2,523,031	25,237	2,191,479
Repairs and maintenance	1,658,129	1,337,770	320,359	1,344,707
Other operating expenditures	5,118,712	3,490,137	1,628,575	3,267,035
Total	9,325,109	7,350,938	1,974,171	6,803,221
Capital outlay	309,632	330,506	(20,874)	125,737
Debt service:				
Principal	1,060,081	1,060,081	-	1,037,590
Lease principal	-	3,347	(3,347)	145
Subscription principal	-	15,379	(15,379)	14,733
Interest	217,449	206,398	11,051	261,651
Total expenditures	10,912,271	8,966,649	1,945,622	8,243,077
Revenues over (under) expenditures	(2,854,598)	(413,084)	2,441,514	(44,602)
<b>Other Financing Sources (Uses):</b>				
Subscription liability issued	-	3,810	3,810	43,234
Lease liability issued	-	21,767	21,767	575
Total other financing sources (uses)	-	25,577	25,577	43,809
Fund balance appropriated	2,854,598	-	(2,854,598)	-

CHATHAM COUNTY, NORTH CAROLINA

UTILITY OPERATING FUND  
SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR  
THE FISCAL YEAR ENDED JUNE 30, 2023

	2024		2023
	Final Budget	Actual	Variance Over/Under
			Actual
Revenues and other financing sources			
(under) expenditures and other financing uses	\$ -	(387,507)	\$ (793)
<b>Reconciliation from Budgetary Basis to Full Accrual:</b>			
Revenue:			
Utility capital reserve		956,496	
Utility equipment reserve		16,261	
Capital Projects		380,000	
Reconciling items:			
Capital outlay		330,506	
Debt principal		1,060,081	
Lease liability payments		3,347	
Subscription liability payments		15,379	
Depreciation and amortization		(1,301,000)	
Lease liability issued		(21,767)	
Subscription liability issued		(3,810)	
Decrease (increase) in compensated absences		(29,100)	
(Decrease) in deferred outflows of resources - pensions		54,502	
Decrease in net pension liability		(121,398)	
(Increase) in deferred inflows of resources - pensions		6,360	
Increase in deferred outflows of resources - OPEB		(23,069)	
(Increase) in net OPEB liability		6,237	
(Increase) in deferred inflows of resources - OPEB		23,400	
Change in net position		<u>\$ 964,918</u>	

## CHATHAM COUNTY, NORTH CAROLINA

UTILITY CAPITAL RESERVE  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL (NON-GAAP)  
 FOR THE YEAR ENDED JUNE 30, 2024  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR  
 THE FISCAL YEAR ENDED JUNE 30, 2023

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Charges for services	\$ 750,000	\$ 403,249	\$ (346,751)	\$ 369,710
Investment earnings	50,000	553,247	503,247	379,799
Total revenues	<u>800,000</u>	<u>956,496</u>	<u>156,496</u>	<u>749,509</u>
Revenues over (under) expenditures	800,000	956,496	156,496	749,509
<b>Other Financing Sources (Uses):</b>				
Intrafund transfers from (to):				
Utility capital project	(3,625,000)	(1,663,739)	1,961,261	(1,344,204)
Fund balance appropriated	<u>2,825,000</u>	<u>-</u>	<u>(2,825,000)</u>	<u>-</u>
Revenues and other financing sources (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (707,243)</u>	<u>\$ (707,243)</u>	<u>\$ (594,695)</u>

## CHATHAM COUNTY, NORTH CAROLINA

UTILITY EQUIPMENT RESERVE  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL (NON-GAAP)  
 FOR THE YEAR ENDED JUNE 30, 2024  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR  
 THE FISCAL YEAR ENDED JUNE 30, 2023

	2024			2023
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment earnings	\$ 2,000	\$ 16,261	\$ 14,261	\$ 9,885
<b>Expenditures:</b>				
Future capital	<u>257,549</u>	<u>-</u>	<u>257,549</u>	<u>-</u>
Revenues over (under) expenditures	(255,549)	16,261	271,810	9,885
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	<u>255,549</u>	<u>-</u>	<u>(255,549)</u>	<u>-</u>
Revenues and other financing sources (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 16,261</u>	<u>\$ 16,261</u>	<u>\$ 9,885</u>

## CHATHAM COUNTY, NORTH CAROLINA

UTILITY CAPITAL PROJECTS  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL (NON-GAAP)  
 FROM INCEPTION AND FOR THE FISCAL YEAR  
 ENDED JUNE 30, 2024

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total	
<b>Revenues:</b>					
Intergovernmental:					
Grant - Department of Transportation	\$ 399,882	\$ 399,882	\$ 380,000	\$ 779,882	\$ 380,000
Investment earnings	28,056	28,056	-	28,056	-
Total revenues	<u>427,938</u>	<u>427,938</u>	<u>380,000</u>	<u>807,938</u>	<u>380,000</u>
<b>Expenditures:</b>					
Construction:					
Haywood	159,892	30,192	-	30,192	129,700
Western Intake	8,501,099	2,339,444	2,043,739	4,383,183	4,117,916
Business Park	9,593,110	8,598,109	-	8,598,109	995,001
Total expenditures	<u>18,254,101</u>	<u>10,967,745</u>	<u>2,043,739</u>	<u>13,011,484</u>	<u>5,242,617</u>
Revenues over (under) expenditures	<u>(17,826,163)</u>	<u>(10,539,807)</u>	<u>(1,663,739)</u>	<u>(12,203,546)</u>	<u>5,622,617</u>
<b>Other Financing Sources (Uses):</b>					
Transfers (to) from other funds:					
General Fund	257,695	257,695	-	257,695	-
Capital reserve	1,205,070	205,071	-	205,071	(999,999)
Capital improvement project reserve	7,364,593	7,364,593	-	7,364,593	-
Intrafund transfers:					
Utility capital reserve	8,998,805	2,707,449	1,663,739	4,371,188	(4,627,617)
Total other financing sources (uses)	<u>17,826,163</u>	<u>10,534,808</u>	<u>1,663,739</u>	<u>12,198,547</u>	<u>(5,627,616)</u>
Revenues and other financing sources (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (4,999)</u>	<u>\$ -</u>	<u>\$ (4,999)</u>	<u>\$ (4,999)</u>

## CHATHAM COUNTY, NORTH CAROLINA

SOUTHEAST WATER DISTRICT  
 SCHEDULE OF REVENUES AND EXPENDITURES  
 BUDGET AND ACTUAL (NON-GAAP)  
 FOR THE YEAR ENDED JUNE 30, 2024  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR  
 THE FISCAL YEAR ENDED JUNE 30, 2023

	2024			2023
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Operating revenues:				
Charges for services	\$ 718,500	\$ 919,460	\$ 200,960	\$ 841,310
Non-operating revenues:				
Investment earnings	3,000	38,825	35,825	28,031
Total revenues	<u>721,500</u>	<u>958,285</u>	<u>236,785</u>	<u>869,341</u>
<b>Expenditures:</b>				
Operating expenditures	500,000	500,000	-	498,110
Debt service:				
Principal	98,000	98,000	-	95,000
Interest	<u>156,816</u>	<u>155,367</u>	<u>1,449</u>	<u>159,988</u>
Total expenditures	<u>754,816</u>	<u>753,367</u>	<u>1,449</u>	<u>753,098</u>
Revenues over (under) expenditures	(33,316)	204,918	238,234	116,243
Fund balance appropriated	<u>33,316</u>	-	<u>(33,316)</u>	-
Revenues and other financing sources (under) expenditures and other financing uses	<u>\$ -</u>	204,918	<u>\$ 204,918</u>	<u>\$ 116,243</u>

This schedule is included to show budgetary compliance.

**Reconciliation from Budgetary Basis to Full Accrual:**

Reconciling items:	
Debt principal	98,000
Depreciation	<u>(106,338)</u>
Change in net position	<u>\$ 196,580</u>

CHATHAM COUNTY, NORTH CAROLINA

**SOLID WASTE AND RECYCLING OPERATING FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**FOR THE YEAR ENDED JUNE 30, 2024**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023**

	<u>2024</u>			<u>2023</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Operating revenues:				
Charges for services:				
Collection center fees	\$ 4,058,198	\$ 4,178,447	\$ 120,249	\$ 3,707,649
Non-operating revenues:				
Investment earnings	-	200,396	200,396	122,393
Sale of capital assets	-	-	-	39,853
Grant revenue	12,500	10,417	(2,083)	-
Other non-operating revenue:				
Scrap tire disposal tax	125,000	151,801	26,801	146,081
White goods disposal tax	40,000	46,081	6,081	38,316
Solid waste disposal tax	58,000	65,188	7,188	65,685
Electronics disposal tax	7,000	9,617	2,617	7,967
Other non-operating revenues	-	95	95	108
Total non-operating revenues	<u>242,500</u>	<u>483,595</u>	<u>241,095</u>	<u>420,403</u>
Total revenues	<u>4,300,698</u>	<u>4,662,042</u>	<u>361,344</u>	<u>4,128,052</u>
<b>Expenditures:</b>				
Operating expenditures:				
Salaries and employee benefits	2,458,421	2,398,499	59,922	1,876,741
Repairs and maintenance	280,958	163,645	117,313	177,587
Other operating expenditures	<u>1,661,970</u>	<u>1,582,835</u>	<u>79,135</u>	<u>1,655,061</u>
Total operating expenditures	4,401,349	4,144,979	256,370	3,709,389
Capital outlay	350,725	90,997	259,728	342,576
Debt service	<u>10,046</u>	<u>20,225</u>	<u>(10,179)</u>	<u>16,786</u>
Total expenditures	<u>4,762,120</u>	<u>4,256,201</u>	<u>505,919</u>	<u>4,068,751</u>
Revenues over (under) expenditures	<u>(461,422)</u>	<u>405,841</u>	<u>867,263</u>	<u>59,301</u>
<b>Other Financing Sources (Uses):</b>				
Subscription liability issued	-	1,849	1,849	69,378
Lease liability issued	-	<u>10,148</u>	<u>10,148</u>	<u>279</u>
Total other financing sources (uses)	<u>-</u>	<u>11,997</u>	<u>11,997</u>	<u>69,657</u>
Fund balance appropriated	<u>461,422</u>	<u>-</u>	<u>(461,422)</u>	<u>-</u>

CHATHAM COUNTY, NORTH CAROLINA

SOLID WASTE AND RECYCLING OPERATING FUND

SCHEDULE OF REVENUES AND EXPENDITURES -

BUDGET AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2024

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023

	<u>2024</u>		<u>2023</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
			<u>Actual</u>
Revenues and other financing sources			
(under) expenditures and other financing uses	\$ -	417,838	\$ 417,838
			\$ 128,958

**Reconciliation from Budgetary Basis to Full Accrual:**

Solid waste & recycling reserve	42,961
Reconciling items:	
Capital outlay	90,997
Depreciation and amortization	(302,486)
Lease liability payments	1,563
Subscription liability payments	16,392
Lease liability issued	(10,148)
Subscription liability issued	(1,849)
Decrease (increase) in compensated absences	(16,253)
(Decrease) in deferred outflows of resources - pensions	313,008
Decrease in net pension liability	(515,704)
Decrease in deferred inflows of resources - pensions	(142)
Increase in deferred outflows of resources - OPEB	59,180
(Increase) in net OPEB liability	(185,650)
Decrease in deferred inflows of resources - OPEB	(49,294)
Change in net position	<u>\$ (139,587)</u>

## CHATHAM COUNTY, NORTH CAROLINA

**SOLID WASTE AND RECYCLING CAPITAL RESERVE  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2024  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023**

	<u>2024</u>			<u>2023</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment earnings	\$ 3,500	\$ 42,961	\$ 39,461	\$ 26,115
Revenues over (under) expenditures	3,500	42,961	39,461	26,115
<b>Other Financing Sources (Uses):</b>				
Intrafund transfers from (to) other funds:				
Solid waste capital project	(750,000)	-	750,000	-
Appropriated fund balance	<u>746,500</u>	<u>-</u>	<u>(746,500)</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 42,961</u>	<u>\$ 42,961</u>	<u>\$ 26,115</u>

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## **INTERNAL SERVICE FUND**

The Self-Insurance Internal Service Fund is used to account for health, dental and workers' compensation insurance premiums received and claims paid under the County's self-insured health, dental and workers' compensation benefits plan.

