



Annual Comprehensive Financial Report

Year Ended June 30, 2025

Forsyth County, North Carolina



2025



**Forsyth County,
North Carolina**

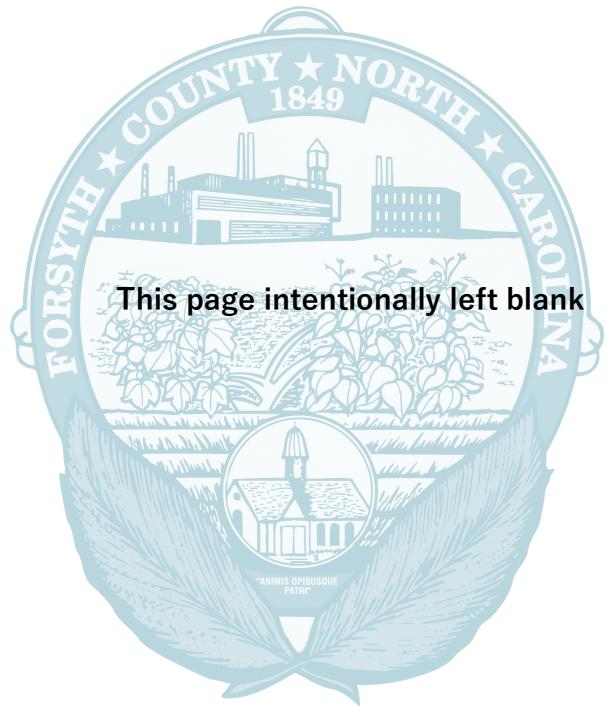
Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025

Prepared by the Forsyth County Finance Department:

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Forsyth County, North Carolina

Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2025

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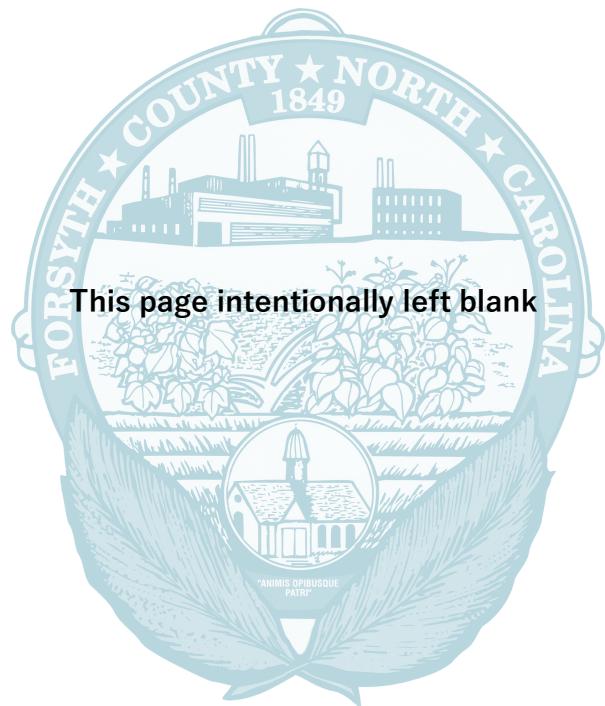
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Terri L. Goodman, CPA
CHIEF FINANCIAL OFFICER

Lee H. Plunkett
DEPUTY CHIEF FINANCIAL OFFICER



Miranda C. Stafford
ASSISTANT CHIEF FINANCIAL OFFICER /
CONTROLLER

FINANCE DEPARTMENT

December 3, 2025

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

State law requires that all local governments publish at the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of Forsyth County for the fiscal year ended June 30, 2025.

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

Forsyth County's financial statements have been audited by Cherry Bekaert LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Forsyth County for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Forsyth County's financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP. The report of the independent auditor is presented as the first component of the financial section of this report.

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

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

Profile of the Government

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

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

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

The annual budget serves as the foundation for Forsyth County's financial planning and control. Each year all County departments are required to submit requests for appropriations to the County Manager, who then compiles a proposed budget and presents it to the Board of Commissioners for review. The Board is required to hold public hearings on the proposed budget and to adopt a final budget by July 1 of the fiscal year, or the Board must adopt an interim budget that covers that time until the annual ordinance can be adopted. The annual ordinance includes appropriations for the General Fund, and four annually budgeted special revenue funds. Note 1c provides additional information on budgetary data. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund and Opioid Settlement Fund, this comparison is presented on page 18 and page 19, respectively, as part of the basic financial statements for the governmental funds and, in greater detail, on pages 64 - 66 and page 67, respectively, in the subsection for major fund budgetary

comparison schedules. Also included in the basic financial statements for governmental funds are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted. For annually budgeted special revenue funds, this comparison is presented in the nonmajor governmental fund subsection of this report, which starts on page 74. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each nonmajor governmental fund for which a project-length budget has been adopted.

Attesting to the sound financial management of the Board of Commissioners, the County's long-term bonded debt remains AAA-rated by Standard & Poor's and Aaa-rated by Moody's Investor Services.

Factors Affecting Financial Condition

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

Local economy. Located midway between Washington, D.C. and Atlanta, Georgia, Forsyth County is in the heart of the state's Piedmont Triad region, a 12-county area with more than 1.8 million people. Three cities comprise the Triad: Winston-Salem, Greensboro and High Point. Each city has its own character, its own heritage, and its own industrial base. Yet the area's commercial and cultural growth transcends geographic boundaries with the strengths of each city combining to form a vibrant economic hub.

Forsyth County, with an estimated population of 395,597 and a workforce of more than 185,000, plays a vital role in the Triad's economy. With a strong and well diversified core of manufacturing companies, health care, biotechnology, financial services, and tourism sectors, the County serves as the major employment center for the counties which comprise northwest North Carolina and portions of southwest Virginia. The County's average unemployment rate for the year ended June 30, 2025 is 3.8 percent, which is lower than the national rate of 4.2 percent and higher than the state rate of 3.7 percent.

Economic resilience and employment stability have formed the foundation for strong local consumer and commercial markets. The most recent per capita personal income levels from 2023 remain consistently higher than state figures. The County's per capita income is \$60,481, the eighteenth highest among counties in the state, and slightly lower than the State's \$61,839. Capital investment, as measured by the value of new residential and commercial building permits issued during the year, totaled \$1.06 billion during the year ended June 30, 2025, an increase of 11.1 percent from the prior year.

Long-term financial planning. The Forsyth County Major Capital Improvements Program ("CIP") is the result of an ongoing process by County officials to assess the need for major capital expenditures, the feasibility of funding these projects, and to establish an orderly plan for implementing these projects. The CIP is reviewed by the Commissioners periodically at briefing sessions, winter workshops, and during the adoption of the annual budget.

As of June 30, 2025, the County's CIP through the year 2031 consists of \$363.2 million in department requested projects. Of this total, \$42.7 million are projects with Commissioner approved funding sources, which include bond proceeds, grants, pay-go, and annual general fund appropriations. The projects consist of \$10.7 million for the County, \$29.5 million for public schools, and \$2.4 million for the community college. An additional \$320.5 million in projects is listed as horizon projects that are either unfunded in the current CIP or have received only partial funding. The projects consist of \$108.3 million for the County, \$185.2 million for public schools, and \$27.1 million for the community college.

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

Tax Rate - The Board of Commissioners strives to limit the growth of the annual operating budget to an amount which can be accommodated by growth in the tax base as well as other local, state and federal revenues, without a tax rate increase, whenever possible. The fiscal year 2025 tax rate of \$.6778 is unchanged from the prior year rate.

Education Debt Leveling Plan ("EDLP") – In order to level the effects of issuing \$250 million schools and \$25 million community college bonds authorized in the November 2006 referendum, the County has dedicated proceeds from the state education lottery and from a 3-cent property tax increase first levied in fiscal year 2008 to debt service on these bonds. Similarly, the fiscal year 2010 budget included an additional 1.1-cent tax increase over the revenue-neutral rate to fund the \$62 million educational facilities bond authorization approved in the November 2008 referendum. These EDLP tax rates were adjusted to \$.033 and \$.0121 for the 2006 and 2008 EDLP reserves, respectively, following the fiscal year 2014 revaluation. No additional tax increases are anticipated to pay this debt service. Each year lottery funds will be applied first, and the balance of applicable debt service will be paid from fund balance designated from the 3.3-cent and 1.21-cent levies plus any interest on that designated fund balance. The EDLP currently has a balance of \$12.4 million.

Library Debt Leveling Plan ("LDLP") – In order to level the effects of issuing \$40 million library bonds authorized in the November 2010 referendum, the County has dedicated proceeds from a \$.0057 property tax increase first levied in fiscal year 2016 to debt service on these bonds. No additional tax increases are anticipated to pay this debt service. Each year applicable debt service will be paid from fund balance designated from the \$.0057 levy plus any interest on that designated fund balance. The LDLP currently has a balance of \$3.8 million.

Public Improvement Debt Leveling Plan ("PIDLP") – In order to level the effects of issuing \$163.6 million schools, \$30.4 million community college, and \$7.0 million parks bonds authorized in the November 2016 referendum, the County has dedicated proceeds from annual operating contributions and from a 2.9-cent property tax increase first levied in fiscal year 2018 to debt service on these bonds. No additional tax increases are anticipated to pay this debt service. Each year applicable debt service will be paid from fund balance designated from the 2.9-cent levy plus any interest on that designated fund balance. The PIDLP currently has a balance of \$3.2 million.

Courthouse Debt Leveling Plan ("CHDLP") – In order to level the effects of debt issued for the construction of a new courthouse facility, the County has dedicated proceeds from a \$.02 property tax rate increase first levied in fiscal year 2020 to debt service incurred for this project. No additional tax increases are anticipated to pay this debt service. Each year applicable debt service will be paid from fund balance designated from the 2.0-cent levy plus any interest on that designated fund balance. The CHDLP currently has a balance of \$8.9 million.

Debt Policy - Forsyth County recognizes that a formally adopted debt policy is fundamental to sound financial management. The fiscal year 2025 budget was adopted under the policy goal that the total annual debt service for long-term obligations would not exceed 18% of the appropriations in the annually adopted budget as shown in the Budget Ordinance. The policy of keeping debt service at less than a specified percent of the budget can greatly influence the timing and/or amount of funding for a project, as well as the method of funding.

Fund Balance Policy – Unassigned fund balance in the General Fund should be at least 14% of the subsequent year's budget. The County exceeded this policy target ending the 2025 fiscal year with an unassigned fund balance of 18.5% of its 2026 budget. \$9.7 million of the County's \$202.3 million fund balance was appropriated to balance the fiscal 2026 budget. \$8.2 million of appropriated fund balance was from restricted and committed portions of fund balance. One of the County's goals for future budgets is to reduce the amount of appropriated fund balance needed to balance the budget and increase its level of unassigned fund balance.

Major Initiatives. The focus of the fiscal year 2026 budget is to minimize utilization of unassigned fund balance while maintaining the financial policies which form the financial foundation of the County; the 18% debt ceiling, the school, library and public improvement debt leveling plans, and the use of a multi-year approach to mitigate effects of revaluations. Also, capital maintenance plans for the County, schools and community college which utilize two-thirds bonds for funding every other year provide resources to keep facilities safe, sound and usable and allow for maintenance planning over the life of facilities.

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

Awards and Acknowledgements

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Forsyth County for its annual comprehensive financial report for the fiscal year ended June 30, 2024. This was the 41st consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized annual comprehensive financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

GFOA also presented the County with a Distinguished Budget Presentation Award for the County's fiscal year 2025 annual budget. To receive this award, a governmental unit must publish a budget document that meets program criteria. This award is valid for one year only. We believe the fiscal year 2026 budget continues to conform to program requirements, and we are submitting it to GFOA to determine eligibility for another award.

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

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

Sincerely,

Terri L. Goodman

Chief Financial Officer

Forsyth County Board of Commissioners



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

County Administration



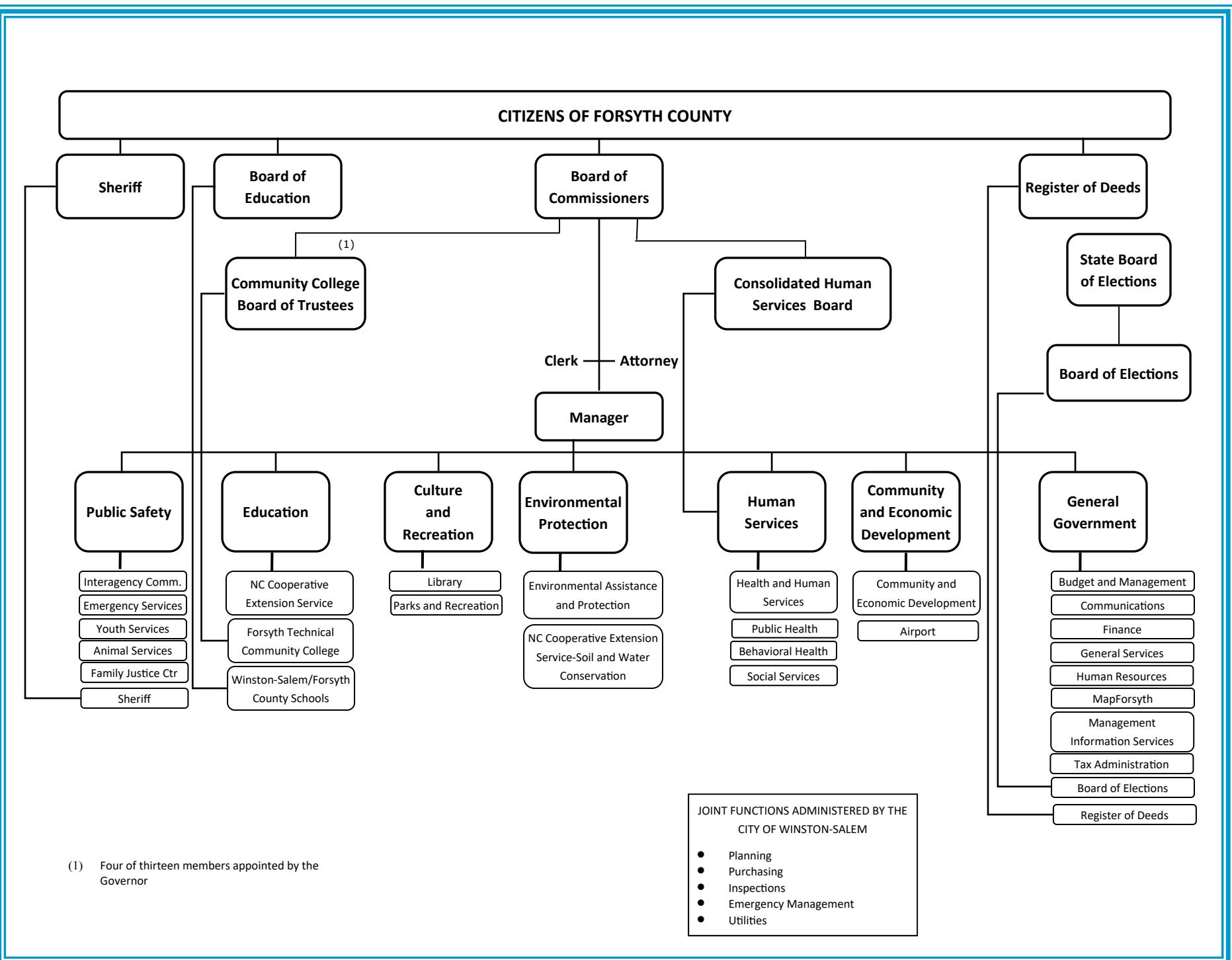
Shontell A. Robinson
County Manager



Denise Price
*Deputy County Manager
and HHS Director*



J. Kyle Haney
Deputy County Manager





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Forsyth
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Monell

Executive Director/CEO

Report of Independent Auditor

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Forsyth County, North Carolina (the "County") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons 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.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 5g to the financial statements, beginning net position and fund balances were restated due to the adoption of GASB Statement No.101, *Compensated Absences*, and two error corrections. Our opinions are not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying budgetary comparison schedules – major government funds, schedule of revenues, expenditures, and changes in fund balance – budget and actual – from inception, and the combining and individual fund financial statements and schedules – nonmajor governmental funds, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules – major government funds, schedule of revenues, expenditures, and changes in fund balance – budget and actual – from inception, and the combining and individual fund financial statements and schedules – nonmajor governmental funds, are fairly stated, in all material respects, in relation to the basic financial statements as a whole

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2025, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Charlotte, North Carolina
December 3, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

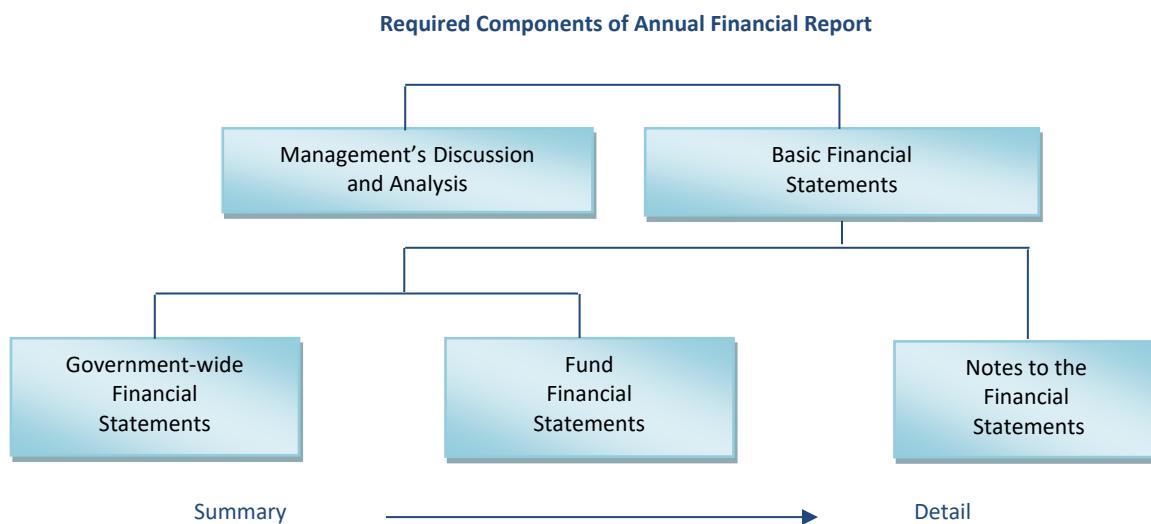
As management of Forsyth County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2025. This narrative complements the data presented in the basic financial statements and we encourage readers to read the information presented here in conjunction with the transmittal letter at the front of this report and the County's financial statements, which follow this narrative.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of Forsyth County exceeded liabilities and deferred inflows of resources at the close of the fiscal year by \$82.2 million (*net position*).
- The County's total net position increased by \$11.3 million from net position of the prior period despite the payment of \$53.9 million for public school and community college facilities that are not reported as assets of the County.
- Forsyth County maintained its Aaa bond rating from Moody's Investors Service and AAA rating from Standard & Poor's Corporation for the 30th consecutive year.
- As of the close of the current fiscal year, Forsyth County's governmental funds reported combined ending fund balances of \$453.2 million, a decrease of \$59.2 million in comparison with the prior year. This decrease is largely attributed to County and Education Facilities capital project expenditures.
- The balance in the Education Debt Leveling Plans decreased by a net \$404,000 for the year bringing the total available to pay for future education-related debt service to \$12.4 million. The balance in the Library Debt Leveling Plan increased by a net \$777,000 for the year bringing the total available to pay for future library-related debt service to \$3.8 million. The balance in the Public Improvement Debt Leveling Plan decreased by a net \$6.1 million for the year bringing the total available to pay for future public improvement-related debt service to \$3.2 million. The balance in the Courthouse Debt Leveling Plan decreased by a net \$1.4 million for the year bringing the total available to pay for future courthouse-related debt service to \$8.9 million. The reduction in plan reserves is expected as they are utilized to pay debt service in the latter years of the respective issues.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$109.4 million or 19.3% of total general fund expenditures for the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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



BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

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

All of the County's basic services were accounted for in 12 governmental funds for the year ended June 30, 2025. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Opioid Settlement Fund, the County Capital Projects Fund, the Education Capital Projects Fund, and the Pandemic Response Fund which are considered to be major funds. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining statements elsewhere in this report.

Forsyth County adopts an annual budget for its General Fund, as required by the North Carolina General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. Forsyth County's budget is prepared on the modified accrual basis of accounting. The summary budgetary comparison statement on [Exhibit 5](#) shows four columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. A more detailed budgetary comparison schedule elsewhere in this report is presented at the legal level of budgetary control.

The basic governmental fund financial statements are [Exhibits 3 - 6](#) of this report.

Proprietary Funds – Forsyth County has one kind of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the functions of the County. The County uses an internal service fund to account for risk retention services for health and dental benefits provided to departments of the County on a cost reimbursement basis. The Employee Health Benefits fund has been included with the governmental activities in the government-wide financial statements, and it is presented in the proprietary fund financial statements, [Exhibits 7 - 9](#) of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Forsyth County's own programs. One trust fund, the other post-employment benefit trust, and two custodial funds comprise the County's fiduciary funds. The basic fiduciary fund financial statements can be found on [Exhibits 10](#) and [11](#).

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 24 - 56 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Forsyth County's progress in funding its obligation to provide pension benefits and other post-employment benefits ("OPEB") to certain employees. Required supplementary information can be found on pages 57 - 62 of this report.

Budgetary comparison schedules for major funds are presented following the required supplementary information on pensions and OPEB. The combining statements referred to earlier in connection with nonmajor governmental funds and individual fund statements and schedules can be found on pages 75 – 92 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of resources of Forsyth County exceed liabilities and deferred inflows of resources by \$82.2 million as of June 30, 2025. The total net position of the County is negatively affected by its issuance of debt for the construction, renovation, or acquisition of public school and community college facilities that are not reported as assets of the County. These facilities are necessary to provide for the education of the citizens of the County. North Carolina statutes do not permit public schools and community colleges to issue debt; responsibility for providing these facilities lies with the County. The titles to these assets are held by the Winston-Salem/Forsyth County Board of Education or Forsyth Technical Community College, and the assets are reported on their financial statements, as applicable. The outstanding amount of education-related debt, net of unspent proceeds, is \$398.4 million at year-end and is reported as a reduction of unrestricted net position for governmental activities, resulting in a deficit balance of \$318.8 million for this category of net position. Had the education-related debt not been reported as a reduction of unrestricted net position, the balance of unrestricted net position for governmental activities would be \$79.6 million and total net position would be \$480.6 million, an increase in adjusted total net position of \$47.3 million over the prior year.

The following summarizes Net Position at June 30, 2025 and 2024:

Forsyth County's Net Position		
	Governmental Activities	
	2025	2024 restated
Current and other assets	\$ 540,216,530	\$ 628,826,345
Capital assets	434,807,459	398,945,014
Total assets	<u>975,023,989</u>	<u>1,027,771,359</u>
Deferred outflows of resources	58,548,865	62,943,682
Long-term liabilities outstanding	795,652,424	822,073,256
Other liabilities	135,641,092	153,915,935
Total liabilities	<u>931,293,516</u>	<u>975,989,191</u>
Deferred inflows of resources	20,048,238	26,654,122
Net position:		
Net investment in capital assets	270,311,474	232,911,258
Restricted	130,700,979	170,821,415
Unrestricted deficit	<u>(318,781,353)</u>	<u>(315,660,945)</u>
Total net position	<u>\$ 82,231,100</u>	<u>\$ 88,071,728</u>

A major portion of net position reflects the County's \$270.3 million investment in capital assets (e.g., land, buildings, vehicles, and equipment) less any related debt still outstanding that was issued to acquire those items. Forsyth County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Forsyth County's investment in its

capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional \$130.7 million of Forsyth County's net position are subject to external restrictions on how they may be used.

The deficit in unrestricted net position increased by \$3.1 million. The change in unrestricted net position resulting from governmental activities is discussed in the following section.

Governmental activities. Since the County has no business-type activities, the total change in net position is a result of governmental activities. The County's net position increased by \$11.3 million for the fiscal year ended June 30, 2025.

The following summarizes the changes in net position for the years ended June 30, 2025 and 2024:

Forsyth County's Changes in Net Position		
Governmental Activities		
	2025	2024 restated
Revenues:		
Program revenues:		
Charges for services	\$ 52,743,458	\$ 44,688,704
Operating grants and contributions	82,436,949	81,436,134
Capital grants and contributions	10,610,434	10,976,842
General revenues:		
Property taxes	330,392,794	322,555,374
Other taxes	115,838,996	111,792,839
Grants and contributions not restricted		
to specific programs	3,938,392	4,241,681
Other	<u>22,148,825</u>	<u>31,447,548</u>
Total revenues	<u>618,109,848</u>	<u>607,139,122</u>
Expenses:		
General government	75,901,040	69,828,124
Public safety	138,212,269	121,673,832
Environmental protection	3,921,946	3,416,747
Human services	96,012,516	94,716,403
Culture and recreation	19,860,736	18,029,848
Community and economic development	8,885,786	7,531,065
Education	242,630,787	230,803,309
Interest on long-term debt	<u>21,364,763</u>	<u>24,377,355</u>
Total expenses	<u>606,789,843</u>	<u>570,376,683</u>
Increase in net position	11,320,005	36,762,439
Net position, July 1, as previously reported	88,071,728	27,903,443
Restatement and adjustment	<u>(17,160,633)</u>	<u>23,405,846</u>
Net position, July 1, as restated	<u>70,911,095</u>	<u>51,309,289</u>
Net position, June 30	<u>\$ 82,231,100</u>	<u>\$ 88,071,728</u>

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

- Program and general revenues increased \$11.0 million from the prior year attributed primarily to increases in property tax revenue and interest earnings.
- Education expenses of \$53.9 million represent debt-funded outlays for which the resulting capital assets are not reported as assets of the County; however, liability for the applicable debt is reported on the County's Statement of Net Position.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, Forsyth County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. For the fiscal year ended June 30, 2025, the County's five major funds were the General Fund, the Opioid Settlement Fund, the County Capital Projects Fund, the Education Capital Projects Fund, and the Pandemic Response Fund.