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## CHATHAM COUNTY, NORTH CAROLINA

**SELF-INSURANCE INTERNAL SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN NET POSITION - FINANCIAL PLAN AND ACTUAL (NON-GAAP)**  
**FOR THE YEAR ENDED JUNE 30, 2024**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023**

	2024			2023
	Financial Plan	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Charges for services:				
Health insurance	\$ 8,250,000	\$ 9,085,600	\$ 835,600	\$ 8,455,998
Dental insurance	400,000	459,293	59,293	413,988
Total charges for services	8,650,000	9,544,893	894,893	8,869,986
Investment earnings	14,500	369,378	354,878	247,281
Total revenues	8,664,500	9,914,271	1,249,771	9,117,267
<b>Expenditures:</b>				
Benefits paid:				
Health insurance	7,314,500	8,335,127	(1,020,627)	6,262,753
Dental insurance	360,000	401,008	(41,008)	452,256
Workers' compensation	100,000	26,739	73,261	19,991
Administrative costs:				
Health insurance	950,000	1,253,029	(303,029)	1,005,584
Dental insurance	40,000	47,652	(7,652)	42,970
Total expenditures	8,764,500	10,063,555	(1,299,055)	7,783,554
Revenues over (under) expenditures	(100,000)	(149,284)	(49,284)	1,333,713
Appropriated fund balance	100,000	-	(100,000)	-
Revenues and other financing sources (under) expenditures and other financing uses	\$ -	(149,284)	\$ (149,284)	1,333,713
<b>Net Position:</b>				
Net position, beginning		11,782,187		10,448,474
Net position, ending		\$ 11,632,903		\$ 11,782,187

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## CUSTODIAL FUNDS

Custodial Funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments and/or other funds.

### Individual Fund Descriptions:

- **Chatham County Municipal Tax Fund** – This fund accounts for property taxes collected and remitted to municipalities located within the County.
- **Gulf- Goldston Sanitary District Fund** – This fund accounts for the property taxes collected for a special tax district located within the County.
- **Jail Inmate Pay Fund** – This fund accounts for monies of County detention inmates for which the County serves as an agent. Balances remaining are returned to the individuals when they are released from the facility.

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## CHATHAM COUNTY, NORTH CAROLINA

CUSTODIAL FUNDS  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 JUNE 30, 2024

	<u>Municipal Tax Fund</u>	<u>Gulf-Goldston Sanitary District Fund</u>	<u>Jail Inmate Pay Fund</u>	<u>Total Custodial Funds</u>
<b>Assets:</b>				
Cash and cash equivalents	\$ 27,897	\$ 1,407	\$ 39,935	\$ 69,239
Taxes receivable for other governments, net	63,827	5,574	-	69,401
Due from other governments	<u>102,387</u>	<u>1,698</u>	<u>-</u>	<u>104,085</u>
Total assets	<u>194,111</u>	<u>8,679</u>	<u>39,935</u>	<u>242,725</u>
<b>Liabilities:</b>				
Due to other governments	<u>128,066</u>	<u>3,104</u>	<u>39,935</u>	<u>171,105</u>
<b>Net Position:</b>				
Restricted for:				
Individuals, organizations, and other governments	<u>\$ 66,045</u>	<u>\$ 5,575</u>	<u>\$ -</u>	<u>\$ 71,620</u>

## CHATHAM COUNTY, NORTH CAROLINA

## CUSTODIAL FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Municipal Tax Fund</u>	<u>Gulf-Goldston Sanitary District Fund</u>	<u>Jail Inmate Pay Fund</u>	<u>Total Custodial Funds</u>
<b>Additions:</b>				
Ad valorem taxes for other governments	\$ 12,961,600	\$ 148,859	\$ -	\$ 13,110,459
Collections on behalf of inmates	<u>-</u>	<u>-</u>	<u>231,716</u>	<u>231,716</u>
Total assets	<u>12,961,600</u>	<u>148,859</u>	<u>231,716</u>	<u>13,342,175</u>
<b>Deductions:</b>				
Tax distributions to other governments	12,976,758	151,094	-	13,127,852
Payments on behalf of inmates	<u>-</u>	<u>-</u>	<u>231,806</u>	<u>231,806</u>
Total liabilities	<u>12,976,758</u>	<u>151,094</u>	<u>231,806</u>	<u>13,359,658</u>
Net increase (decrease) in fiduciary net position	(15,158)	(2,235)	(90)	(17,483)
Net position, beginning	<u>81,203</u>	<u>7,810</u>	<u>90</u>	<u>89,103</u>
Net position, ending	<u>\$ 66,045</u>	<u>\$ 5,575</u>	<u>\$ -</u>	<u>\$ 71,620</u>

**OTHER SUPPLEMENTAL SCHEDULES**

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## CHATHAM COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE  
JUNE 30, 2024

<u>Fiscal Year</u>	<u>Uncollected Balance July 1, 2023</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Uncollected Balance June 30, 2024</u>
2023-2024	\$ -	\$ 104,443,285	\$ (103,812,368)	\$ 630,917
2022-2023	692,071	85,323	(470,041)	307,353
2021-2022	207,319	70,511	(143,658)	134,172
2020-2021	104,105	7,562	(41,189)	70,478
2019-2020	114,334	758	(15,291)	99,801
2018-2019	97,395	248	(8,569)	89,074
2017-2018	88,629	115	(4,578)	84,166
2016-2017	35,108	1,984	(7,151)	29,941
2015-2016	28,188	-	(4,133)	24,055
2014-2015	40,418	-	(13,275)	27,143
Prior Years	45,428	-	(40,726)	4,702
Total	<u>\$ 1,452,995</u>	<u>\$ 104,609,786</u>	<u>\$ (104,560,979)</u>	<u>1,501,802</u>
Plus: FY 2024-2025 ad valorem taxes receivable				5,098
Less: Allowance for uncollectible ad valorem taxes receivable				<u>(502,587)</u>
Ad valorem taxes receivable (net)				<u>\$ 1,004,313</u>
<b>Reconcilement with Revenues:</b>				
Ad valorem taxes - General Fund				\$ 104,557,481
Reconciling items:				
Interest collected and penalties				(107,964)
Releases and other credits				<u>111,462</u>
Total collections and credits				<u>\$ 104,560,979</u>

## CHATHAM COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT YEAR LEVY  
COUNTY-WIDE LEVY  
FOR THE YEAR ENDED JUNE 30, 2024

	County-Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
<b>Original Levy:</b>					
Property taxed at current year's rate	\$ 15,196,477,465	\$ 0.6850	\$ 104,095,871	\$ 95,070,020	\$ 9,025,851
Penalties	-		176,157	176,157	-
Total	<u>15,196,477,465</u>		<u>104,272,028</u>	<u>95,246,177</u>	<u>9,025,851</u>
<b>Discoveries:</b>					
Current year	77,289,477	0.6850	529,433	529,433	-
Prior years	<u>25,045,338</u>		<u>166,494</u>	<u>166,494</u>	<u>-</u>
Total	<u>102,334,815</u>		<u>695,927</u>	<u>695,927</u>	<u>-</u>
<b>Releases:</b>					
Current year	(61,903,854)	0.6850	(424,041)	(424,041)	-
Prior years	<u>(15,548,850)</u>		<u>(100,629)</u>	<u>(100,629)</u>	<u>-</u>
Total	<u>(77,452,704)</u>		<u>(524,670)</u>	<u>(524,670)</u>	<u>-</u>
Total property valuation	<u>\$ 15,221,359,576</u>				
<b>Net Levy</b>			104,443,285	95,417,434	9,025,851
Uncollected taxes at June 30, 2024			<u>630,917</u>	<u>600,800</u>	<u>30,117</u>
<b>Current Year's Taxes Collected</b>			<u>\$ 103,812,368</u>	<u>\$ 94,816,634</u>	<u>\$ 8,995,734</u>
<b>Current Levy Collection Percentage</b>			<u>99.40%</u>	<u>99.37%</u>	<u>99.67%</u>

**CHATHAM COUNTY, NORTH CAROLINA**

**ANALYSIS OF CURRENT YEAR LEVY  
COUNTY-WIDE LEVY  
FOR THE YEAR ENDED JUNE 30, 2024**

Secondary Market Disclosures:

Assessed Valuation:

Assessment ratio (1)	100%
Real property	\$12,829,341,857
Personal property	2,108,988,154
Public service companies (2)	<u>283,029,565</u>
Total assessed valuation	<u>\$ 15,221,359,576</u>
Tax rate per \$100	<u>\$ 0.6850</u>
Levy (includes discoveries, releases and abatements) (3)	<u>\$ 104,443,285</u>

In addition to the County-wide rate, the following lists the levy by the County on behalf of fire protection districts for the fiscal year ended June 30, 2024

Fire protection districts	<u>\$ 12,998,192</u>
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- (1) Percentage of appraised value has been established by statute.
- (2) Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission
- (3) The levy includes penalties.

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## STATISTICAL SECTION

This part of Chatham County's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

**Financial Trends:** Page 181

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:** Page 189

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

**Debt Capacity:** Page 194

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:** Page 200

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:** Page 204

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.