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

As of the end of the fiscal year, the County's governmental funds reported combined fund balances of \$453.2 million, a decrease of \$59.2 million from the prior year. This decrease is largely attributed to County and Education capital project expenditures. Approximately 68.1%, or \$308.4 million of total combined fund balance, is restricted or non-spendable. \$200.2 million of this restricted total is restricted for debt funded capital expenditures. \$38.3 million is committed for future debt service, economic development projects, or capital projects. \$4.5 million is assigned for subsequent fiscal year 2026 expenditures, fire protection and capital projects. The remainder of the fund balance is unassigned.

General Fund Budgetary Highlights The General Fund is the primary operating fund of the County. During the fiscal year, the County revised the General Fund budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services or initiate new programs where timing is critical.

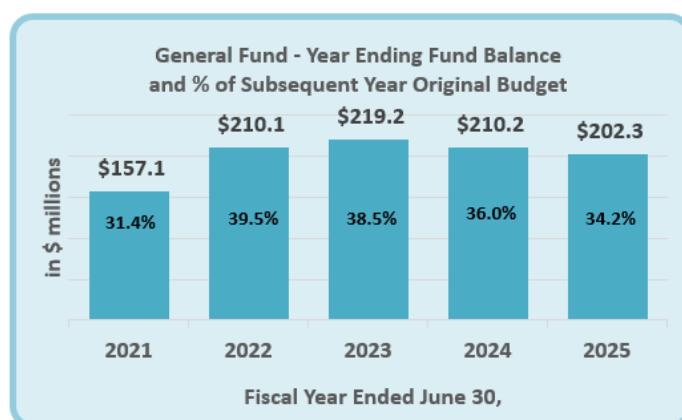
Amendments to the General Fund budget during the year totaled \$20.1 million. Unanticipated federal, State and local grants totaling \$5.0 million were appropriated for public health and social services, community and economic development initiatives, public safety and environmental protection programs. \$7.4 million transferred from the Pandemic Response Fund was appropriated for several economic development and community support projects. Appropriations of \$7.3 million were made from fund balance, including \$2.9 million for prior year encumbrances, \$1.8 million for the purchase of emergency services vehicles, \$1.0 million for economic development incentives, and \$604,000 to supplement funding for an airfield lighting rehabilitation project at the Smith Reynolds Airport.

Although \$40.7 million of fund balance was appropriated in the final budget, the net change in fund balance for the year was a decrease of just \$7.8 million.

General Fund At the end of the current fiscal year, the fund balance in the General Fund was \$202.3 million, a decrease of \$7.8 million. From this amount, \$37.5 million was placed in restricted or committed fund balance leaving an available fund balance of \$113.9 million, or 19.3% of the County's 2026 budget. \$9.7 million was appropriated to balance the fiscal 2026 budget. The County ended the 2025 fiscal year with an unassigned fund balance of \$109.4 million or 18.5% of the fiscal year 2026 budget.

Key factors that resulted in the \$7.8 million decrease in the General Fund fund balance include:

- Growth in General Fund expenditures outpaced growth in revenues by \$27.7 million. Much of the expenditure growth is attributed to a \$20.5 million increase in personal services as the cost of labor and associated benefits continued to push higher. Non-capital operating support for the Winston-Salem/Forsyth County Schools and Forsyth Technical Community College also increased \$6.9 million and \$494,000, respectively.
- Offsetting a portion of the expenditure growth were increases in property tax (\$6.5 million), sales tax (\$3.5 million), and other government reimbursement revenues (\$2.5 million). The increase in property tax revenue arose from a \$1.0 billion increase in the County's fiscal year 2025 assessed property valuation combined with continued diligence in the collection efforts which resulted in a 99.32% collection percentage and allows the County to realize nearly full benefit of its property tax levy. Assessed valuation growth came almost equally from growth in real property values (\$560.2 million) and personal property (\$426.9 million). Sales tax increased from increased economic activity in the county. Medicaid cost settlements increased \$860,000 over the prior year while the County received a one-time reimbursement from the City of Winston-Salem (\$1.9 million) which attributed to the increase in other reimbursement revenue.



Opioid Settlement Fund Along with numerous local governments across the nation, the County filed a lawsuit against opioid manufacturers and pharmaceutical distribution companies to hold them accountable for the opioid epidemic. This fund accounts for the County's share of settlement proceeds from such lawsuits which are to be used for opioid-related remediation efforts. For fiscal year 2025, the County spent \$1.6 million across 12 separate program strategies to remediate the effects of opioid abuse and assist individuals in recovery. At June 30, 2025, the County has \$11.1 million in unspent settlement proceeds and anticipates receiving an additional \$24.8 million over the next 15 years.

County Capital Projects Fund accounts for capital project ordinances adopted for the construction of and renovation to County facilities and the related acquisition of land, furnishings and equipment, funded by proceeds of general obligation bonds, limited obligation bonds, and general County revenues. Project spending during fiscal year 2025 totaled \$52.8 million and included:

- \$1.8 million for county buildings including \$341,000 for the County's new courthouse facility which opened in October 2023. \$161,000 was also spent on a new vehicle maintenance facility to be shared with the Winston-Salem/Forsyth County Schools, and \$1.3 million on capital repair and maintenance.
- \$24.6 million for parks projects including \$12.5 million for the new golf clubhouse at Tanglewood Park which opened in October 2025. Work continued on development of a multi-event agricultural park complex in the north central part of the County the Belews Lake Park with \$10.8 million spent in the current year funded from State grants and County general obligation bonds. \$514,000 was spent on the continued development of Belews Lake Park. \$654,000 was spent on capital repair and maintenance of park sites across the county.
- \$13.1 million for renovations, new construction, and improvements at the Smith Reynolds Airport including \$7.3 million for terminal area improvements. An additional \$69.3 million is budgeted for airport improvements over the next several years.
- \$9.7 million for public safety radio system upgrades.

The fund balance in the County Capital Projects Fund at June 30, 2025 is \$69.4 million.

Education Capital Projects Fund accounts for the construction of and renovation to school and community college facilities and the related acquisition of land, furnishings and equipment financed by proceeds of general obligation bonds. Project spending during fiscal year 2025 totaled \$55.7 million and included:

- \$14.8 million for Forsyth Technical Community College projects.
- \$40.6 million for Winston-Salem Forsyth County Schools capital projects.

The fund balance in the Education Facilities Projects Fund at June 30, 2025 is \$166.4 million. Expenditure of the remaining proceeds is expected to extend out through 2027.

Pandemic Response Fund The Pandemic Response special revenue fund accounts for federal grant funds received from the Emergency Rental Assistance Program and Local Fiscal Recovery Fund under the American Rescue Plan Act for expenditures incurred in response to and in recovery from the Coronavirus Disease 2019 public health emergency. During the year, the Pandemic Response Fund distributed \$15.8 million in Local Fiscal Recovery Fund funds under the American Rescue Plan Act with an additional \$553,000 received but unearned and available for future spending as of June 30, 2025.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. Forsyth County's investment in capital assets for its governmental activities as of June 30, 2025, totals \$434.8 million (net of accumulated depreciation), a \$35.96 million increase from the prior year. These assets include land, buildings, construction-in-progress, park facilities, equipment, vehicles, software and subscription-based information technology arrangements.

Forsyth County's Capital Assets (net of depreciation)		
	Governmental Activities	
	2025	2024
Land	\$ 22,110,621	\$ 22,110,621
Art collections	861,888	851,438
Construction-in-progress	74,199,541	43,903,385
Buildings and right-to-use buildings	279,204,346	281,898,611
Improvements other than buildings	41,419,363	34,052,941
Equipment and right-to-use equipment	5,178,529	5,468,758
Vehicles	8,797,539	6,881,018
Right-to-use other assets	587,322	661,652
Software	234,803	30,643
Subscription assets	2,213,507	3,085,947
Total Capital Assets	<u>\$ 434,807,459</u>	<u>\$ 398,945,014</u>

Additional information on the County's capital assets can be found in Note 4f on pages 37 - 38 of the Basic Financial Statements.

Long-term Debt. At June 30, 2025, Forsyth County had total bonded debt outstanding of \$598.1 million, all of which is backed by the full faith and credit of the County, total limited obligation and installment financing debt of \$111.8 million secured solely by specified property, and unsecured long-term debt of \$7.1 million. The County's total liability for bonded debt, limited obligation bonds, installment financing agreements, and unsecured debt is \$717.0 million, a decrease of \$34.9 million from the previous year.

At June 30, 2025 and 2024, the County's bonded and non-bonded debt consisted of:

Forsyth County's Outstanding Debt		
	2025	2024
General obligation bonds	\$ 598,082,867	\$ 621,109,192
Limited Obligation Bonds	111,195,026	120,756,713
Installment purchase obligations	615,000	1,245,000
Other long-term borrowing	3,727,500	3,976,000
Lease liabilities	1,663,408	2,186,845
Subscription liabilities	1,696,990	2,617,655
Total Outstanding Debt	\$ 716,980,791	\$ 751,891,405

As mentioned in the financial highlights section of this document, Forsyth County maintained for the 30th consecutive year its Aaa bond rating from Moody's Investors Service and AAA rating from Standard and Poor's Corporation. This bond rating is a clear indication of the sound financial condition of Forsyth County. This achievement is a primary factor in keeping interest costs on the County's outstanding debt low.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The current debt limitation for Forsyth County is \$3.7 billion. The County's total bonded debt is 1.28% of assessed valuation, well below the 8% of assessed valuation legal debt limit.

Additional information regarding Forsyth County's long-term debt can be found in Note 4i on pages 39 - 43 of the Basic Financial Statements.

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

The County has adopted a General Fund budget for the fiscal year ending June 30, 2026 in the amount of \$591.0 million, a decrease of \$9.3 million or 1.6% from the final 2025 budget of \$600.4 million. The County completed a revaluation of real property values for the fiscal year 2026 budget. This revaluation resulted in a \$18.6 billion, or 39.9% increase in assessed valuation. For the fiscal year 2026 budget, the County levied a property tax rate of \$0.5352 per hundred dollars assessed value, \$.0448 higher than the revenue neutral rate of \$.4904. This increase in property tax rate is expected to provide an additional \$29.2 million in property tax revenue in the upcoming year.

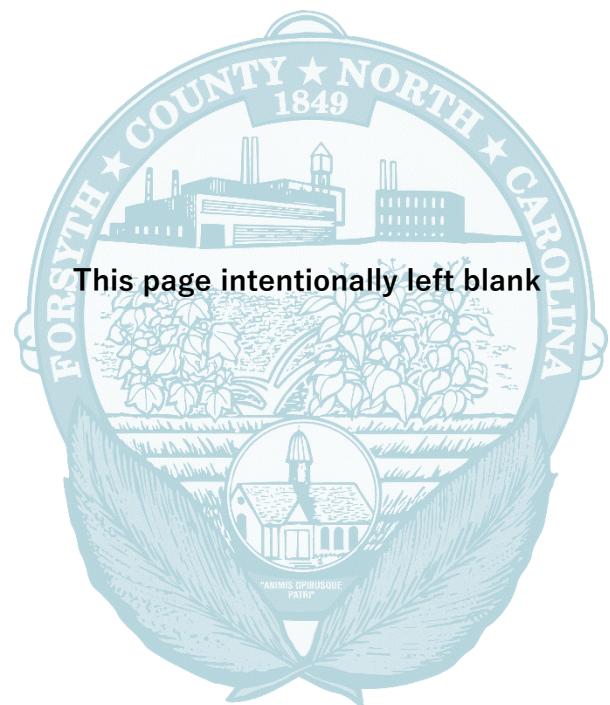
\$9.7 million of the County's \$202.3 million fund balance was appropriated of which \$8.2 million was from the restricted and committed portions of fund balance. Unassigned fund balance as of June 30, 2025 represents 18.5% of 2026 budgeted expenditures.

Significant factors considered in the preparation of the fiscal year 2026 County budget include:

- The County strives to limit the growth of the annual operating budget to an amount which can be accommodated by growth in the tax base as well as other local, state and federal revenues, without a tax rate increase or use of fund balance, whenever possible.
- The three overarching themes that drive expenditures are: support for the Winston-Salem/Forsyth County Schools, debt service, and competition in the job market.
- Growth in sales tax revenue is expected to be modest and will be watched closely during the coming year.
- Interest rates are expected to remain stable or decline in the year ahead.

REQUESTS FOR INFORMATION

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



Basic Financial Statements

FORSYTH COUNTY, NORTH CAROLINA
Statement of Net Position

June 30, 2025

Exhibit 1

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents / investments	\$ 234,149,483
Taxes receivable (net)	2,750,428
Accounts receivable (net)	5,214,283
Accrued interest receivable	974,501
Due from other governments	53,439,279
Leases Receivable	5,222,508
Prepaid items	172,250
Cash and cash equivalents / investments - restricted	213,000,357
Accounts receivable (net) - restricted	24,783,958
Net pension asset - restricted	509,483
Capital assets:	
Land, collections, and construction-in-progress	97,172,050
Other capital assets, net of depreciation	<u>337,635,409</u>
Total capital assets	<u>434,807,459</u>
Total assets	<u>975,023,989</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related deferrals	49,398,423
OPEB related deferrals	8,690,352
Deferred charge on refunding	460,090
Total deferred outflows of resources	<u>58,548,865</u>
LIABILITIES	
Accounts payable and accrued liabilities	20,603,651
Unearned revenue	17,633,970
Accrued interest payable	5,885,477
Due to other governments	5,150,245
Current portion of long-term liabilities	86,367,749
Noncurrent liabilities due in more than one year:	
Total pension liability-LEOSSA	13,978,679
Net pension liability-LGERS	87,340,611
Net OPEB liability	22,280,848
Other long-term liabilities	<u>672,052,286</u>
Total liabilities	<u>931,293,516</u>
DEFERRED INFLOWS OF RESOURCES	
Leases	5,309,497
Pension related deferrals	2,274,940
OPEB related deferrals	<u>12,463,801</u>
Total deferred inflows of resources	<u>20,048,238</u>
NET POSITION	
Net investment in capital assets	270,311,474
Restricted for:	
Stabilization by state statute	89,583,672
Pension asset - Register of Deeds	509,483
General government	2,320,332
Public safety	2,266,653
Human services	32,676,645
Community and economic development	3,344,194
Unrestricted deficit	<u>(318,781,353)</u>
Total net position	<u>\$ 82,231,100</u>

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

FORSYTH COUNTY, NORTH CAROLINA
Statement of Activities
For the Fiscal Year Ended June 30, 2025

Exhibit 2

Functions	Expenses	Program Revenues			Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental:					
General government	\$ 75,901,040	5,829,018	1,624,964	-	(68,447,058)
Public safety	138,212,269	30,558,046	5,311,564	-	(102,342,659)
Environmental protection	3,921,946	819,762	1,290,051	-	(1,812,133)
Human services	96,012,516	5,603,451	66,852,246	-	(23,556,819)
Culture and recreation	19,860,736	5,655,087	922,424	7,289,161	(5,994,064)
Community and economic development	8,885,786	4,245,032	2,749,948	3,321,273	1,430,467
Education	242,630,787	33,062	3,685,752	-	(238,911,973)
Interest on long-term debt	<u>21,364,763</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(21,364,763)</u>
Total governmental activities	\$ 606,789,843	<u>52,743,458</u>	<u>82,436,949</u>	<u>10,610,434</u>	<u>(460,999,002)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					330,392,794
Local option sales tax					110,604,511
Occupancy taxes, levied for economic development					1,259,137
Gross receipts tax					778,544
Excise stamp tax					3,196,804
Grants and contributions not restricted to specific programs					3,938,392
Interest earnings					22,019,490
Miscellaneous, unrestricted					<u>129,335</u>
Total general revenues					<u>472,319,007</u>
Change in net position					<u>11,320,005</u>
Net position - beginning, as previously reported					66,245,974
Restatement and adjustments, note 5g					<u>4,665,121</u>
Net position - beginning, as restated					<u>70,911,095</u>
Net position - ending					<u>\$ 82,231,100</u>

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

FORSYTH COUNTY, NORTH CAROLINA

Balance Sheet

Governmental Funds

June 30, 2025

Exhibit 3

Page 1 of 2

	<u>General Fund</u>	<u>Opioid Settlement</u>	<u>County Capital Projects Fund</u>	<u>Education Capital Projects Fund</u>	<u>Pandemic Response</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS							
Cash and investments	\$ 173,130,988	-	51,750,123	6,743,153	-	-	231,624,264
Cash and investments - restricted	-	8,709,138	40,177,167	160,027,397	499,783	3,586,872	213,000,357
Receivables (net) - restricted	-	24,783,958	-	-	-	-	24,783,958
Receivables (net):							
Property taxes	1,861,938	-	-	-	-	73,693	1,935,631
Occupancy taxes	125,671	-	-	-	-	-	125,671
Other taxes	146,748	-	-	-	-	-	146,748
Accounts	4,200,926	-	-	-	-	103,384	4,304,310
Accrued interest	661,000	29,574	198,060	49,622	9,078	12,304	959,638
Due from other governments	48,068,021	4,413	2,003,626	696,879	1,446,646	1,214,698	53,434,283
Due from other funds	47,599	-	-	-	-	-	47,599
Leases receivable	5,222,508	-	-	-	-	-	5,222,508
Prepaid items	172,250	-	-	-	-	-	172,250
Total assets	\$ 233,637,649	33,527,083	94,128,976	167,517,051	1,955,507	4,990,951	535,757,217
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ 10,442,380	235,507	7,622,967	1,084,885	925,198	116,733	20,427,670
Due to other governments	4,484,426	-	631,045	4,478	-	20,362	5,140,311
Due to other funds	-	-	-	-	-	47,599	47,599
Unearned revenue	1,702,019	-	15,378,577	-	553,374	-	17,633,970
Total liabilities	16,628,825	235,507	23,632,589	1,089,363	1,478,572	184,694	43,249,550
Deferred Inflows of Resources:							
Unavailable taxes	1,861,938	-	-	-	-	73,693	1,935,631
Unavailable other revenue	7,501,545	22,158,220	1,108,991	14,643	1,325,798	-	32,109,197
Leases	5,309,497	-	-	-	-	-	5,309,497
Total deferred inflows of resources	14,672,980	22,158,220	1,108,991	14,643	1,325,798	73,693	39,354,325

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

(continued)

FORSYTH COUNTY, NORTH CAROLINA
Balance Sheet

Governmental Funds
 June 30, 2025

Exhibit 3

Page 2 of 2

	<u>General Fund</u>	<u>Opioid Settlement</u>	<u>County Capital Projects Fund</u>	<u>Education Capital Projects Fund</u>	<u>Pandemic Response</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances:							
Nonspendable	172,250	-	-	-	-	-	172,250
Restricted	57,389,778	11,133,356	67,645,340	160,759,255	6,548,779	4,761,332	308,237,840
Committed	30,873,745	-	1,742,056	5,653,790	-	-	38,269,591
Assigned	4,493,695	-	-	-	-	-	4,493,695
Unassigned	109,406,376	-	-	-	(7,397,642)	(28,768)	101,979,966
Total fund balances	202,335,844	11,133,356	69,387,396	166,413,045	(848,863)	4,732,564	453,153,342
Total liabilities, deferred inflows of resources and fund balances	\$ 233,637,649	33,527,083	94,128,976	167,517,051	1,955,507	4,990,951	535,757,217

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

FORSYTH COUNTY, NORTH CAROLINA**Exhibit 3.1****Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position**

June 30, 2025

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

Fund balances - total governmental funds	\$ 453,153,342
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	434,807,459
Other long-term assets used in governmental activities are not a current financial resource and, therefore, are not reported in the funds.	1,051,861
Deferred outflows of resources used in governmental activities represent a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then, and therefore, are not reported in the funds.	58,548,865
Earned revenue that is not available to pay current period expenditures is deferred in the funds.	34,044,828
Deferred inflows of resources used in governmental activities represent an acquisition of net position that applies to a future period and so will not be recognized as a revenue until then, and therefore, are not reported in the funds.	(14,738,741)
An internal service fund is used by management to charge the costs of health and dental benefits to individual funds. Assets and liabilities of the internal service fund are included in governmental activities of the statement of net position.	710,136
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(885,346,650)
Net position of governmental activities	\$ <u>82,231,100</u>

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

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

Exhibit 4

Governmental Funds

Page 1 of 2

For the Fiscal Year Ended June 30, 2025

	<u>General Fund</u>	<u>Opioid Settlement Fund</u>	<u>County Capital Projects Fund</u>	<u>Education Capital Projects Fund</u>	<u>Pandemic Response Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:							
Property taxes	\$ 317,098,506		-	-	-	13,209,225	330,307,731
Occupancy taxes	1,259,137	-	-	-	-	-	1,259,137
Local option sales taxes	107,292,176	-	-	-	-	3,312,334	110,604,510
Other taxes	778,544	-	-	-	-	-	778,544
Licenses and permits	746,081	-	-	-	-	-	746,081
Intergovernmental	52,182,659	-	14,161,923	-	22,814,984	4,893,835	94,053,401
Charges for services	33,206,622	-	-	-	-	-	33,206,622
Investment earnings	10,300,251	313,903	4,215,726	7,429,661	584,293	192,254	23,036,088
Other	16,244,658	3,307,423	150,000	-	-	198,589	19,900,670
Total revenues	539,108,634	3,621,326	18,527,649	7,429,661	23,399,277	21,806,237	613,892,784
Expenditures:							
Current:							
General government	57,856,482	-	-	-	-	-	57,856,482
Public safety	113,714,524	-	-	-	-	13,315,787	127,030,311
Environmental protection	3,856,372	-	-	-	-	-	3,856,372
Human services	85,212,421	1,643,342	-	-	9,288,017	5,130	96,148,910
Culture and recreation	19,244,480	-	-	-	-	-	19,244,480
Community and economic development	5,926,881	-	-	-	-	999,912	6,926,793
Education	688,224	-	-	-	-	-	688,224
Intergovernmental: Education	186,538,478	-	-	55,383,131	-	-	241,921,609
Debt service:							
Principal retirement	62,008,562	-	-	-	-	107,589	62,116,151
Interest and other charges	26,933,651	-	673,572	312,227	-	17,411	27,936,861
Capital outlay	6,332,239	-	52,163,856	-	6,555,124	900,784	65,952,003
Total expenditures	568,312,314	1,643,342	52,837,428	55,695,358	15,843,141	15,346,613	709,678,196
Excess (deficiency) of revenues over expenditures	(29,203,680)	1,977,984	(34,309,779)	(48,265,697)	7,556,136	6,459,624	(95,785,412)

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

(continued)

FORSYTH COUNTY, NORTH CAROLINA

Exhibit 4

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Page 2 of 2

For the Fiscal Year Ended June 30, 2025

	<u>General Fund</u>	<u>Opioid Settlement</u>	<u>County Capital Projects Fund</u>	<u>Education Capital Projects Fund</u>	<u>Pandemic Response</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Other financing sources (uses):							
General obligation bonds issued	\$ -	-	4,000,000	29,635,000	-	-	33,635,000
Premium on general obligation bonds	-	-	1,174,831	947,162	-	-	2,121,993
Lease liabilities issued	47,554	-	-	-	-	-	47,554
Subscription liabilities issued	755,995	-	-	-	-	-	755,995
Transfers in	22,340,444	-	-	2,235,000	-	38,825	24,614,269
Transfers out	(1,773,825)	-	(5,318,461)	-	(10,109,174)	(7,412,809)	(24,614,269)
Total other financing sources (uses)	21,370,168	-	(143,630)	32,817,162	(10,109,174)	(7,373,984)	36,560,542
Net change in fund balances	(7,833,512)	1,977,984	(34,453,409)	(15,448,535)	(2,553,038)	(914,360)	(59,224,870)
Fund balance - June 30, 2024, as previously reported							
	210,169,356	-	109,801,550	181,861,580	1,704,175	12,451,112	515,987,773
Adjustments, note 5g	-	9,155,372	(5,960,745)	-	-	(6,804,188)	(3,609,561)
Fund balance - June 30, 2024, as restated	210,169,356	9,155,372	103,840,805	181,861,580	1,704,175	5,646,924	512,378,212
Fund balance - June 30, 2025	\$ 202,335,844	11,133,356	69,387,396	166,413,045	(848,863)	4,732,564	453,153,342

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

FORSYTH COUNTY, NORTH CAROLINA**Exhibit 4.1****Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities**

For the Fiscal Year Ended June 30, 2025

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

Net change in fund balances - total governmental funds	\$ (59,224,870)
--	-----------------

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

	39,396,907
--	------------

Contributions in the current fiscal year to the pension plans are not included on the Statement of Activities.