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

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

	Fiscal Year				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Governmental activities					
Net investment in capital assets	\$ 33,807,327	\$ 20,381,972	\$ 34,736,678	\$ 37,007,498	\$ 40,039,979
Restricted	6,321,345	8,712,333	8,311,358	8,045,521	9,521,662
Unrestricted	13,294,826	39,657,533	37,622,231	40,059,289	14,025,920
Total governmental activities net position	<u>\$ 53,423,498</u>	<u>\$ 68,751,838</u>	<u>\$ 80,670,267</u>	<u>\$ 85,112,308</u>	<u>\$ 63,587,561</u>
Business-type activities					
Net investment in capital assets	\$ 37,674,038	\$ 37,987,189	\$ 38,577,997	\$ 38,652,392	\$ 39,544,939
Unrestricted	24,774,601	26,793,503	25,424,039	26,919,599	28,555,025
Total business-type activities	<u>\$ 62,448,639</u>	<u>\$ 64,780,692</u>	<u>\$ 64,002,036</u>	<u>\$ 65,571,991</u>	<u>\$ 68,099,964</u>
Primary government					
Net investment in capital assets	\$ 71,481,365	\$ 58,369,161	\$ 73,314,675	\$ 75,659,890	\$ 79,584,918
Restricted	6,321,345	8,712,333	8,311,358	8,045,521	9,521,662
Unrestricted	38,069,427	66,451,036	63,046,270	66,978,888	42,580,945
Total primary government net position	<u>\$ 115,872,137</u>	<u>\$ 133,532,530</u>	<u>\$ 144,672,303</u>	<u>\$ 150,684,299</u>	<u>\$ 131,687,525</u>

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

	Fiscal Year				
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Governmental activities					
Net investment in capital assets	\$ 48,017,373	\$ 59,387,963	\$ 66,655,633	\$ 56,918,805	\$ 67,531,636
Restricted	10,674,439	11,675,181	12,937,461	13,905,281	17,176,130
Unrestricted	(36,251,679)	(41,778,747)	(34,878,262)	12,491,129	28,762,941
Total governmental activities net position	<u>\$ 22,440,133</u>	<u>\$ 29,284,397</u>	<u>\$ 44,714,832</u>	<u>\$ 83,315,215</u>	<u>\$ 113,470,707</u>
Business-type activities					
Net investment in capital assets	\$ 39,097,006	\$ 39,413,275	\$ 40,043,138	\$ 41,261,016	\$ 43,173,622
Unrestricted	32,227,656	33,695,786	37,521,645	37,044,941	36,154,246
Total business-type activities	<u>\$ 71,324,662</u>	<u>\$ 73,109,061</u>	<u>\$ 77,564,783</u>	<u>\$ 78,305,957</u>	<u>\$ 79,327,868</u>
Primary government					
Net investment in capital assets	\$ 87,114,379	\$ 98,801,238	\$ 106,698,771	\$ 98,179,821	\$ 110,705,258
Restricted	10,674,439	11,675,181	12,937,461	13,905,281	17,176,130
Unrestricted	(4,024,023)	(8,082,961)	2,643,383	49,536,070	64,917,187
Total primary government net position	<u>\$ 93,764,795</u>	<u>\$ 102,393,458</u>	<u>\$ 122,279,615</u>	<u>\$ 161,621,172</u>	<u>\$ 192,798,575</u>

**Schedule 2**  
**Chatham County**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
(accrual basis of accounting)

	Fiscal Year				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Expenses</b>					
Governmental activities:					
General government	\$ 12,366,637	\$ 12,408,260	\$ 13,494,733	\$ 15,068,952	\$ 16,700,851
Public safety	21,020,275	25,111,163	26,541,301	28,373,014	29,544,421
Economic and physical development	1,850,614	2,256,179	2,377,889	3,193,937	3,033,823
Human Services	14,699,063	15,554,918	15,927,642	15,105,429	14,441,440
Cultural and recreation	1,755,623	2,253,547	2,287,418	2,578,431	2,638,700
Education	29,069,935	31,802,557	34,443,820	39,950,462	72,291,352
Interest on long term debt	5,104,152	5,345,658	4,714,468	4,473,431	8,793,382
Total governmental activities expenses	<u>85,866,299</u>	<u>94,732,282</u>	<u>99,787,271</u>	<u>108,743,656</u>	<u>147,443,969</u>
Business-type activities:					
Utility	5,353,260	6,101,974	8,986,398	6,612,241	7,070,801
Southeast Water District	637,255	490,657	636,376	637,880	665,634
Solid Waste Management	2,796,993	2,711,885	3,117,342	3,079,844	3,487,136
Total business-type activities expenses	<u>8,787,508</u>	<u>9,304,516</u>	<u>12,740,116</u>	<u>10,329,965</u>	<u>11,223,571</u>
Total primary government expenses	<u>\$ 94,653,807</u>	<u>\$ 104,036,798</u>	<u>\$ 112,527,387</u>	<u>\$ 119,073,621</u>	<u>\$ 158,667,540</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 1,075,186	\$ 1,330,019	\$ 2,042,443	\$ 1,141,356	\$ 1,414,303
Public safety	1,179,357	1,515,852	1,540,605	1,945,557	1,509,098
Economic and physical development	247,520	401,448	345,467	584,700	446,578
Human Services	780,664	1,353,713	1,358,206	2,059,613	1,282,723
Cultural and recreation	450,328	431,225	443,285	534,520	277,460
Education	2,853,900	2,793,300	3,104,600	3,163,900	2,941,100
Operating grants and contributions:					
General government	694,923	6,831,278	1,663,292	4,774,069	3,071,043
Public safety	1,351,988	1,375,650	1,438,673	1,538,987	1,983,928
Economic and physical development	748,634	27,870	353,238	181,254	346,421
Human Services	7,420,434	7,328,809	7,561,735	5,584,293	6,822,116
Cultural and recreation	203,622	187,144	235,652	233,411	415,346
Education	-	-	2,861,940	-	-
Total governmental activities program revenues	<u>17,006,556</u>	<u>23,576,308</u>	<u>22,949,136</u>	<u>21,741,660</u>	<u>20,510,116</u>
Business-type activities:					
Utility:					
Charges for services	7,346,592	7,638,429	7,632,185	7,664,182	8,828,589
Operating grants and contributions	7,420	458	27,651	61,016	37
Southeast Water District:					
Charges for services	601,417	667,814	670,485	701,728	771,243
Waste Management:					
Charges for services	2,985,544	2,964,407	3,064,260	3,083,918	3,213,435
Operating grants and contributions	175,935	199,383	244,591	242,329	194,458
Total business-type activities program revenues	<u>11,116,908</u>	<u>11,470,491</u>	<u>11,639,172</u>	<u>11,753,173</u>	<u>13,007,762</u>
Total primary government program revenues	<u>\$ 28,123,464</u>	<u>\$ 35,046,799</u>	<u>\$ 34,588,308</u>	<u>\$ 33,494,833</u>	<u>\$ 33,517,878</u>
<b>Net (Expense)/Revenue</b>					
Governmental activities	\$ (68,859,743)	\$ (71,155,974)	\$ (76,838,135)	\$ (87,001,996)	\$ (126,933,853)
Business-type activities	2,329,400	2,165,975	(1,100,944)	1,423,208	1,784,191
Total primary government net (expense)/revenue	<u>\$ (66,530,343)</u>	<u>\$ (68,989,999)</u>	<u>\$ (77,939,079)</u>	<u>\$ (85,578,788)</u>	<u>\$ (125,149,662)</u>
<b>General Revenues and Other Changes in Net Assets</b>					
Governmental activities:					
Taxes:					
Property taxes levied for general purpose	66,026,045	68,398,363	72,729,177	76,064,823	80,046,695
Local option sales tax	10,130,996	11,298,727	12,964,564	13,859,606	14,707,545
Other taxes and licenses	993,101	900,089	898,394	983,132	995,458
Grants and contributions not restricted to specific programs	2,538,745	2,916,159	3,054,645	3,115,650	3,230,947
Unrestricted investment earnings	351,729	729,182	594,374	1,080,152	5,892,009
Miscellaneous	2,055,854	1,702,446	41,761	-	562,984
Extraordinary item - Sales of property	552,036	-	-	-	-
Transfers	-	-	-	(12,455)	(26,532)
Total governmental activities	<u>82,648,506</u>	<u>85,944,966</u>	<u>90,282,915</u>	<u>95,090,908</u>	<u>105,409,106</u>
Business-type activities:					
Investment earnings	106,554	172,806	225,518	373,675	663,679
Miscellaneous	-	(6,728)	96,770	-	53,571
Transfers	-	-	-	12,455	26,532
Total business-type activities	<u>106,554</u>	<u>166,078</u>	<u>322,288</u>	<u>386,130</u>	<u>743,782</u>
Total primary government	<u>\$ 82,755,060</u>	<u>\$ 86,111,044</u>	<u>\$ 90,605,203</u>	<u>\$ 95,477,038</u>	<u>\$ 106,152,888</u>
<b>Change in Net Position</b>					
Governmental activities	13,788,763	14,788,992	13,444,780	8,088,912	(21,524,747)
Business-type activities	2,435,954	2,332,053	(778,656)	1,809,338	2,527,973
Total primary government	<u>\$ 16,224,717</u>	<u>\$ 17,121,045</u>	<u>\$ 12,666,124</u>	<u>\$ 9,898,250</u>	<u>\$ (18,996,774)</u>

**Schedule 2**  
**Chatham County**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
(accrual basis of accounting)

	Fiscal Year				
	2020	2021	2022	2023	2024
<b>Expenses</b>					
Governmental activities:					
General government	\$ 18,808,175	\$ 20,333,676	\$ 19,643,709	\$ 22,450,287	\$ 29,166,020
Public safety	31,763,693	33,486,720	35,212,455	41,277,569	53,141,250
Economic and physical development	5,600,580	3,104,470	3,819,632	4,692,779	4,989,302
Human Services	16,141,257	16,201,415	16,347,627	18,575,711	21,532,770
Cultural and recreation	2,720,029	2,510,393	2,839,882	3,472,876	4,007,929
Education	89,234,803	51,950,817	58,997,617	50,602,853	48,246,320
Interest on long term debt	8,724,610	8,722,868	8,812,203	8,855,068	8,097,636
Total governmental activities expenses	<u>172,993,147</u>	<u>136,310,359</u>	<u>145,673,125</u>	<u>149,927,143</u>	<u>169,181,227</u>
Business-type activities:					
Utility	6,377,301	6,646,640	7,228,084	8,380,829	8,941,404
Southeast Water District	708,197	741,306	1,119,733	764,437	761,705
Solid Waste Management	3,305,691	3,184,821	3,469,754	4,094,937	4,844,590
Total business-type activities expenses	<u>10,391,189</u>	<u>10,572,767</u>	<u>11,817,571</u>	<u>13,240,203</u>	<u>14,547,699</u>
Total primary government expenses	<u>\$ 183,384,336</u>	<u>\$ 146,883,126</u>	<u>\$ 157,490,696</u>	<u>\$ 163,167,346</u>	<u>\$ 183,728,926</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 1,233,640	\$ 2,098,074	\$ 2,743,935	\$ 2,189,254	\$ 1,068,020
Public safety	2,381,653	2,000,914	2,505,295	3,753,197	6,925,683
Economic and physical development	632,541	593,457	774,984	734,709	1,092,394
Human Services	1,877,728	1,640,619	1,506,466	836,999	949,103
Cultural and recreation	637,520	205,227	435,020	188,857	424,969
Education	2,460,275	3,447,100	3,187,625	2,361,925	2,004,900
Operating grants and contributions:					
General government	616,476	4,120,199	\$ 1,367,375	\$ 11,806,490	\$ 2,556,004
Public safety	2,083,819	1,934,536	5,268,777	2,627,842	2,362,344
Economic and physical development	337,746	253,629	488,217	84,678	310,502
Human Services	6,275,999	6,925,884	7,664,387	12,942,692	11,338,267
Cultural and recreation	306,409	286,993	937,181	332,725	483,517
Education	-	829,593	-	-	-
Total governmental activities program revenues	<u>18,843,806</u>	<u>24,336,225</u>	<u>26,879,262</u>	<u>37,859,368</u>	<u>29,515,703</u>
Business-type activities:					
Utility:					
Charges for services	8,539,138	7,284,002	10,839,150	8,195,960	8,506,607
Operating grants and contributions	109,396	111,011	111,059	112,241	489,411
Southeast Water District:					
Charges for services	720,518	810,231	1,117,231	841,310	919,460
Waste Management:					
Charges for services	3,480,837	3,607,880	3,697,655	3,707,649	4,178,447
Operating grants and contributions	201,449	205,951	278,585	258,157	283,199
Total business-type activities program revenues	<u>13,051,338</u>	<u>12,019,075</u>	<u>16,043,680</u>	<u>13,115,317</u>	<u>14,377,124</u>
Total primary government program revenues	<u>\$ 31,895,144</u>	<u>\$ 36,355,300</u>	<u>\$ 42,922,942</u>	<u>\$ 50,974,685</u>	<u>\$ 43,892,827</u>
<b>Net (Expense)/Revenue</b>					
Governmental activities	\$ (154,149,341)	\$ (111,974,134)	\$ (118,793,863)	\$ (112,067,775)	\$ (139,665,524)
Business-type activities	2,660,149	1,446,308	4,226,109	(124,886)	(170,575)
Total primary government net (expense)/revenue	<u>\$ (151,489,192)</u>	<u>\$ (110,527,826)</u>	<u>\$ (114,567,754)</u>	<u>\$ (112,192,661)</u>	<u>\$ (139,836,099)</u>
<b>General Revenues and Other Changes in Net Assets</b>					
Governmental activities:					
Taxes:					
Property taxes levied for general purpose	88,297,695	92,598,853	105,131,904	110,557,782	119,758,549
Local option sales tax	16,284,600	20,376,820	25,697,393	28,513,275	31,538,819
Other taxes and licenses	1,002,335	1,433,801	1,952,454	1,698,749	1,462,396
Grants and contributions not restricted to specific programs	3,589,710	4,305,542	5,136,221	5,634,962	5,121,400
Unrestricted investment earnings	3,475,231	(179,005)	4,946,778	3,579,833	5,980,540
Miscellaneous	365,966	378,538	655,707	683,557	3,556,708
Extraordinary item - Sales of property	-	-	-	-	-
Special item - acquisition of Council on Aging	-	-	-	-	2,402,604
Transfers	(13,624)	(152,460)	-	-	-
Total governmental activities	<u>113,001,913</u>	<u>118,762,089</u>	<u>143,520,457</u>	<u>150,668,158</u>	<u>169,821,016</u>
Business-type activities:					
Investment earnings	545,789	180,981	134,042	818,388	1,192,486
Miscellaneous	5,136	4,650	95,571	47,672	-
Transfers	13,624	152,460	-	-	-
Total business-type activities	<u>564,549</u>	<u>338,091</u>	<u>229,613</u>	<u>866,060</u>	<u>1,192,486</u>
Total primary government	<u>\$ 113,566,462</u>	<u>\$ 119,100,180</u>	<u>\$ 143,750,070</u>	<u>\$ 151,534,218</u>	<u>\$ 171,013,502</u>
<b>Change in Net Position</b>					
Governmental activities	(41,147,428)	6,787,955	24,726,594	38,600,383	30,155,492
Business-type activities	3,224,698	1,784,399	4,455,722	741,174	1,021,911
Total primary government	<u>\$ (37,922,730)</u>	<u>\$ 8,572,354</u>	<u>\$ 29,182,316</u>	<u>\$ 39,341,557</u>	<u>\$ 31,177,403</u>

Schedule 3  
Chatham County  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>General Fund</b>					
<b>Nonspendable:</b>					
Leases	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Restricted:</b>					
Stabilization by State Statute	4,743,155	6,492,437	5,943,692	6,143,553	7,083,495
Future Register of Deeds technology enhancements	320,759	348,617	380,812	334,815	353,346
Total restricted	5,063,914	6,841,054	6,324,504	6,478,368	7,436,841
<b>Committed:</b>					
LEO Special Separation Allowance	-	625,093	682,719	725,817	770,904
Tax Revaluation	-	-	-	-	175,889
Housing Trust	-	-	-	-	58,000
Recreation	-	-	-	-	-
Land Preservation	-	-	-	-	-
<b>Assigned:</b>					
Subsequent year's expenditures	5,611,109	5,934,834	5,498,830	7,963,031	7,426,342
<b>Unassigned</b>	25,120,834	29,552,687	29,949,912	30,009,357	32,590,870
<b>Total General Fund</b>	<u>\$35,795,857</u>	<u>\$42,953,668</u>	<u>\$42,455,965</u>	<u>\$45,176,573</u>	<u>\$48,458,846</u>
<b>All Other Governmental Funds</b>					
<b>Restricted:</b>					
Stabilization by State Statute	\$ 250,390	\$ 862,218	\$ 306,449	\$ 277,986	\$ 848,829
Special Revenue Funds	1,007,041	1,009,061	1,478,266	1,103,554	1,063,183
Capital Projects Funds	16,573,978	5,219,772	-	-	83,667,558
Total restricted	17,831,409	7,091,051	1,784,715	1,381,540	85,579,570
<b>Committed:</b>					
Capital Projects Funds	31,435,343	31,191,521	30,745,436	28,800,096	40,491,773
<b>Assigned:</b>					
Subsequent year's expenditures	1,821,204	1,410,554	4,143,097	2,471,579	8,500,000
General Government	2,278,120	3,070,391	6,212,454	7,724,181	3,211,559
Public Safety	-	-	-	-	-
Education	2,834,270	3,153,282	5,411,375	5,411,375	4,935,246
Cultural and Recreation	265,821	854,215	888,412	1,034,265	1,107,644
Total assigned	7,199,415	8,488,442	16,655,338	16,641,400	17,754,449
<b>Unassigned</b>	(3,251)	-	(41,792)	678,517	(1,303,624)
<b>Total all other governmental funds</b>	<u>\$56,462,916</u>	<u>\$46,771,014</u>	<u>\$49,143,697</u>	<u>\$47,501,553</u>	<u>\$142,522,168</u>

Schedule 3  
Chatham County  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year				
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>General Fund</b>					
<b>Nonspendable:</b>					
Leases	\$ -	\$ -	\$ -	\$ 59,057	\$ 97,198
<b>Restricted:</b>					
Stabilization by State Statute	8,738,525	10,058,054	11,042,979	11,469,973	13,579,462
Future Register of Deeds technology enhancements	371,615	385,064	-	-	-
Total restricted	9,110,140	10,443,118	11,042,979	11,469,973	13,579,462
<b>Committed:</b>					
LEO Special Separation Allowance	835,851	886,902	949,612	1,062,587	1,191,628
Tax Revaluation	1,452	1,452	347,077	635,094	930,566
Housing Trust	87,824	465,647	587,958	633,076	1,142,397
Recreation	-	322,851	322,851	968,553	-
Land Preservation	-	322,851	322,851	968,553	1,584,188
<b>Assigned:</b>					
Subsequent year's expenditures	8,777,832	7,069,857	8,937,201	9,000,000	12,813,138
<b>Unassigned</b>	29,682,949	34,668,007	34,214,417	44,611,811	53,592,332
<b>Total General Fund</b>	<u>\$48,496,048</u>	<u>\$54,180,685</u>	<u>\$56,724,946</u>	<u>\$69,408,704</u>	<u>\$84,930,909</u>
<b>All Other Governmental Funds</b>					
<b>Restricted:</b>					
Stabilization by State Statute	\$ 485,887	\$ 275,447	\$ 208,328	\$ 583,555	\$ 2,204,580
Special Revenue Funds	910,536	829,306	1,483,522	1,662,755	1,296,263
Capital Projects Funds	-	-	26,732,626	4,802,176	-
Total restricted	1,396,423	1,104,753	28,424,476	7,048,486	3,500,843
<b>Committed:</b>					
Capital Projects Funds	85,624,310	61,857,512	46,568,898	57,476,578	61,632,603
<b>Assigned:</b>					
Subsequent year's expenditures	8,500,000	2,550,000	-	-	-
General Government	7,496,646	10,150,296	18,928,269	25,158,469	26,770,722
Public Safety	-	77,038	127,467	129,499	133,777
Education	3,684,648	7,546,011	7,753,391	8,485,565	8,216,701
Cultural and Recreation	1,623,620	1,574,150	1,902,398	4,859,313	4,018,561
Total assigned	21,304,914	21,897,495	28,711,525	38,632,846	39,139,761
<b>Unassigned</b>	(1,965,122)	-	(43,767)	-	(336,097)
<b>Total all other governmental funds</b>	<u>\$106,360,525</u>	<u>\$84,859,760</u>	<u>\$103,661,132</u>	<u>\$103,157,910</u>	<u>\$103,937,110</u>