	19,235,932
--	------------

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.

	(3,534,462)
--	-------------

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

	4,252,182
--	-----------

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.

	25,555,609
--	------------

Expenses in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the governmental funds.

	(12,148,203)
--	--------------

Internal service funds are used by management to charge the costs of health and dental benefits to individual funds. The profit or loss generated by the internal service fund is eliminated on the statement of activities.

	(2,213,090)
--	-------------

Change in net position of governmental activities

\$	<u><u>11,320,005</u></u>
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The notes to the financial statements are an integral part of this statement.

Exhibit 5

FORSYTH COUNTY, NORTH CAROLINA

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

For the Fiscal Year Ended June 30, 2025

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
Revenues:				
Property taxes	\$ 312,261,912	312,261,912	317,098,506	4,836,594
Occupancy taxes	1,000,000	1,000,000	1,259,137	259,137
Local option sales taxes	110,184,462	110,184,462	107,292,176	(2,892,286)
Other taxes	420,000	420,000	778,544	358,544
Total taxes	423,866,374	423,866,374	426,428,363	2,561,989
Licenses and permits	823,191	823,191	746,081	(77,110)
Intergovernmental	53,233,076	58,219,054	52,182,659	(6,036,395)
Charges for services	35,885,352	35,885,352	33,206,622	(2,678,730)
Investment earnings	7,251,500	7,251,500	10,300,251	3,048,751
Other	13,546,486	13,967,170	16,244,658	2,277,488
Total revenues	534,605,979	540,012,641	539,108,634	(904,007)
Expenditures:				
Current:				
General government	67,317,028	65,838,495	57,856,482	7,982,013
Public safety	109,855,968	114,753,887	113,714,524	1,039,363
Environmental protection	4,938,812	5,126,821	3,856,372	1,270,449
Human services	92,392,269	96,372,982	85,212,421	11,160,561
Culture and recreation	20,093,415	20,041,150	19,244,480	796,670
Community and economic development	6,994,137	8,692,076	5,926,881	2,765,195
Education	970,907	979,880	688,224	291,656
Intergovernmental: Education	186,151,021	186,538,478	186,538,478	-
Debt service:				
Principal retirement	59,868,500	59,868,500	62,008,562	(2,140,062)
Interest and other charges	26,839,189	26,849,189	26,933,651	(84,462)
Contingency	3,258,645	3,258,645	-	3,258,645
Capital Outlay	1,357,264	10,237,050	6,332,239	3,904,811
Total expenditures	580,037,155	598,557,153	568,312,314	30,244,839
Excess (deficiency) of revenues over expenditures	(45,431,176)	(58,544,512)	(29,203,680)	29,340,832
Other financing sources (uses):				
Lease liabilities issued	-	-	47,554	47,554
SBITA debt issued	-	-	755,995	755,995
Transfers in	13,887,374	19,598,977	22,340,444	2,741,467
Transfers out	(1,795,000)	(1,795,000)	(1,773,825)	21,175
Total other financing sources (uses)	12,092,374	17,803,977	21,370,168	3,566,191
Net change in fund balance	\$ (33,338,802)	(40,740,535)	(7,833,512)	32,907,023
Fund balance - June 30, 2024			210,169,356	
Fund balance - June 30, 2025	\$	202,335,844		

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

Exhibit 6

FORSYTH COUNTY, NORTH CAROLINA

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

For the Fiscal Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other revenue	\$ -	-	3,307,423	3,307,423
Investment earnings	-	-	313,903	313,903
Total revenues	-	-	3,621,326	3,621,326
Expenditures:				
Current - human services	3,323,965	3,323,965	1,643,342	1,680,623
Total expenditures	3,323,965	3,323,965	1,643,342	1,680,623
Net change in fund balance	\$ (3,323,965)	(3,323,965)	1,977,984	5,301,949
Fund balance - June 30, 2024, as previously reported			-	
Adjustments, note 5g			9,155,372	
Fund balance - June 30, 2024, as restated			9,155,372	
Fund balance - June 30, 2025	\$ 11,133,356			

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

June 30, 2025

Exhibit 7

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents / investments	\$ 2,525,219
Accounts receivable	909,973
Accrued interest	14,863
Due from other governments	4,996
Total assets	<u>3,455,051</u>
LIABILITIES	
Current liabilities:	
Accounts payable	175,981
Due to other governments	9,934
Claims liability	<u>2,559,000</u>
Total liabilities	<u>2,744,915</u>
NET POSITION	
Unrestricted	<u>\$ 710,136</u>

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

FORSYTH COUNTY, NORTH CAROLINA
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund - Internal Service Fund

For the Fiscal Year Ended June 30, 2025

Exhibit 8

	Governmental Activities
Operating revenues:	
Charges for services	
Other revenue	\$ 36,910,226
Total operating revenues	<u>6,360,570</u>
	<u>43,270,796</u>
Operating expenses:	
Professional services	
Claims	1,698,036
Insurance premiums	40,465,725
Other operating	3,403,598
Total operating expenses	<u>73,096</u>
	<u>45,640,455</u>
Operating income	(2,369,659)
Nonoperating revenues:	
Interest earnings	
Change in net position	<u>156,569</u>
	<u>(2,213,090)</u>
Net position at beginning of year	<u>2,923,226</u>
Net position at end of year	<u>\$ 710,136</u>

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

FORSYTH COUNTY, NORTH CAROLINA
Statement of Cash Flows
Proprietary Fund - Internal Service Fund

For the Fiscal Year Ended June 30, 2025

Exhibit 9

	<u>Governmental Activities</u>
Cash flows from operating activities:	
Cash received from user departments and participants	\$ 43,225,114
Cash paid to suppliers, participants and others	(45,508,899)
Net cash provided by operating activities	<u>(2,283,785)</u>
Cash flows from investing activities:	
Interest and dividends on investments	<u>185,900</u>
Net increase in cash and cash equivalents	(2,097,885)
Cash and cash equivalents / investments at beginning of year	<u>4,623,104</u>
Cash and cash equivalents / investments at end of year	<u>\$ 2,525,219</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	<u>\$ (2,369,659)</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Increase in accounts receivable	(41,054)
Increase in due from other governments	(4,628)
Decrease in accounts payable	(11,405)
Increase in due to other governments	961
Increase in claims payable	142,000
Total adjustments	<u>85,874</u>
Net cash provided by operating activities	<u>\$ (2,283,785)</u>

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

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

June 30, 2025

Exhibit 10

	<u>Other</u> <u>Post-employment</u> <u>Benefit</u> <u>Trust Fund</u>	<u>Custodial</u> <u>Funds</u>
ASSETS		
Cash and cash equivalents / investments	\$ -	2,009,826
Cash and investments held by fiscal agent:		
Short-Term OPEB Fund	5,618,840	-
Long-Term OPEB Fund	13,785,209	-
OPEB Equity Funds	39,305,600	-
Receivables - Property taxes	-	3,913,838
Total assets	<u>58,709,649</u>	<u>5,923,664</u>
LIABILITIES		
Due to other governments	-	1,334,270
Accounts payable and accrued liabilities	-	142,950
Total liabilities	<u>-</u>	<u>1,477,220</u>
NET POSITION		
Restricted for:		
Post-employment benefits other than pensions	58,709,649	-
Individuals, organizations, and other governments	-	4,446,444
Total net position	<u>\$ 58,709,649</u>	<u>4,446,444</u>

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

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

For the Fiscal Year Ended June 30, 2025

Exhibit 11

	Other Post-employment Benefit Trust Fund	Custodial Funds
ADDITIONS		
Contributions:		
Employer	\$ 4,994,757	-
Plan members	468,957	-
Total contributions	<u>5,463,714</u>	<u>-</u>
Investment income:		
Net increase in fair value of investments	-	-
Investment income	6,534,633	-
Less: investment expense	(2,960)	-
Net investment earnings	<u>6,531,673</u>	<u>-</u>
Ad valorem taxes collected for other governments	-	222,096,258
Collections pursuant to court orders	<u>-</u>	<u>173,304</u>
Total additions	<u>11,995,387</u>	<u>222,269,562</u>
DEDUCTIONS		
Benefits	3,863,714	-
Tax distributions to other governments	-	221,844,542
Payments pursuant to court orders	<u>-</u>	<u>216,522</u>
Total deductions	<u>3,863,714</u>	<u>222,061,064</u>
Change in net position	8,131,673	208,498
Net position - beginning	<u>50,577,976</u>	<u>4,237,946</u>
Net position, ending	\$ 58,709,649	4,446,444

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

Notes to the Financial Statements

Forsyth County, North Carolina

June 30, 2025

1. *Summary of Significant Accounting Policies*

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

1a. *Reporting Entity*

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

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

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

1b. *Basis of Presentation, Basis of Accounting*

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

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

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

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

operating revenues, such as subsidies, result from nonexchange transactions. Other non-operating items such as investment earnings are ancillary activities.

The County reports the following major governmental funds:

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

Opioid Settlement Fund. This fund accounts for amounts received from the settlement of various opioid lawsuits. These amounts are restricted for opioid abatement and remediation activities.

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

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

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

Additionally, the County reports the following fund types:

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

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

Fiduciary - Custodial Funds. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. These funds account for assets held by the County on behalf of others that meet certain criteria. The County maintains the following custodial funds: the Municipal Tax Fund, which accounts for property taxes and occupancy taxes collected on behalf of the County and other governments; and the Sheriff Fund, which accounts for monies held by the Sheriff's Office as a result of gathering evidence or executing court orders.

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

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

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

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

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

Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within ninety days after year-end, except for property taxes. Uncollected property taxes are not recognized as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and

are not considered to be an available resource to finance operations of the current year. Property taxes receivable are recorded net of an allowance for estimated uncollectible delinquent taxes, with the net receivable recorded as deferred inflows of resources until collected. The State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received.

Sales taxes collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services, other than those that are invoiced, are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

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

1c. Budgetary Data

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

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for the General Fund, except for Nondepartmental and intergovernmental education expenditures. Certain Nondepartmental appropriations are not expended until they are transferred to a specific department, so they are set apart from other Nondepartmental appropriations. The legal level of control varies for annually budgeted special revenue funds. Appropriations in the Fire Tax Districts Fund are controlled at the fire tax district level. The Law Enforcement Equitable Distribution Fund, Emergency Telephone System Fund, and Moser Bequest for Care of Elderly Fund have legal appropriation control at the program level. Amendments are required for revisions to appropriations at the legal level of control in annually budgeted funds, and these amendments may be approved by the County Manager and reported to the Board of Commissioners as long as they do not alter total expenditures of the fund. Amendments that alter total expenditures of any fund must be approved by the Board of Commissioners. During the year, Board amendments to the original General Fund budget totaling \$20.1 million included \$5.0 million for unanticipated intergovernmental and local grant funding, \$6.8 million for transfers from the County Capital Facilities Fund, \$578,000 for transfers from the Pandemic Response Fund, and appropriations of fund balance totaling \$7.3 million. Appropriations of fund balance included \$1.6 million for capital needs at the Smith Reynolds Airport, \$2.9 million for prior year encumbrances, \$1.8 million for the purchase of emergency services and fleet vehicles, and \$1.0 million for economic development projects. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers the period until the annual ordinance can be adopted.

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

Deposits and Investments All deposits of the County are made in board-designated official depositories and are secured as required by North Carolina General Statutes. State statutes authorize the County to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high-quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT). Money market investments and investments that have a remaining maturity at the time of purchase of one year or less are reported at cost or amortized cost. The County's investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. As permitted under State law, from time to time the County invests in securities which are callable and which provide for periodic interest rate increases. These investments are stated at fair value in the County's financial statements.

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

General Statute 159-30.1 allows the County to establish an Other Postemployment Benefit (OPEB) Trust under the management of the State Treasurer and G.S. 159-30(g) allows the County to make contributions to the Fund. The Fund is not registered with

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

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

Restricted Assets The unexpended bond proceeds of the County are classified as restricted investments because their use is restricted to the purpose for which the bonds were originally issued. Cash and receivables restricted as to spending purpose by grantors, contributors, or laws or regulations of other governments or imposed by law through state statute are shown as restricted assets.

Unspent revenues reported in the Opioid Settlement Fund are restricted to use for specific opioid abatement and remediation activities. Accordingly, the assets of the fund are reported as restricted assets.

Receivables and Payables The County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year, in accordance with State law. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2024.