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

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Revenues</b>					
Ad Valorem Taxes	\$ 66,075,764	\$ 68,549,496	\$ 72,959,709	\$ 76,305,714	\$ 80,009,131
Local Option Sales Tax	10,130,996	11,298,727	12,964,564	13,859,606	14,707,545
Other Taxes	993,101	900,089	898,394	983,132	995,458
Unrestricted Intergovernmental	2,538,745	2,916,159	3,054,645	3,115,650	3,230,947
Restricted Intergovernmental	9,447,109	9,700,751	10,100,364	7,655,321	9,721,283
Permits and fees	4,921,308	4,837,313	5,225,772	5,339,411	4,809,229
Sales and Services	2,517,720	2,784,386	2,651,568	2,955,862	2,566,085
Interest	330,535	701,287	544,039	993,253	5,695,974
Other General Revenues	2,226,760	7,750,455	3,703,186	4,641,363	3,462,461
<b>Total Revenues</b>	<b>99,182,038</b>	<b>109,438,663</b>	<b>112,102,241</b>	<b>115,849,312</b>	<b>125,198,113</b>
<b>Expenditures</b>					
General Government	7,968,083	8,382,535	9,267,834	10,522,593	10,879,465
Public Safety	22,692,563	25,648,707	26,314,889	28,149,202	29,577,293
Economic and Physical Development	2,123,541	2,897,118	2,863,508	3,625,299	3,722,539
Human Services	16,824,797	17,262,615	17,098,738	16,375,220	15,753,098
Culture and Recreation	1,890,492	2,248,969	2,200,890	2,251,988	2,530,123
Education	29,543,117	32,614,364	35,629,338	41,135,980	73,186,700
Capital Outlay	9,237,064	13,011,854	5,319,680	1,412,977	1,860,947
Debt Service:					
Principal Retirement	6,032,104	5,530,753	6,780,522	6,770,581	6,777,733
Interest and fees	5,047,258	5,105,953	4,751,862	4,514,553	8,013,886
<b>Total Expenditures</b>	<b>101,359,019</b>	<b>112,702,868</b>	<b>110,227,261</b>	<b>114,758,393</b>	<b>152,301,784</b>
Excess of revenues Over (Under) Expenditures	(2,176,981)	(3,264,205)	1,874,980	1,090,919	(27,103,671)
<b>Other financing sources (uses):</b>					
Transfers from (to) other funds	-	-	-	(12,455)	(26,532)
Proceeds from borrowings	-	-	-	-	-
Debt obligations issued	45,445,000	21,655,000	-	-	111,730,000
Discount on debt obligations issued	-	(100,932)	-	-	-
Refunding bonds issued	-	-	-	-	-
Subscription liability issued	-	-	-	-	-
Lease liability issued	-	-	-	-	-
Premium on limited obligation bonds issued	6,548,984	2,281,528	-	-	13,703,091
Payment to refunding bond agent	(30,360,006)	(23,644,830)	-	-	-
<b>Total other financing sources (uses)</b>	<b>21,633,978</b>	<b>190,766</b>	<b>-</b>	<b>(12,455)</b>	<b>125,406,559</b>
<b>Net change in fund balances</b>	<b>\$ 19,456,997</b>	<b>\$ (3,073,439)</b>	<b>\$ 1,874,980</b>	<b>\$ 1,078,464</b>	<b>\$ 98,302,888</b>
Debt service as a percentage of noncapital expenditures	12.03%	10.67%	10.99%	9.96%	9.83%

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

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>Revenues</b>					
Ad Valorem Taxes	\$ 87,951,167	\$ 92,919,447	\$ 105,068,821	\$ 110,478,803	\$ 119,874,718
Local Option Sales Tax	16,284,600	20,376,820	25,697,393	28,513,275	31,538,819
Other Taxes	1,002,335	1,433,801	1,952,454	1,698,749	1,462,396
Unrestricted Intergovernmental	3,589,710	4,305,542	5,136,221	5,634,962	5,121,400
Restricted Intergovernmental	8,814,437	13,778,971	14,316,276	22,872,821	13,628,438
Permits and fees	5,137,358	6,039,507	6,353,141	6,363,633	9,349,676
Sales and Services	2,720,045	3,027,538	3,289,878	2,614,876	2,985,814
Interest	3,283,421	(221,064)	(4,386,026)	3,332,552	9,300,108
Other General Revenues	1,148,368	1,136,126	2,073,836	1,484,741	3,774,629
<b>Total Revenues</b>	<u>129,931,441</u>	<u>142,796,688</u>	<u>159,501,994</u>	<u>182,994,412</u>	<u>197,035,998</u>
<b>Expenditures</b>					
General Government	12,005,856	12,584,383	13,084,783	13,052,044	20,829,140
Public Safety	31,332,211	33,337,668	35,334,224	40,026,898	51,851,598
Economic and Physical Development	6,105,035	3,774,088	4,438,592	5,435,372	5,763,351
Human Services	16,841,508	17,491,583	18,406,644	19,685,883	21,208,643
Culture and Recreation	2,539,509	2,374,412	2,759,526	3,290,539	3,916,883
Education	92,422,726	54,682,436	61,729,236	51,280,492	49,096,692
Capital Outlay	8,086,606	17,344,419	18,095,907	14,278,567	3,816,992
Debt Service:					
Principal Retirement	6,210,196	8,155,159	14,629,294	16,839,472	16,904,065
Interest and fees	8,719,945	8,772,517	9,078,765	8,978,757	8,279,674
<b>Total Expenditures</b>	<u>184,263,592</u>	<u>158,516,665</u>	<u>177,556,971</u>	<u>172,868,024</u>	<u>181,667,038</u>
Excess of revenues Over (Under) Expenditures	(54,332,151)	(15,719,977)	(18,054,977)	10,126,388	15,368,960
<b>Other financing sources (uses):</b>					
Transfers from (to) other funds	(13,624)	(152,460)	-	-	-
Proceeds from borrowings	25,271,334	-	-	-	-
Debt obligations issued	-	-	31,585,000	-	-
Discount on debt obligations issued	-	-	-	-	-
Refunding bonds issued	-	-	9,455,000	-	-
Subscription liability issued	-	-	-	1,643,738	380,448
Lease liability issued	-	-	706,433	410,410	551,997
Premium on limited obligation bonds issued	-	-	7,072,505	-	-
Payment to refunding bond agent	(7,050,000)	-	(9,418,328)	-	-
<b>Total other financing sources (uses)</b>	<u>18,207,710</u>	<u>(152,460)</u>	<u>39,400,610</u>	<u>2,054,148</u>	<u>932,445</u>
<b>Net change in fund balances</b>	<u>\$ (36,124,441)</u>	<u>\$ (15,872,437)</u>	<u>\$ 21,345,633</u>	<u>\$ 12,180,536</u>	<u>\$ 16,301,405</u>
Debt service as a percentage of noncapital expenditures	8.47%	11.99%	14.87%	16.28%	14.16%

**Schedule 5**  
**Chatham County**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Utilities</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate (1)</b>	<b>Estimated Actual Taxable Value (2)</b>
2015	8,090,965,839	1,119,557,141	207,720,059	9,418,243,039	0.6219	9,108,552,262
2016	8,375,333,581	1,139,160,858	223,438,841	9,737,933,280	0.6219	9,719,466,294
2017	8,638,744,786	1,214,250,096	209,285,802	10,062,280,684	0.6338	10,445,635,507
2018	9,213,087,671	1,262,629,247	210,741,503	10,686,458,421	0.6281	10,775,898,378
2019	10,449,123,673	526,034,115	206,350,142	11,181,507,930	0.6281	11,539,223,870
2020	9,958,925,737	1,439,726,019	213,802,027	11,612,453,783	0.6700	12,353,674,237
2021	10,304,116,871	1,646,846,277	214,822,244	12,165,785,392	0.6700	13,721,842,310
2022	11,991,296,886	1,715,162,449	227,258,616	13,933,717,951	0.6650	14,080,151,527
2023	12,382,201,716	1,915,165,989	235,295,363	14,532,663,068	0.6650	17,606,523,848
2024	12,835,426,597	2,102,903,414	283,029,565	15,221,359,576	0.6850	22,553,820,700

\* Information not available

Source: Chatham County Tax Assessor. Appraised by Chatham County Board of Equalization at 100% of estimated sound value.

Notes:

- (1) Per \$100 of value.
- (2) The estimated actual taxable value is calculated by dividing the assessed value by an assessment-to-sales ratio determined by the State Department of Revenue.

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**Schedule 6  
Chatham County  
Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years  
Year Taxes Are Payable**

	Years Taxes are Payable				
	2015	2016	2017	2018	2019
Chatham County	0.6219	0.6219	0.6338	0.6281	0.6281
<u>Municipality Rates:</u>					
Town of Pittsboro	0.4333	0.4333	0.4333	0.4333	0.4333
Town of Siler City	0.4800	0.4800	0.4800	0.5100	0.5100
Town of Goldston	0.1900	0.1900	0.1900	0.1900	0.1900
Town of Cary	0.3500	0.3700	0.3500	0.3500	0.3500
Town of Apex					
<u>Fire Districts:</u>					
Bells Annex	0.0880	0.1030	0.1030	0.1030	0.1030
Bennett	0.0800	0.0800	0.0900	0.0900	0.0900
Bonlee	0.0700	0.0700	0.0700	0.0700	0.0700
Central Chatham	0.0900	0.0900	0.0900	0.0900	0.0900
Circle City	0.1158	0.1225	0.1225	0.1225	0.1225
Goldston	0.0800	0.0800	0.0900	0.0900	0.0900
Hope	0.0685	0.0685	0.0685	0.0685	0.0785
Moncure	0.1104	0.1250	0.1250	0.1250	0.1250
North Chatham	0.0880	0.1030	0.1030	0.1030	0.1030
Parkwood	0.1000	0.1150	0.1050	0.0940	0.1000
Staley	0.1000	0.1000	0.1000	0.1000	0.1000
Northview	0.0830	0.0830	0.0860	0.0860	0.0860
<u>Sanitary District:</u>					
Gulf-Goldston	0.1500	0.1500	0.1500	0.1500	0.1500
Northview					

Note: Tax rates per \$100 of property valuation

**Schedule 6  
Chatham County  
Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years  
Year Taxes Are Payable**

	Years Taxes are Payable				
	2020	2021	2022	2023	2024
Chatham County	0.6700	0.6700	0.6650	0.6650	0.6850
<u>Municipality Rates:</u>					
Town of Pittsboro	0.4333	0.4333	0.4333	0.4400	0.4400
Town of Siler City	0.5400	0.5400	0.5400	0.5400	0.5400
Town of Goldston	0.1900	0.2200	0.2200	0.2200	0.2500
Town of Cary	0.3500	0.3500	0.3450	0.3450	0.3450
Town of Apex				0.4100	0.4400
<u>Fire Districts:</u>					
Bells Annex	0.1080	0.1080	0.1080	0.1180	0.1280
Bennett	0.0900	0.0900	0.1100	0.1100	0.1100
Bonlee	0.0700	0.0700	0.0700	0.0700	0.0700
Central Chatham	0.1200	0.1200	0.1200	0.1200	0.1200
Circle City	0.1225	0.1225	0.1265	0.1265	0.1425
Goldston	0.0900	0.0900	0.0900	0.0900	0.1100
Hope	0.0785	0.0785	0.0825	0.0825	0.0825
Moncure	0.1250	0.1375	0.1375	0.1375	0.1375
North Chatham	0.1080	0.1080	0.1080	0.1180	0.1280
Parkwood	0.1100	0.1100	0.1100	0.1100	0.1100
Staley	0.1000	0.1000	0.1000	0.1000	0.1000
Northview	0.0860	0.0860	0.0860	0.0860	0.0860
<u>Sanitary District:</u>					
Gulf-Goldston	0.1500	0.1500	0.1500	0.1500	0.1500
Northview		0.0150	0.1500	0.1500	0.1500

Schedule 7  
Chatham County  
Principal Property Tax Payers  
Current Year and Nine Years Ago

Taxpayer	Type of Business	Fiscal Year 2024			Fiscal Year 2015		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Mountaire Farms of NC Inc	Poultry	\$ 174,506,858	1	1.15%			
Duke Energy Progress	Public Utility - Electric	168,304,586	2	1.11%	\$106,780,044	1	1.13%
Carolina Meadows Inc.	Assisted Living	143,286,948	3	0.94%	72,772,784	5	0.77%
Galloway Ridge Inc.	Retirement Community	116,704,443	4	0.77%	89,736,550	4	0.95%
Arauco Panels USA	Mfg of Engineered Wood Products	102,843,606	5	0.68%	101,336,877	2	1.08%
CP South LLC	Forestry Management	78,209,969	6	0.51%			
Chatham Park Investors LLC	Real Estate	58,964,577	7	0.39%	99,781,341	3	1.06%
Minnesota Mining & Manufacturing Co.	Mining	57,561,297	8	0.38%	44,154,393	6	0.47%
Whittier Spe LLC ETAL	Residential	36,650,169	9	0.24%			
Public Service Co of NC	Public Utility - Natural Gas	32,190,978	10	0.21%	25,082,958	9	0.27%
General Shale Brick Inc.	Brick				35,695,590	8	0.38%
NNP Briar Chapel LLC	Real Estate				35,919,829	7	0.38%
Governors Club, Inc	Real Estate				24,243,324	10	0.26%
Totals		<u>\$ 969,223,431</u>		<u>6.37%</u>	<u>\$635,503,690</u>		<u>6.75%</u>

Source: Chatham County Tax Assessor

**Schedule 8  
Chatham County  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Taxes Levied for the Fiscal Year (Net)</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage of Original Levy</b>		<b>Amount</b>	<b>Percentage of Adjusted Levy</b>
2015	58,636,579	57,830,764	98.63%	801,113	58,631,877	99.99%
2016	60,613,213	59,840,287	98.72%	745,783	60,586,070	99.96%
2017	63,850,060	63,246,063	99.05%	579,942	63,826,005	99.96%
2018	67,206,357	66,417,903	98.83%	758,514	67,176,417	99.96%
2019	70,336,774	69,682,844	99.07%	569,764	70,252,608	99.88%
2020	77,865,650	77,029,214	98.93%	747,361	77,776,575	99.89%
2021	81,601,001	81,083,169	99.37%	418,031	81,501,200	99.88%
2022	92,805,265	92,065,893	99.20%	668,894	92,734,787	99.92%
2023	96,802,355	96,110,284	99.29%	557,900	96,668,184	99.86%
2024	104,443,285	103,812,369	99.40%	-	103,812,369	99.40%

Source: Chatham County Tax Department

**Schedule 9**  
**Chatham County**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

<b>Governmental Activities</b>				
<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>COPS/LOBS &amp; Installment Loans</b>	<b>Capital Leases</b>	<b>SBITAs</b>
2015	1,250,000	129,522,694	-	-
2016	-	124,365,462	-	-
2017	-	115,561,935	-	-
2018	-	107,025,251	-	-
2019	-	223,914,507	-	-
2020	-	232,737,722	-	-
2021	-	221,850,944	-	-
2022	-	231,224,527	467,395	-
2023	-	227,017,237	684,946	1,058,175
2024	-	210,107,298	1,018,858	812,210

\* Information not available

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

(1) See Schedule 13 for personal income and population data.

These ratios are calculated using personal income and population for the prior calendar year.

Schedule 9  
 Chatham County  
 Ratios of Outstanding Debt by Type  
 Last Ten Fiscal Years

<u>Business-type Activities</u>								
Fiscal Year	General Obligation Bonds	Revenue Bonds	LOBS & Installment Loans	Capital Leases	SBITAs	Total Primary Government	Per Capita (1)	Percentage of Personal Income (1)
2015	3,040,000	1,781,000	13,389,125	-	-	148,984,834	2,203	4.20%
2016	2,996,000	1,752,000	12,245,164	-	-	141,360,642	2,057	3.84%
2017	2,950,000	1,722,000	11,274,051	-	-	131,510,003	1,831	3.41%
2018	2,902,000	1,691,000	10,293,299	-	-	121,913,568	1,706	2.84%
2019	2,853,000	1,659,000	9,299,696	-	-	237,728,222	3,250	5.16%
2020	2,802,000	1,626,000	8,293,240	-	-	245,460,982	3,296	5.09%
2021	2,749,000	1,592,000	7,288,503	-	-	233,482,468	3,135	3.96%
2022	2,693,000	1,557,000	6,264,484	74	-	242,208,502	3,101	4.04%
2023	2,635,000	1,520,000	5,226,894	708	81,168	238,226,151	2,983	3.74%
2024	2,575,000	1,482,000	4,166,813	27,715	55,057	220,246,975	2,698	*

**Schedule 10  
Chatham County  
Ratios of Net General Bonded Debt Outstanding,  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Percentage of Personal Income(1)</b>	<b>Percentage of Actual Taxable Value of Property(2)</b>	<b>Per Capita(1)</b>
2015	4,290,000	0.12%	0.05%	63
2016	2,996,000	0.08%	0.03%	44
2017	2,950,000	0.08%	0.03%	41
2018	2,902,000	0.07%	0.03%	41
2019	2,853,000	0.06%	0.03%	39
2020	2,802,000	0.06%	0.02%	38
2021	2,749,000	0.05%	0.02%	37
2022	2,693,000	0.04%	0.02%	34
2023	2,635,000	0.04%	0.02%	33
2024	2,575,000	*	0.02%	32

\* Information not available

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

(1) See Schedule 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

(2) See schedule 5 for property value data.

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**Schedule 11**  
**Chatham County**  
**Legal Debt Margin Information,**  
**Last Ten Fiscal Years**  
(dollars in thousands)

	<b>Fiscal Year</b>				
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Assessed Value of Property	9,418,243	9,737,933	10,062,281	10,686,458	11,181,508
Debt Limit, 8% of Assessed Value (Statutory Limitation)	753,459	779,035	804,982	854,917	894,521
Amount of Debt Applicable to Limit					
Gross debt	148,983	141,359	131,508	121,912	237,726
Less: Debt outstanding for water purposes	<u>18,210</u>	<u>16,993</u>	<u>15,946</u>	<u>14,886</u>	<u>13,812</u>
Total net debt applicable to limit	130,773	124,365	115,562	107,025	223,915
Legal Debt Margin	<u>622,687</u>	<u>654,669</u>	<u>689,421</u>	<u>747,891</u>	<u>670,606</u>
Total net debt applicable to the limit as a percentage of debt limit	17.36%	15.96%	14.36%	12.52%	25.03%

Note: NC Statute GS159-55 limits the county's outstanding debt to 8% of the appraised value of property subject to taxation. The legal debt margin is the debt limit and the county's net debt outstanding applicable to the limit and represents the county's legal borrowing authority.

**Schedule 11**  
**Chatham County**  
**Legal Debt Margin Information,**  
**Last Ten Fiscal Years**  
(dollars in thousands)

	<b>Fiscal Year</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Assessed Value of Property	11,612,454	12,165,785	13,933,718	14,532,663	15,221,360
Debt Limit, 8% of Assessed Value (Statutory Limitation)	928,996	973,263	1,114,697	1,162,613	1,217,709
Amount of Debt Applicable to Limit					
Gross debt	245,461	233,482	242,209	238,226	220,247
Less: Debt outstanding for water purposes	<u>12,721</u>	<u>11,630</u>	<u>10,514</u>	<u>9,382</u>	<u>8,224</u>
Total net debt applicable to limit	232,740	221,853	231,694	228,844	212,023
Legal Debt Margin	<u>696,257</u>	<u>751,410</u>	<u>883,003</u>	<u>933,769</u>	<u>1,005,686</u>
Total net debt applicable to the limit as a percentage of debt limit	25.05%	22.79%	20.79%	19.68%	17.41%

Note: NC Statute GS159-55 limits the county's outstanding debt to 8% of the he difference between the debt limit and the county's net debt outstanding applicable to the limit anc

Schedule 12  
 Chatham County  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2024

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
<b>Direct Debt:</b>			
Chatham County	\$ 211,938,366	100.00%	\$ 211,938,366
<b>Other Debt:</b>			
Town of Cary	<u>198,395,384</u>	2.77%	<u>5,495,552</u>
<b>Total</b>	<u>\$ 410,333,750</u>		<u>\$ 217,433,918</u>

Source: "Other debt" provided by Town of Cary.

Note: The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages are estimated by determining the portion of another governmental unit's taxable assessed value within the County's boundaries and dividing it by each unit's total taxable assessed value.

**Schedule 13  
Chatham County  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

<u>Year</u>	<u>Population</u>	<u>Personal Income (C) (thousands of dollars)</u>	<u>Per Capita Personal Income (C)</u>	<u>Public School Enrollment (D)</u>	<u>Unemployment Rate (E)</u>
2015	67,620 B	3,544,330	51,593	8,330	5.20%
2016	68,725 B	3,676,829	51,839	8,436	4.40%
2017	71,815 B	3,853,597	53,342	8,636	3.60%
2018	71,472 A	4,297,392	60,127	8,735	3.60%
2019	73,139 A	4,610,745	63,041	8,799	4.00%
2020	74,470 A	4,826,158	64,807	8,977	5.80%
2021	74,470 A	5,890,292	75,624	8,588	3.60%
2022	78,111 A	5,998,165	76,790	8,767	3.40%
2023	79,864 A	6,370,657	79,769	8,921	3.00%
2024	81,624	*	*	8,767	3.50%

\* Information not yet available.

Notes:

- (A) US Census Bureau. Estimates are as of beginning of fiscal year.
- (B) North Carolina Office of State Budget and Management
- (C) Bureau of Economic Analysis, US Department of Commerce. Figures are for the prior calendar year.
- (D) Chatham County Board of Education
- (E) NC Dept of Commerce, Labor and Economic Analysis

**Schedule 14  
Chatham County  
Principal Employers  
Current Year and Nine Years Ago**

<b>Employer</b>	<b>FY 2024</b>		<b>FY 2015</b>	
	<b>Employment Range (1)</b>	<b>Rank</b>	<b>Employment Range (2)</b>	<b>Rank</b>
Chatham County Schools	1000+	1	1000+	1
Chatham County	500-999	2	500-999	2
Carolina Meadows Inc.	250-499	3	250-499	3
Mountaire Farms of NC Inc.	250-499	4		
Ace Electric Inc	250-499	5	250-499	5
Galloway Ridge Inc	250-499	6	250-499	4
Wal-Mart Associates Inc.	250-499	7	100-249	7
Rex Healthcare Inc	100-249	8		
Old Dominion Insulation Inc	100-249	9		
Flakeboard America Limited (subsidiary of Arauco Panels USA LLC)	100-249	10		
Arauco Panels USA LLC			250-499	6
Chatham Hospital Inc.			100-249	8
Fitch Creations Inc.			100-249	9
Boise Cascade Company Llc			100-249	10

Sources:

- (1) NC Dept of Commerce, Labor and Economic Analysis (QE 12/31/22)
- (2) NC Dept of Commerce, Labor and Economic Analysis (QE 12/31/15)

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

<b>Function/Program</b>	<b>Full-time Equivalent Employees as of June 30</b>				
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
General Government	70	70	74	79	87
Public Safety	171	176	181	184	194
Economic and Physical Development	17	19	20	22	22
Human Services	154	147	148	156	163
Cultural and Recreation	22	20	22	27	28
Water	22	20	23	23	23
Waste Management	12	14	13	10	11
<b>Total</b>	<b>468</b>	<b>466</b>	<b>481</b>	<b>501</b>	<b>528</b>

Source: County Finance Department

Notes:

Vacant positions are not included in the above numbers.