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. Historical collection experience is used to estimate the trade accounts receivable allowance. The allowance for uncollectible property taxes is estimated using the average collection rate for the last three years on back year taxes. While this is the first year the County reports a receivable for amounts from the Opioid Settlement, the County has estimated an allowance for uncollectible accounts even in the absence of historical data to serve as the basis of the calculation. The County believes this is prudent given the term over which these amounts are to be paid and the possibility that corporations party to the settlement may experience bankruptcy or going concern issues. The initial allowance estimate averages 3 percent of the outstanding receivable balance for the first nine years and 10 percent thereafter.

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

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

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable plus lease payments received at or before the commencement of the lease, less lease incentives paid at or before the commencement of the lease. The deferred inflow of resources is recognized as revenue on a straight-line basis over the term of the lease.

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

Capital Assets Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets as defined by the County are buildings and improvements other than buildings with an initial, individual cost of \$20,000 or more, and all other assets, except licensed software, with an initial, individual cost of \$5,000 or more and an estimated useful life of three years or more. Perpetually licensed software is capitalized when its initial cost is greater than \$10,000. Internally developed software is capitalized when development cost exceeds \$100,000 and expected useful life is 3 years or greater. Assets are recorded at cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of the donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

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

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

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

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

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

Compensated Absences The County permits its employees to accumulate a limited amount of vacation leave which, if not used, will be paid upon termination of service at the rates of pay then in effect. The County permits its employees to accumulate an unlimited amount of sick leave. Employees do not receive any payment for unused sick leave upon separation or retirement. However, employees eligible for retirement benefits may use their unused sick leave in the determination of length of service for retirement benefit purposes. Any unused sick leave accumulated for employees that leave the County before retirement is forfeited. The County accrues a liability for earned leave that carries over to future periods and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. When determining the liability, the flow assumption of leave is considered taken on a first in, first out ("FIFO") basis. All vacation pay and sick pay, including salary-related payments that are directly connected with these leave types, are accrued when incurred in the government-wide financial statements.

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

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

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

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

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

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

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

Restricted for Stabilization by State Statute. This portion of fund balance is not available for appropriation under State law G.S. 159-8. This statute is one of several enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. G.S. 159-8(a) stipulates that appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget. The resulting amount of fund balance not available for appropriation is known as Restricted by State statute ("RSS"). RSS is calculated at the end of each fiscal year and is usually comprised of receivable balances that are not offset by deferred inflows and encumbrances related to purchase orders and contracts outstanding at year end that will be honored by the County in the next fiscal year. RSS is further reduced by inventories and prepaids as they are classified as nonspendable. RSS is included as a component of restricted net position in the Statement of Net Position and restricted fund balance in the governmental balance sheet.

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

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

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

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

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

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

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

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

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

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

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

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

Assigned. The portion of fund balance that the governing board, with or without formal action, has assigned for specific management purposes. The governing board may delegate to the County Manager or Chief Financial Officer the authority to assign a portion of fund balance to promote sound financial operations of the County or to meet a future obligation.

Assignment calculations may be made after the end of the fiscal year during the process of preparation of the financial statements.

Assigned for Subsequent Year Budget. This represents the portion of fund balance appropriated in the adopted 2025-2026 Budget Ordinance that is not already classified in restricted or committed.

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

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

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

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

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

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

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

2. Reconciliation of Government-wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. The net adjustment of \$(370,922,242) consists of several elements detailed in the following table.

Description	Detail	Net Adjustment
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		\$ 434,807,459
Other long-term assets used in governmental activities are not a current financial resource and, therefore, are not reported in the funds.		
Pension asset - ROD	\$ 509,483	
Accrued interest and penalties on property taxes	542,378	1,051,861
Deferred outflows of resources used in governmental activities represent a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then, and therefore, are not reported in the funds.		
Pension and OPEB contributions, current year	\$ 26,965,303	
Pension and OPEB related deferred outflows	31,123,472	
Deferred bond refunding charges	460,090	58,548,865
Earned revenue that is not available to pay current period expenditures is deferred in the funds.		
Property taxes	1,935,631	
Intergovernmental revenue	2,824,102	
Interest earnings	337,821	
Other revenue	22,539,764	
Fees and miscellaneous	6,407,510	34,044,828
Deferred inflows of resources reported in the government-wide statements, but not the fund statements – pension and OPEB related deferrals		(14,738,741)
An internal service fund is used by management to charge the costs of health and dental benefits to individual funds. The assets and liabilities of the Employee Health Benefits Fund are included in governmental activities in the statement of net position.		710,136
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period. Thus, they do not require current resources to pay and, accordingly, are not reported in the fund statements.		
Accrued interest payable	(5,885,477)	
Bonds, limited obligation bonds, installment purchases and other borrowing	(675,267,500)	
Leases and subscriptions payable	(3,360,398)	
Compensated absences	(28,516,074)	
Pension liabilities	(101,319,290)	
Claims, judgments and other – excluding health and dental	(10,364,170)	
Net OPEB obligation	(22,280,848)	
Unamortized issuance premiums	(38,352,893)	(885,346,650)
Total adjustment		\$ (370,922,242)

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total governmental funds* and *change in net position of governmental activities* as reported in the government-wide statement of activities. Additional details on the elements that comprise the total adjustment of \$70,544,875 are given in the table that follows.

Description	Detail	Net Adjustment
Capital outlay expenditures are recorded in the fund statements but are capitalized as assets in the statement of activities.	\$ 59,624,258	
Depreciation expense, the allocation of capital assets over their useful lives, is recorded on the statement of activities but not in the fund statements.	(20,227,351)	\$39,396,907
Pension plan contributions in the current fiscal year are recorded as expenditures in the fund statements but are not included in the statement of activities.		19,235,932
The statement of activities reports <i>gains</i> and <i>losses</i> arising from the trade-in, sale, or disposal of existing capital assets. Conversely, governmental funds do not report any gain or loss on such transactions, but report the sale proceeds. The change in net position differs from the change in fund balance by the net cost of capital assets sold and donated assets received.		(3,534,462)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Reverse deferred inflows recorded at July 1, 2024:		
Property taxes and accrued interest on property taxes	(2,392,947)	
Intergovernmental	(50,000)	
Other revenue	(25,435,315)	
Interest earnings	(280,740)	
Fees and miscellaneous	(2,176,022)	
Record deferred inflows in the fund statements at June 30, 2025:		
Property taxes and accrued interest on property taxes	2,478,009	
Intergovernmental	2,824,102	
Other revenue	22,539,764	
Interest earnings	337,821	
Fees and miscellaneous	6,407,510	4,252,182
On the fund statements, new debt issued during the year is recorded as a source of funds, and principal payments on debt are recorded as a use of funds. Neither transaction affects the statement of activities.		
New debt issued	(36,560,542)	
Principal payments on debt	62,116,151	25,555,609
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.		
Compensated absences	(1,077,677)	
Claims, judgments and other – excluding health and dental	(3,678,088)	
OPEB contributions	7,729,371	
OPEB income	2,696,039	
Pension expense	(27,202,198)	
Accrued interest	662,408	
Amortized charge on refundings	(633,063)	
Amortized debt premiums	9,355,005	(12,148,203)
Internal service fund profit or loss generated by customers within the primary government is eliminated from the statement of activities.		(2,213,090)
Total adjustments		\$ 70,544,875

3. *Stewardship, Compliance, and Accountability*

Deficit Fund Balance of Individual Funds The Pandemic Response Fund has a deficit fund balance of \$848,863. The deficit will be eliminated when reimbursement is received from the grantor agency in the subsequent fiscal year.

4. *Detailed Notes on All Funds*

4a. *Deposits*

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

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

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

At June 30, 2025, the deposit portion of the County's cash and investment pool was \$8,773,928. The bank balances totaled \$10,917,621, of which \$500,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. At June 30, 2025, the County's petty cash funds totaled \$17,707.

4b. *Investments*

The table below shows the distribution of the County's investment holdings by maturity as of June 30, 2025. The weighted average maturity of the total portfolio at June 30, 2025 is 70.6 days.

	Measurement Method	Valuation		Less than		
		Reported Value	Fair Value	1 year	1 – 2 years	2 – 5 years
NCCMT Government portfolio	Amortized cost	\$ 358,489,829	358,489,829	358,489,829	-	-
US Treasury Securities	Fair value – level 1	14,603,600	14,603,600	11,640,500	-	2,963,100
Commercial Paper	Amortized cost	25,942,074	25,941,722	25,941,722	-	-
Agency Securities	Fair value – level 2	41,332,528	41,332,528	14,873,410	8,585,963	17,873,155
Total Portfolio		\$ 440,368,031	440,367,679	410,945,461	8,585,963	20,836,255

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

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment practice gives consideration to shortening maturities during periods of rising interest rates. The County manages its exposure to interest rate risk by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Credit Risk. In accordance with the County's investment policy, the County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law and the County's investment policy limit investments in commercial paper to those issuers carrying the highest ratings issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2025, the County's investments in the bonds of U.S. Agencies were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The County's investment in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAm by Standard & Poor's and AAA-mf by Moody's Investor Services as of June 30, 2025.

Custodial Credit Risk. For an investment, the custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's investment policy provides limited guidance on custodial credit risk, but management procedures are that the County shall utilize a third party custodial agent for book entry transactions, all of which shall be held in the County's name. The custodial agent shall be a trust department authorized to do trust work in North Carolina who has an account with the Federal Reserve. Certificated securities shall be in the custody of the Chief Financial Officer.

Concentration of Credit Risk. The County places no limit on the amount that may be invested in any one issuer. Five percent (5%) or more of the County's investments are in agency securities issued by the Federal Home Loan Bank (7.8%), United States Treasury marketable securities (5.7%), and in the North Carolina Capital Management Trust Government Portfolio money market account (68.3%).

Other Post-Employment Benefits Trust

At June 30, 2025, the County's Irrevocable OPEB Trust had \$58,709,649 invested in the Ancillary Governmental Participant Investment Program (AGPIP) established by the North Carolina Department of State Treasurer pursuant to G.S. 159-30.1. The AGPIP Program may invest in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year-end, the OPEB Trust was invested as follows: State Treasurer's Short Term Investment Fund (STIF), 9.6%; State Treasurer's Bond Index Fund (BIF), 23.5%; and, BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund, 66.9% (the equities were split with 64% in domestic securities and 36% in international securities).

Valuation: North Carolina Department of State Treasurer OPEB Trust investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets. Ownership interest of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. STIF investments are valued by the custodian using Level 2 inputs which in this case involves inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for the asset or liability. The STIF is valued at \$1 per share at June 30, 2025. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund. Ownership of the BIF is determined monthly at fair value using the same Level 2 inputs as the STIF and is based upon units of participation. Units of participation are calculated monthly based upon inflows and outflows as well as allocations of net earnings. The BIF was valued at \$1 per unit at June 30, 2025. The BlackRock's MSCI ACWI EQ Index Non-Lendable Class B fund, authorized under G.S. 147-69.2(b)(8), is a common trust fund considered to be commingled in nature. The Fund's fair value is the number of shares times the net asset value as determined by a third party. At June 30, 2025 the fair value of the funds was \$44.333857 per share. Fair value for this Blackrock fund is determined using Level 1 inputs which are directly observable, quoted prices (unadjusted) in active markets for identical assets or liabilities.

Interest Rate Risk: The County does not have a formal investment interest rate policy that manages its exposure to fair value losses arising from increasing interest rates for the Healthcare Plan Fund. The State Treasurer's STIF had a weighted average maturity of 2.1 years at June 30, 2025. The State Treasurer's BIF had a weighted average maturity of 8.11 years at June 30, 2025.

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

4c. Property tax – Use-value Assessment on Certain Lands

In accordance with the general statutes, agriculture, horticulture, and forestland may be taxed by the County at the present-use value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with the accrued interest from the original due date. This tax is immediately due and payable.