This schedule represents number of persons employed as of June 30 of each year.

Full time personnel work 2,080 hours per year (less vacation and sick leave).

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

<b>Function/Program</b>	<b>Full-time Equivalent Employees as of June 30</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
General Government	87	87	86	100	113
Public Safety	195	196	206	212	226
Economic and Physical Development	23	22	26	29	33
Human Services	152	156	150	177	186
Cultural and Recreation	27	27	29	31	33
Water	25	24	25	20	24
Waste Management	11	11	12	32	35
<b>Total</b>	<b>520</b>	<b>523</b>	<b>534</b>	<b>601</b>	<b>650</b>

Schedule 16  
Chatham County  
Operating Indicators by Function/Program  
Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2015	2016	2017	2018	2019
<b>Governmental Activities:</b>					
<b>General Government:</b>					
Land records recorded	12,717	12,800	14,617	14,113	12,673
Marriage licenses issued	343	330	304	322	292
New registered voters	3,046	4,949	5,511	3,934	4,833
<b>Public Safety:</b>					
Civil processes served	3,527	3,187	3,273	2,982	2,619
Applications for pistol permits	890	964	1,569	1,497	1,370
911 calls received	164,970	131,486	136,870	116,101	120,090
Fire inspections conducted	712	670	728	1,099	897
<b>Economic and Physical Development:</b>					
Zoning permits issued	1,805	1,819	2,094	1,986	1,945
Building permits issued (single-family dwellings)	674	756	870	713	632
<b>Human Services:</b>					
Total patients seen in health clinics	5,614	3,612	3,036	2,407	2,066
Children and families receiving Medicaid	5,777	5,017	5,606	5,679	5,874
Total child support collections	2,523,317	2,566,690	2,607,660	2,578,299	2,587,171
<b>Cultural and Recreational:</b>					
Library patron visits (3 branches)	178,820	180,771	181,494	171,177	177,403
Participants in youth sports	918	967	1,050	909	904
<b>Education:</b>					
Average daily membership	8,330	8,436	8,636	8,735	8,799
County appropriation per student (rounded)	\$4,019	\$4,175	\$4,252	\$4,386	\$4,890
<b>Business-Type Activities:</b>					
<b>Water:</b>					
Number of new connections	483	505	541	571	506
Gallons of water consumed (in thousands)	607,396	645,293	683,242	713,548	706,500
<b>Waste Management:</b>					
Tons of recyclables	4,627	4,910	2,691	3,015	3,160
Tons of waste managed	11,338	11,995	12,160	11,908	12,684

Sources: Various county departments; average daily membership provided by Chatham County Schools.

Schedule 16  
Chatham County  
Operating Indicators by Function/Program  
Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2020	2021	2022	2023	2024
<b>Governmental Activities:</b>					
<b>General Government:</b>					
Land records recorded	14,713	20,014	17,725	12,140	11,286
Marriage licenses issued	308	434	359	316	315
New registered voters	8,114	6,397	4,328	4,312	4,202
<b>Public Safety:</b>					
Civil processes served	2,449	1,734	2,063	2,484	2,245
Applications for pistol permits	3,084	4,306	1,802	1,330	-
911 calls received	113,258	118,152	114,251	117,268	112,577
Fire inspections conducted	1,244	1,731	1,484	1,075	531
<b>Economic and Physical Development:</b>					
Zoning permits issued	2,124	1,978	2,853	2,996	1,925
Building permits issued (single-family dwellings)	581	818	797	574	498
<b>Human Services:</b>					
Total patients seen in health clinics	2,000	2,043	1,291	1,218	1,276
Children and families receiving Medicaid	5,693	6,089	7,133	7,886	8,799
Total child support collections	2,708,262	2,711,702	2,615,453	2,206,715	2,594,640
<b>Cultural and Recreational:</b>					
Library patron visits (3 branches)	118,890	5,822	57,829	73,366	84,199
Participants in youth sports	1,355	592	1,389	1,637	1,773
<b>Education:</b>					
Average daily membership	8,977	8,588	8,767	8,921	8,842
County appropriation per student (rounded)	\$4,991	\$5,561	\$ 6,359	\$ 6,392	\$ 7,023
<b>Business-Type Activities:</b>					
<b>Water:</b>					
Number of new connections	368	310	313	362	118
Gallons of water consumed (in thousands)	773,235	862,795	856,791	813,813	872,409
<b>Waste Management:</b>					
Tons of recyclables	3,209	3,582	1,291	3,500	3,788
Tons of waste managed	13,235	13,546	12,217	11,765	11,885

Sources: Various county departments; average daily membe

**Schedule 17**  
**Chatham County**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	Fiscal Year				
	2015	2016	2017	2018	2019
<b>Public Safety:</b>					
Jail Capacity	110	110	110	110	110
Total Sheriff Vehicles	126	131	147	151	151
<b>Cultural and Recreational:</b>					
Park Acreage	437	437	437	437	437
Libraries (branches)	3	3	3	3	3
<b>Business-Type:</b>					
<b>Water:</b>					
Miles of Water Main	415	415	419	419	419
Number of Storage Tanks	9	9	9	9	9
<b>Waste Management:</b>					
Collection Centers	12	12	12	12	12

Sources: Various county departments and county asset records.

Schedule 17  
 Chatham County  
 Capital Asset Statistics by Function/Program  
 Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2020	2021	2022	2023	2024
<b>Public Safety:</b>					
Jail Capacity	110	110	110	110	110
Total Sheriff Vehicles	162	162	167	179	177
<b>Cultural and Recreational:</b>					
Park Acreage	437	437	437	437	437
Libraries (branches)	3	3	3	3	3
<b>Business-Type:</b>					
<b>Water:</b>					
Miles of Water Main	435	440	440	428	428
Number of Storage Tanks	9	9	8	9	9
<b>Waste Management:</b>					
Collection Centers	12	12	12	12	12

Sources: Various county departments and county asset records

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**CHATHAM COUNTY  
NORTH CAROLINA**

**COMPLIANCE LETTERS**

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

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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 Commissioners  
Chatham County  
Pittsboro, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable of the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), 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 Chatham County, North Carolina (the "County"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 27, 2024. Our report includes a reference to other auditors who audited the financial statements of the Chatham County ABC Board as described in our report on Chatham County's financial statements. The financial statements of the Chatham County ABC Board were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Chatham County ABC Board or that are reported on separately by those auditors who audited the financial statements of the Chatham County ABC Board.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Chatham 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 Chatham County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Chatham 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*.

### **Purpose of this Report**

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

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

Martin Starnes & Associates, CPAs, P.A.  
Hickory, North Carolina  
November 27, 2024

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

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

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

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

To the Board of Commissioners  
Chatham County  
Pittsboro, North Carolina

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

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

We have audited Chatham County, North Carolina's compliance, with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Governmental Commission that could have a direct and material effect on each of Chatham County's major federal programs for the year ended June 30, 2024. Chatham 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.

In our opinion, Chatham County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

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

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

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

## ***Responsibilities of Management for Compliance***

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

## ***Auditor's Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, we:

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

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

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the 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  
November 27, 2024

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

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

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

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

To the Board of Commissioners  
Chatham County  
Pittsboro, North Carolina

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

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

We have audited Chatham County, North Carolina's, compliance with the types of compliance requirements identifies as subject to audit in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Governmental Commission that could have a direct and material effect on each of Chatham County's major state programs for the year ended June 30, 2024. Chatham 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.

In our opinion, Chatham County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2024.

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

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

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

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, we:

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

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

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

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the 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  
November 27, 2024

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**CHATHAM COUNTY, NORTH CAROLINA**

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

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**Section I – Summary of Auditor’s Results**

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**Financial Statements**

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

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes  X  No
- Significant deficiency(s) identified? \_\_\_\_\_ Yes  X  None reported

Non-compliance material to financial statements noted?

\_\_\_\_\_ Yes  X  No

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes  X  No
- Significant deficiency(s) identified? \_\_\_\_\_ Yes  X  None reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

\_\_\_\_\_ Yes  X  No

Identification of major federal programs:

<b><u>Program Name</u></b>	<b><u>AL#</u></b>
Medicaid Cluster	93.778
Community Facilities Loans and Grants Cluster	10.766
Supplemental Nutrition Assistance Program Cluster	10.561

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

\$750,000

Auditee qualified as low-risk auditee?

X  Yes \_\_\_\_\_ No

**CHATHAM COUNTY, NORTH CAROLINA**

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

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**Section I – Summary of Auditor’s Results (continued)**

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**State Awards**

Internal control over major state programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes  X  No
- Significant deficiency(s) identified? \_\_\_\_\_ Yes  X  None reported

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  X  No

Identification of major state programs:

**Program Name**

Public School Building Capital Fund – Lottery Proceeds  
Medicaid Cluster

Auditee qualified as low-risk auditee?  X  Yes \_\_\_\_\_ No

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**Section II – Financial Statement Findings**

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None reported.

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**Section III – Federal Award Findings, Responses, and Questioned Costs**

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None reported.

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**Section IV – State Award Findings, Responses, and Questioned Costs**

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None reported.

**CHATHAM COUNTY, NORTH CAROLINA**

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

No prior year findings.

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CHATHAM COUNTY, NORTH CAROLINA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2024

Grantor/Pass-through Grantor/Program Title	Federal AL Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
<b>Division of Social Services:</b>					
<b>Administration:</b>					
Children's Health Insurance Program-NC Health Choice	93.767	CHIP18	222,164	2,762	-
<b>Total Division of Social Services</b>			<b>222,164</b>	<b>2,762</b>	<b>-</b>
<b>Total Centers for Medicare and Medicaid Services</b>					
			<b>212,665</b>	<b>69,386</b>	<b>-</b>
<b>Centers for Disease Control and Prevention</b>					
<b>Passed-through the NC Department of Health and Human Services</b>					
<b>Division of Public Health:</b>					
Public Health Emergency Preparedness	93.069	12642680EN; 12641680EQ 146022DNF; 1460272CNF; 1460272ANF;	31,681	-	-
Project Grants and Coop Agreements for Tuberculosis Control Programs	93.116	1460272ENF	50	-	-
Immunization Cooperative Agreements	93.268	1331631DEJ; 1331631AEJ	13,994	-	-
COVID-19 Immunization Cooperative Agreements	93.268		62,409	-	-
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	1175870AWT; 1175878AHH	269,706	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	1320310AD719; 1320310CD7	7,980	-	-
COVID-19 Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	1161795SLZ	-	-	-
HIV Care Formula Grants - Ryan White Care Act	93.991	12615503PH; 13114536PF	40,347	-	-
<b>Total Centers for Disease Control and Prevention</b>	93.917		<b>1,879</b>	<b>-</b>	<b>-</b>
			<b>428,046</b>	<b>-</b>	<b>-</b>
<b>Health Resources and Services Administration</b>					
<b>Passed-through the NC Department of Health and Human Services:</b>					
<b>Division of Public Health:</b>					
Maternal and Child Health Services Block Grant to the States	93.994	13A15735AP19; 12715318AP19; 12715745AP19; 12715351AP19; 13A15740AP19; 13A15107AP19; 12715745AR; 13A15740AR	29,879	533	-
<b>Office of Assistant Secretary for Health</b>					
<b>Passed-through the NC Department of Health and Human Services:</b>					
<b>Office of Assistant Secretary for Health</b>					
Family Planning Services	93.217	13A15900FP	51,523	-	-
<b>Total Office of Assistant Secretary for Health</b>			<b>51,523</b>	<b>-</b>	<b>-</b>
<b>Administration for Community Living</b>					
<b>Division of Aging and Adult Services</b>					
<b>Passed through Triangle Regional Council:</b>					
Special Programs for the Aging - Title III Part D					
Disease Prevention and Health Promotion Services	93.043	2018-J007-019	6,779	399	-
National Family Caregiver Support, Title III Part E	93.052	2018-J007-019	66,262	5,692	-
<b>Aging Cluster:</b>					
Special Programs for the Aging - Title III, Part B-Grants for Supportive Services and Senior Centers-Access Services	93.044	2018-J007-019	229,915	17,461	-
Special Programs for the Aging - Title III, Part C-Nutrition Services-Congregate Nutrition	93.045	2018-J007-019	90,890	5,800	-
Special Programs for the Aging - Title III, Part C-Nutrition Services-Home Delivered Meals	93.045	2018-J007-019	135,436	10,198	-
Nutrition Services Incentive Program	93.053	2018-J007-019	33,629	-	-
Special Programs for the Aging - Title III, Part C-Nutrition Services-Home Delivered Meals	93.045		4,322	-	-
<b>Total Aging Cluster</b>			<b>494,192</b>	<b>33,459</b>	<b>-</b>
<b>Total Administration for Community Living</b>			<b>567,233</b>	<b>39,550</b>	<b>-</b>
<b>Total U.S. Department of Health and Human Services:</b>			<b>6,023,311</b>	<b>240,281</b>	<b>5,006</b>
<b>U.S. Department of the Treasury</b>					
<b>Passed-through the Office of State Budget and Management:</b>					
Coronavirus State Local Fiscal Recovery Funds	21.027		6,542	-	-
Coronavirus State Local Fiscal Recovery Funds	21.027		196,139	-	-
Emergency Rental Assistance Program	21.023		62,122	-	-
<b>Total U.S. Department of the Treasury</b>			<b>264,803</b>	<b>-</b>	<b>-</b>
<b>Department of Health and Human Services</b>					
<b>National Institute of Health</b>					
Passed through Duke University					
Cardiovascular Disease Research	93.837	A033411,SPS-250383	11,100	-	-
<b>Total Federal Awards</b>			<b>26,564,365</b>	<b>240,281</b>	<b>5,006</b>
<b>State Awards:</b>					
<b>U.S. Department of Health &amp; Human Services</b>					
<b>Passed through NC Department of Insurance</b>					
CDAP - State Health Insurance Assistance Program		90SAPG0099-04-00	-	10,314	-
Medicare Enrollment Assistance Program		2201NCMISH-01	-	5,149	-
<b>Institute of Museum and Library Services</b>					
Grants to States		LSTA 2019-2020 COVID-19	-	747	-
<b>Total Institute of Museum and Library Services</b>			<b>-</b>	<b>747</b>	<b>-</b>
<b>NC Department of Commerce</b>					
NC RIA Building Reuse Program		2023-003-3201-2587	-	33,579	-
NC RIA Building Reuse Program		2023-003-3201-2587	-	60,000	-
NC RIA Building Reuse Program		2024-004-3201-2587	-	100,000	-
<b>Total NC Department of Commerce</b>			<b>-</b>	<b>193,579</b>	<b>-</b>
<b>NC Department of Natural and Cultural Resources</b>					
<b>Division of State Library</b>					
State Aid to Public Libraries		2018-STATEAID	-	124,649	-
<b>Total NC Department of Cultural Resources</b>			<b>-</b>	<b>124,649</b>	<b>-</b>
<b>NC Department of Environmental Quality</b>					
Electronics Management		536961-2395	-	9,617	-
Agricultural Cost Share-Technical Assistance		CHAT170	-	26,181	-
Education Grant		CHAT2018SWCD	-	3,600	-
Merger-Regionalization Feasibility Grant		MRF-D-ARP-0011	-	380,000	-
<b>Total NC Department of Environmental and Natural Resources</b>			<b>-</b>	<b>419,398</b>	<b>-</b>
<b>NC Department of Health and Human Services</b>					
<b>Division of Social Services:</b>					
<b>Administration and Services</b>					
State Child Welfare/CPS		2018CPS	-	105,420	-
DCD Smart Start			-	-	-
County Funded Programs			-	-	-
APS/CPS Care Covid19			-	-	-
Senior Center General Purpose		2018-J007-019	-	22,186	-

CHATHAM COUNTY, NORTH CAROLINA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2024

Grantor/Pass-through Grantor/Program Title	Federal AL Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
<b>Administration for Community Living</b>					
<b>Division of Aging and Adult Services</b>					
<b>Passed through Triangle Regional Council:</b>					
<b>Aging Cluster:</b>					
State Appropriation - HCCBG In Home Services		2018-J007-019	-	233,203	-
<b>Direct Benefit Payments:</b>					
State Foster Home		2018SFH	-	103,086	-
State Foster Home Maximization		2018SFHM	-	67,824	-
F/C /Max Non IV-E		2018FCAR	-	18,630	-
Foster Care Kinship			-	18,959	-
State-Family Foster Care Max		2018FCAR	-	-	-
F/C At Risk Maximization		2018FCAR	-	867	-
<b>Total Division of Social Services</b>			-	<b>570,175</b>	-
<b>Division of Public Health</b>					
<b>Other Receipts / State Supported Expenditures</b>					
Food and Lodging Fees		115347528Z19	-	28,276	-
PH Capacity Building			-	80,736	-
General Communicable Disease Control		117545100019	-	1,610	-
Breast and Cervical Cancer Program		132055990019; 1320335504	-	5,670	-
Child Health		127157450019	-	3,222	-
Family Planning		13A157350019	-	20,641	-
Maternal Health		13A157400019	-	3,154	-
High Risk Maternity Clinic		13A157460019	-	14,084	-
Healthy Community Activities		126155030019; 12615503PF19; 13114536PF19	-	3,747	-
School Nurse Funding Initiative		133253580019	-	100,000	-
Tuberculosis		146045510019; 146045540019	-	9,688	-
State Fiscal Recovery Funds			-	99,627	-
<b>Total Division of Public Health</b>			-	<b>370,455</b>	-
<b>Total N. C. Department of Health and Human Services</b>					
			-	<b>1,678,256</b>	-
<b>NC Department of Military and Veteran Affairs</b>					
DMVA Community County Grants		DMVACNTYGRANT17	-	2,174	-
<b>Total NC Department of Public Instruction</b>			-	<b>2,174</b>	-
<b>NC Department of Public Instruction</b>					
Public School Building Capital Fund-Lottery Proceeds		CHATPSBCF	-	638,700	-
<b>Total NC Department of Public Instruction</b>			-	<b>638,700</b>	-
<b>NC Department of Public Safety</b>					
Juvenile Crime Prevention Program-Administration		536301-12409019	-	15,496	-
Juvenile Crime Prevention Program		536301-12409019	-	124,465	-
State Forfeiture Funds		USUB2018	-	8,317	-
State Computer Grant		PROJ015029	-	14,948	-
<b>Total NC Department of Public Safety</b>			-	<b>163,226</b>	-
<b>NC Department of Transportation</b>					
Rural Operating Assistance Program (ROAP) Cluster					
ROAP-Elderly and Disabled Transportation Assistance Program		DOT-16CL-36220.10.12.1	-	87,660	-
ROAP Rural General Public Program		DOT-16CL-36228.22.12.1	-	19,202	-
ROAP Work First Transitional - Employment		DOT-16CL-36236.11.11.1	-	109,617	-
<b>Total N.C Department of Transportation</b>			-	<b>216,479</b>	-
<b>Other Financial Assistance</b>					
Opioid Settlement			-	144,851	-
<b>Total State awards</b>			-	<b>2,859,896</b>	-
<b>Total Federal and State awards</b>			<b>\$ 26,564,365</b>	<b>\$ 3,100,177</b>	<b>\$ 5,006</b>

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

**Note 1: Basis of Presentation**

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

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

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

**Note 3: Indirect Cost Rate**

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

**Note 4: Cluster of Programs**

The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Foster Care, Adoption and Guardianship Assistance Program, Mental Health, Intellectual and Developmental Disabilities, and Substance Use Services, Special Children Adoption Fund, and Subsidized Child Care Program.

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

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

Program Title	AL	Federal	State
Medicaid	93,778	\$ 75,659,247	\$ 30,088,086
CHIP	93,767	10,849	2,911
Adoption Assistance-IV-E Adopt Subsidy & Vendor	93,659	906,963	194,195
TANF-Payments & Penalties	93,558	38,035	-
WIC	10,557	1,050,495	-
Child Welfare Services Adoption-Vendor Guard		-	198,956
SC/SA Domiciliary Care		-	205,656

**Note 6: Opioid Settlement Fund**

The NC Department of Justice does not consider Opioid Settlement Funds either Federal or State Financial assistance since they are from a settlement with private major drug companies. Since these funds are subject to the State Single Audit Implementation Act, they are reported as "Other Financial Assistance" on the SEFSA, and considered State Awards for State single audit requirements.

**Note 7: Loans Outstanding**

Chatham County had the following loan balances outstanding at June 30, 2024 for loans that the grantor/pass-through grantor has still imposed continuing compliance requirements. Loans outstanding at the beginning of the year and loans made during the year are included in the SEFSA. The balance of loans outstanding at June 30, 2024 consist of:

Program Title	AL	Pass-through Grantor's Number	Amount Outstanding
Community Facilities Loans and Grants Cluster	10.766	N/A	\$ 18,291,680

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