The following are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

Year Levied	Tax	Interest	Total
2022	\$ 1,984,849	650,038	2,634,887
2023	1,984,849	471,402	2,456,251
2024	1,984,849	292,765	2,277,614
2025	1,984,849	114,129	2,098,978
Totals	\$ 7,939,396	1,528,334	9,467,730

4d. Receivables

Receivables at June 30, 2025 for the County's individual major funds and nonmajor governmental funds in the aggregate are net of applicable allowances for uncollectible accounts as follows:

Description	Gross Receivable	Allowance for Uncollectible Accounts	Net Receivable
Property taxes			
General fund	\$ 5,120,139	(3,258,201)	1,861,938
Nonmajor governmental funds	202,647	(128,954)	73,693
Occupancy taxes – General fund	125,671	-	125,671
Other taxes – General fund	146,748	-	146,748
Accounts - restricted			
Opioid Settlement fund	26,029,733	(1,245,775)	24,783,958
Accounts			
General fund	50,070,423	(45,869,497)	4,200,926
Nonmajor governmental funds	103,384	-	103,384
Accrued interest			
General fund	661,000	-	661,000
Opioid Settlement fund	29,574	-	29,574
County Capital Projects fund	198,060	-	198,060
Education Capital Projects fund	49,622	-	49,622
Pandemic Response fund	9,078	-	9,078
Nonmajor governmental funds	12,304	-	12,304
Total receivables	\$82,758,383	(50,502,427)	32,255,956

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also report a liability in connection with resources that have been received, but not yet earned. At June 30, 2025, the components of *unavailable* and *unearned revenue* were as follows:

Governmental Funds:		Unavailable Revenue	Unearned Revenue
Delinquent property taxes receivable:	General fund	\$ 1,861,938	-
	Nonmajor funds	73,693	-
Intergovernmental and private grants:	General fund	447,760	1,262,350
	Pandemic Response fund	1,325,798	553,374
	County Capital Projects fund	1,050,544	15,353,577
Fees and other revenue:	General fund	6,789,054	439,669
	Opioid Settlement fund	22,158,220	-
	County Capital Projects fund	-	25,000
Investment earnings:	General fund	264,731	-
	County Capital Projects fund	58,447	-
	Education Capital Projects fund	14,643	-
Total unavailable and unearned revenue for governmental funds		\$ 34,044,828	\$17,633,970

4e. Lease Receivable

As of June 30, 2025, the County has 22 active agreements for the lease of County property at the Smith Reynolds Airport, downtown parking facilities, and tower sites. Lease terms range from 1 to 34 years. Interest rates range from .893 percent to 3.591 percent. The lease receivable is measured as the present value of the future minimum lease payments expected to be received during the lease term. For the fiscal year ending June 30, 2025, the County recognized \$923,408 of lease revenue and \$175,935 of interest revenue under these leases.

Regulated Leases

The County has entered into certain aeronautical leases with air carriers and other aeronautical users that are regulated by the United States Department of Transportation and the Federal Aviation Administration (collectively referred to as "regulators"). Regulators define aeronautical use of an airport as any activity that involves, makes possible, is required for the safety of, or is otherwise directly related to, the operation of an aircraft. Aeronautical use includes services provided by air carriers related directly or substantially to the movement of passengers, baggage, mail, and cargo on the airport. Because of the cost-recovery nature, and in some cases, revenue-sharing provisions, regulated leases are not included as part of lease receivables. During the fiscal year, the County recognized lease revenue of \$3,027,771 from regulated leases which consisted of fixed payments in accordance with the terms of each lease.

Future minimum lease receipts as of June 30, 2025 are as follows:

Year Ending June 30	Amount
2026	\$ 3,012,834
2027	2,969,349
2028	2,847,595
2029	2,771,289
2030	2,761,239
2031-2035	13,253,448
2036-2040	13,253,448
2041-2045	7,973,166
2046-2050	7,386,468
2051	738,647
Total	\$ <u><u>56,967,483</u></u>

4f. Capital Assets

Capital asset activity for the year ended June 30, 2025, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 22,110,621	--	--	22,110,621
Art collections	851,438	10,450	--	861,888
Construction-in-progress	43,903,385	48,714,854	(18,418,698)	74,199,541
Total capital assets not being depreciated	66,865,444	48,725,304	(18,418,698)	97,172,050
Capital assets being depreciated/amortized:				
Buildings	421,321,051	8,680,717	--	430,001,768
Improvements other than buildings	59,484,926	10,114,904	--	69,599,830
Equipment	40,827,918	1,412,109	(142,641)	42,097,386
Vehicles	26,115,161	4,539,758	(718,436)	29,936,483
Software	4,484,635	228,253	(1,909,359)	2,803,529
Right to use building	163,203	--	(163,203)	--
Right to use equipment	2,497,753	47,554	(223,322)	2,321,985
Right to use other assets	884,639	--	--	884,639
Subscription-based assets	5,527,326	795,013	(623,241)	5,699,098
Total capital assets being depreciated/amortized	561,306,612	25,818,308	(3,780,202)	583,344,718
Less accumulated depreciation for:				
Buildings	139,445,108	11,352,314	--	150,797,422
Improvements other than buildings	25,431,985	2,748,482	--	28,180,467
Equipment	36,764,401	1,259,066	(138,581)	37,884,886
Vehicles	19,234,143	2,592,179	(687,378)	21,138,944
Software	4,453,992	24,093	(1,909,359)	2,568,726
Less accumulated amortization for:				
Right to use building	140,535	22,668	(163,203)	--
Right to use equipment	1,092,512	486,766	(223,322)	1,355,956
Right to use other assets	222,987	74,330	--	297,317
Subscription-based assets	2,441,379	1,667,453	(623,241)	3,485,591
Total accumulated depreciation and amortization	229,227,042	20,227,351	(3,745,084)	245,709,309
Total capital assets - depreciated/amortized, net	332,079,570	5,590,957	(35,118)	337,635,409
Capital assets, net	\$398,945,014	54,316,261	(18,453,816)	434,807,459

Depreciation and amortization expense charged to functions for the year ended June 30, 2025, was as follows:

Function	Depreciation/ Amortization Expense
General government	\$ 13,988,817
Public safety	4,128,576
Environmental protection	62,382
Human services	283,684
Culture and recreation	532,925
Community and economic development	1,208,951
Education	22,016
Total	\$ 20,227,351

Construction Commitments

Active construction projects as of June 30, 2025 include: Renovation and improvements to the Z. Smith Reynolds Airport, Tanglewood Park golf clubhouse replacement, multi-event agricultural complex, public safety radio replacement and system upgrade, renovation and improvements to the human services campus, the design phase of various park improvement projects, business park infrastructure development, and various maintenance and repair projects to County facilities. At June 30, 2025, commitments with contractors on these projects are as follows:

Project	Spent-to-Date	Remaining Commitment
Z. Smith Reynolds Airport	\$ 24,287,475	6,040,182
Tanglewood Park golf clubhouse	14,400,170	1,130,865
Multi-event Agricultural Complex	12,623,090	6,840,009
Public safety radio system upgrade	9,283,038	2,915,006
Human services campus improvements	1,977,616	1,021,385
Various park maintenance projects	608,786	78,480
Totals	\$ 63,180,175	18,025,927

4g. Interfund Receivables, Payables, and Transfers

Amounts advanced from the cash and investment pool are included in due to and due from other funds. At June 30, 2025, interfund receivables and payables are as follows:

Payable Fund:	Receivable Fund: General Fund
Nonmajor governmental funds:	
Public Safety Fund	\$ 47,599
Total	\$ 47,599

The following is a summary of interfund transfers for the year ended June 30, 2025:

Transfers in:	Transfers out:				
	General Fund	County Capital Projects Fund	Pandemic Response Fund	Nonmajor Governmental Funds	Total
General Fund	\$ --	4,818,461	10,109,174	7,412,809	22,340,444
Education Capital Projects Fund	1,735,000	500,000	--	--	2,235,000
Nonmajor governmental funds	38,825	--	--	--	38,825
Totals	\$ 1,773,825	5,318,461	10,109,174	7,412,809	24,614,269

Transfers of \$22,340,444 to the General Fund included \$10,109,174 from the Pandemic Response Fund for revenue loss reimbursement under the American Rescue Plan Act, \$3,755,632 from the Fire Tax Districts special revenue fund to support the County fire department, \$3,657,177 in lottery proceeds from the Public School Building Capital fund for the payment of current year debt service, and residual equity transfers of \$4,836,817 from the County Capital Projects Fund. Transfers of \$1,735,000 and \$500,000 were made to the Education Capital Projects Fund for Winston-Salem/Forsyth County Schools capital maintenance projects.

4h. Payables

Payables at June 30, 2025, were as follows:

Description	General Fund	Opioid Settlement Fund	County Capital Fund	Education Capital Fund	Pandemic Response Fund	Nonmajor Governmental Funds	Total
Vendors	\$ 6,016,452	235,507	7,622,967	1,084,885	925,198	116,733	16,001,742
Salaries and benefits	4,425,928	--	--	--	--	--	4,425,928
Totals	\$10,442,380	235,507	7,622,967	1,084,885	925,198	116,733	20,427,670

4i. Long-term obligations

Long-term obligation activity

Changes in long-term obligations during the year ended June 30, 2025, were as follows:

	Restated - Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025	Due Within One Year
Governmental activities:					
Compensated absences	\$ 27,438,397	1,077,677	--	28,516,074	13,554,253
Pension liability (LGERS), net	87,693,844	--	353,233	87,340,611	--
Pension liability (LEOSSA), total	13,195,454	2,055,612	1,272,387	13,978,679	1,034,000
General obligation bonds	590,680,000	33,635,000	51,820,000	572,495,000	54,195,000
Unamortized premiums	30,429,192	2,121,993	6,963,318	25,587,867	--
Limited obligation bonds	105,600,000	--	7,170,000	98,430,000	7,110,000
Unamortized premiums	15,156,713	--	2,391,687	12,765,026	--
Installment purchase obligations	1,245,000	--	630,000	615,000	615,000
Other long-term borrowing	3,976,000	--	248,500	3,727,500	248,500
Lease liabilities	2,186,845	47,554	570,991	1,663,408	563,167
Subscription liabilities	2,617,655	755,995	1,676,660	1,696,990	771,200
OPEB liability, net	22,907,545	27,018,474	27,645,171	22,280,848	--
Arbitrage	5,251,956	2,812,252	--	8,064,208	3,417,667
Claims, judgments and other	3,851,126	42,635,324	41,627,488	4,858,962	4,858,962
Total general long-term obligations	\$ 912,229,727	112,159,881	142,369,435	882,020,173	86,367,749

Pension liabilities, the net other postemployment benefit obligation, and general liability claims and judgments are liquidated in the General Fund. Health and dental claims are paid from the Employee Health Benefits internal service fund. Changes in compensated absences from the prior fiscal year include both vacation and sick leave additions and reductions that are netted together for presentation. These amounts are only estimates and not based on payment schedules.

Arbitrage In accordance with Section 148 of the Internal Revenue Code of 1986, as amended, and Sections 1.103-13 to 1.103-15 of the related Treasury Regulations, the County must rebate to the federal government "arbitrage profits" earned on governmental bonds issued after August 31, 1986. Arbitrage profits are the excess of the amount earned on investments over the interest paid on the borrowings. At June 30, 2025, the County had an \$8,064,208 liability for arbitrage.

General Obligation Bonds The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for governmental activities. All general obligation bonds are backed by the full faith, credit and taxing power of the County, and principal and interest requirements were appropriated in the General Fund for the year ending June 30, 2025.

At June 30, 2025, the County has \$460,090 bond refunding charges from prior refunding issues. These charges are reported as a deferred outflow of resources on the Statement of Net Position.

The American Recovery and Reinvestment Act of 2009 (the "Recovery Act") authorizes the County to issue taxable bonds known as "Qualified School Construction Bonds" to finance construction, rehabilitation or repair of public school facilities or for the acquisition of land on which a public school facility is to be constructed. Under the Act, the County may elect to receive a subsidy payment from the United States Treasury in an amount calculated as provided in the Recovery Act. The County has designated its

2010D Bonds as "Qualified School Construction Bonds" for purposes of the Recovery Act and expects to receive such subsidy payments from the federal government. The County received \$1,187,628, or 93.5% of the interest paid on the 2010D Bonds, in such federal subsidy during the year ended June 30, 2025, and if the federal sequester rate remains unchanged, expects to receive \$1,590,104 in such subsidies over the remaining life of the bonds. Such cash subsidy payments are not pledged to the repayment of the 2010D Bonds but are expected to be a source of payment of debt service on the bonds. Such cash subsidy payments do not constitute a full faith and credit guarantee of the federal government but are required to be paid by the United States Treasury under the Recovery Act. If such cash subsidy payments from the United States Treasury are reduced or eliminated as a result of the change in the law, the 2010D Bonds are subject to extraordinary optional redemption.

On June 26, 2025, the County issued \$33,635,000 general obligation public improvement bonds Series 2025 for acquiring, constructing, and maintenance and repair of school and community college facilities, as well as various County maintenance and improvement projects. Interest rates range from 4.0 to 5.0 percent, with a final maturity of June 1, 2045.

A summary of outstanding general obligation bonds follows:

Purpose of Issue	Date of Issue	Final Maturity	Effective Interest Rate	Amount Issued	Principal Outstanding June 30, 2025
<u>Governmental Activities</u>					
School Building	09-02-2010	04-01-2027	4.9860	26,405,000	20,750,000
Community College	01-09-2013	05-01-2032	2.4014	5,000,000	2,300,000
Library	11-05-2014	05-01-2033	2.4617	34,000,000	22,000,000
Public Improvement	01-08-2013	05-01-2032	2.2334	13,750,000	6,850,000
	11-04-2014	05-01-2033	2.4455	13,550,000	8,550,000
	03-14-2017	03-01-2037	2.8348	20,535,000	12,255,000
	03-15-2017	03-01-2037	3.1155	102,610,000	80,450,000
	03-20-2019	03-01-2039	2.7236	21,375,000	14,955,000
	03-21-2019	03-01-2039	2.7459	98,415,000	68,880,000
	04-28-2021	03-01-2041	1.5584	13,065,000	10,445,000
	04-29-2021	03-01-2041	1.5255	115,975,000	92,775,000
	06-13-2023	06-01-2043	3.5995	29,220,000	26,290,000
	06-14-2023	06-01-2043	3.5629	98,300,000	88,470,000
	06-26-2025	06-01-2045	3.9638	33,635,000	33,635,000
Refunding	01-09-2013	07-01-2026	1.7692	35,090,000	7,195,000
	01-28-2015	12-01-2028	1.8425	72,245,000	24,175,000
	04-01-2020	04-01-2030	1.1763	66,810,000	48,510,000
	04-29-2021	03-01-2027	0.3996	19,850,000	4,010,000
Totals				\$ 819,830,000	572,495,000

Of the \$443,555,000 public improvement and public improvement refunding bonds outstanding, \$40,667,576 funded County facilities and capital projects, \$344,195,644 funded School facilities, and \$58,691,780 funded Community College facilities.

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

June 30	Principal	Interest	Total
2026	\$ 54,195,000	21,627,261	75,822,261
2027	54,090,000	19,394,213	73,484,213
2028	51,825,000	16,971,871	68,796,871
2029	51,630,000	15,015,834	66,645,834
2030	45,035,000	13,109,609	58,144,609
2031 - 2035	170,700,000	42,776,544	213,476,544
2036 - 2040	111,050,000	16,426,805	127,476,805
2041 - 2045	33,970,000	2,762,718	36,732,718
Totals	\$ 572,495,000	148,084,855	720,579,855

There are no authorized but unissued general obligation bonds at June 30, 2025.

Conduit Debt Obligations Forsyth County Industrial Facility and Pollution Control Financing Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are

secured by the properties financed as well as by letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2025, there was one series of industrial revenue bonds outstanding, with a principal amount payable of \$2,682,029. The County has a limited commitment to maintain the tax-exempt status of the bonds.

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

A summary of outstanding limited obligation bonds follows:

Purpose of Issue	Principal Outstanding June 30, 2025
<u>Governmental Activities</u>	
Issued \$100,480,000 on June 29, 2021 to finance the construction of a new courthouse facility and new children's museum and the refunding of the PNC Bank installment financing and Series 2009 limited obligation bonds; collateralized by the courthouse facility; interest varies from 2.00% to 5.00%; final maturity 04-01-2041	\$ 89,710,000
Issued \$26,460,000 of taxable bonds on June 29, 2021 to finance construction and renovation projects at the airport and advance refund a majority of the Series 2012 limited obligation bonds; collateralized by the courthouse facility; interest varies from 0.179% to 1.585%; final maturity 04-01-2028	8,720,000
Total	\$ 98,430,000

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

Year Ending June 30	Principal	Interest	Total
2026	\$ 7,110,000	3,836,986	10,946,986
2027	7,040,000	3,595,471	10,635,471
2028	7,077,810	3,295,526	10,373,336
2029	6,524,943	2,962,810	9,487,753
2030	6,534,943	2,636,562	9,171,505
2031 – 2035	30,492,304	8,433,098	38,925,402
2036 – 2040	28,050,000	3,196,200	31,246,200
2041 – 2045	5,600,000	168,000	5,768,000
Total	\$ 98,430,000	28,124,653	126,554,653

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

Purpose of Issue	Date of Issue	Final Maturity	Interest Rate	Amount Issued	Principal Outstanding June 30, 2025
<u>Governmental Activities</u>					
Refunding	01-22-2014	02-01-2026	2.47 %	\$ 8,230,000	615,000
Totals				\$ 8,230,000	615,000

Annual maturities are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 615,000	15,191	630,191
Total	\$ 615,000	15,191	630,191

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

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

Purpose of Issue	Principal Outstanding June 30, 2025
<u>Governmental Activities</u>	
Issued \$4,473,300 on December 20, 2019 to finance sanitary sewer project; interest rate 1.91%; Issue amount increased to \$4,920,300 on November 10, 2021; final maturity 05-01-2040	\$ 3,727,500
Total	\$ 3,727,500

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

Year Ending June 30	Principal	Interest	Total
2026	\$ 248,500	71,195	319,695
2027	248,500	66,449	314,949
2028	248,500	61,703	310,203
2029	248,500	56,956	305,456
2030	248,500	52,210	300,710
2031 - 2035	1,242,500	189,854	1,432,354
2036 - 2040	1,242,500	71,195	1,313,695
Total	\$ 3,727,500	569,562	4,297,062

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

Legal Debt Limit. As of June 30, 2025, the County's legal debt limit was \$3,730,309,927, computed at 8% of the total appraised property valuation of \$46,628,874,088. With \$598,082,867 in County, School, and Community College general obligation bonds outstanding at June 30, 2025 and \$115,537,526 committed under limited obligation bonds, installment purchase and other long-term borrowing, the County could issue additional bonds up to \$3,016,689,534 if authorized.

Debt Related to Capital Activities. Of the total governmental activities debt, \$186,961,546 relates to assets to which the County holds title. Unspent restricted investments related to this debt is \$22,419,419.

Leases. The County has entered into agreements to lease certain equipment, office space and tower sites. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. As a result of these leases, the County has recorded right to use assets with a net book value of \$1,553,351 at June 30, 2025.

The future principal and interest lease payments as of June 30, 2025, were as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 563,165	30,429	593,594
2027	573,804	17,172	590,976
2028	102,733	8,969	111,702
2029	85,306	7,277	92,583
2030	83,603	5,807	89,410
2031-2034	254,797	8,301	263,098
Total	\$ 1,663,408	77,955	1,741,363

SBITAs. The County has entered into subscription contracts for finance, reporting, and communications software with incremental borrowing rates between 1.894 to 3.451 percent. The subscription liabilities have been recorded at the present value of the future contract payments as of the date of their inception. As a result of these subscription agreements, the County has recorded a subscription asset with a net book value of \$2,213,507 at June 30, 2025.

The future minimum principal and interest payments under the contracts as of June 30, 2025 are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 771,200	44,670	815,870
2027	733,722	25,255	758,977
2028	184,688	6,094	190,782
2029	1,149	200	1,349
2030	1,180	169	1,349
2031-2035	5,051	347	5,398
Total	\$ 1,696,990	76,735	1,773,725

4j. Fund Balances

The following are details of the major governmental funds fund balances as of June 30, 2025:

	General Fund	Opioid Settlement Fund	County Capital Projects Fund	Education Capital Projects Fund	Pandemic Response Fund	Total
Nonspendable – prepaid items	\$ 172,250	--	--	--	--	172,250
Restricted:						
State statute reserve	45,661,431	2,659,725	1,092,695	731,858	129,926	50,275,635
Encumbrance reserve	5,116,141	--	26,375,478	--	6,418,853	37,910,472
Total Stabilization by State Statute	50,777,572	2,659,725	27,468,173	731,858	6,548,779	88,186,107
Register of Deeds	2,320,332	--	--	--	--	2,320,332
Human Services	1,741,816	8,473,631	--	--	--	10,215,447
Capital Projects	--	--	40,177,167	160,027,397	--	200,204,564
Community & Economic Development	2,550,058	--	--	--	--	2,550,058
Total Restricted	57,389,778	11,133,356	67,645,340	160,759,255	6,548,779	303,476,508
Committed:						
Education Debt Leveling Plans	12,376,883	--	--	--	--	12,376,883
Library Debt Leveling Plan	3,788,861	--	--	--	--	3,788,861
Public Improvement Debt Leveling Plan	3,215,138	--	--	--	--	3,215,138
Courthouse Debt Leveling Plan	8,949,515	--	--	--	--	8,949,515
Community & Economic Development	1,049,743	--	--	--	--	1,049,743
Capital Projects	1,493,605	--	1,742,056	5,653,790	--	8,889,451
Total Committed	30,873,745	--	1,742,056	5,653,790	--	38,269,591
Assigned:						
Subsequent Year Budget	1,479,459	--	--	--	--	1,479,459
Public safety - Fire	2,839,374	--	--	--	--	2,839,374
Capital Projects	174,862	--	--	--	--	174,862
Total Assigned	4,493,695	--	--	--	--	4,493,695
Unassigned	109,406,376	--	--	--	(7,397,642)	102,008,734
Total Fund Balances	\$ 202,335,844	11,133,356	69,387,396	166,413,045	(848,863)	448,420,778

Subsequent Years Budget Appropriation. The following schedule provides information on the portion of restricted and committed fund balance that has been appropriated in the general fund budget for the fiscal year ending June 30, 2026:

	Subsequent Year's Budget Appropriation	Unappropriated Fund Balance	Total
Restricted:			
Register of Deeds	\$ 45,659	2,274,673	2,320,332
Committed:			
Education debt leveling	\$ 3,223,742	9,153,141	12,376,883
Public improvement debt leveling	2,425,468	789,670	3,215,138
Court facility debt leveling	2,526,753	6,422,762	8,949,515

5. Other Information

5a. Pension Costs

North Carolina Local Governmental Employees' Retirement System

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

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

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

Funding Policy. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Plan members are required to contribute 6.0% of their annual covered salary. The County is required to contribute at an actuarially determined rate. The current rate for employees not engaged in law enforcement and for law enforcement officers is 13.60% and 15.04%, respectively, of annual covered payroll. The County's contribution to LGERS for the year ended June 30, 2025 was \$18,667,737. The contribution made by the County equaled the required contribution for the year.

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

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

At June 30, 2025, the County reported a liability of \$87,340,611 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. The total pension liability was then rolled forward to the measurement date of June 30, 2024 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, 2025, the County's proportion was 1.296% (measured as of June 30, 2024), which was a decrease of .0028% from its proportion as of June 30, 2024 (measured as of June 30, 2023).

For the year ended June 30, 2025, the County recognized pension expense of \$25,721,711. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,305,382	102,907
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	11,873,904	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	269,631	774,838
Employer contributions subsequent to the measurement date	18,667,737	-
Totals	\$ 46,116,654	877,745

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

Year ending June 30,	
2026	\$ 8,096,516
2027	17,152,136
2028	2,665,118
2029	(1,342,598)
Total	\$ 26,571,172

Actuarial Assumptions. The total pension liability in the December 31, 2023 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 3.25 percent inflation and productivity factor
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, 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, 2023 valuation were based on the results of an actuarial experience review for the period January 1, 2015 through December 31, 2019. Future ad hoc cost of living adjustment amounts are not considered to be substantively automatic and are therefore not included in the measurement.

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

Asset Class	Target Allocation	Long-term Expected Real Real Rate of Return
Fixed income	33.0 %	2.4 %
Global equity	38.0	6.9
Real estate	8.0	6.0
Alternatives	8.0	8.6
Opportunistic fixed income	7.0	5.3
Inflation protection	6.0	4.3
Total	100.0 %	

The information above is based on 30-year expectations developed with an investment consulting firm as part of a study that was completed in early 2022, and is part of the asset, liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.38%. All rates of return and inflation are annualized.

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

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

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
County's proportionate share of the net pension liability (asset)	\$ 154,770,120	87,340,611	31,870,566

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

Law Enforcement Officers' Special Separation Allowance

Plan Description. Forsyth County administers a public employee retirement plan (the Separation Allowance), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2023, the Separation Allowance's membership consisted of:

Retirees currently receiving benefits	47
Active plan members	275
Total	322

Benefits Provided. The Separation Allowance is equal to .85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly.

Funding Policy. The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay-as-you-go basis through appropriations in the General Fund. There are no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. For the fiscal year ended June 30, 2025, the County's required and actual benefits paid were \$1,046,133.

The Separation Allowance has no assets accumulated in a trust that is restricted for the payment of pension benefits.

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

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

At June 30, 2025, the County reported a total pension liability of \$13,978,679. The total pension liability was measured as of December 31, 2024 based on an actuarial valuation as of December 31, 2023. The total pension liability was then rolled forward to the measurement date of December 31, 2024 utilizing update procedures incorporating the actuarial assumptions.

For the year ended June 30, 2025, the County recognized pension expense of \$1,946,678. Benefit payments and administrative costs paid during the current fiscal year, but before the measurement date totaled \$511,825.

At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to the LEOSSA pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,019,359	-
Changes of assumptions and other inputs	439,423	1,225,864
Benefit payments subsequent to the measurement date	534,308	-
Totals	\$ 2,993,090	1,225,864

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

Year ending June 30,	
2026	\$ 482,489
2027	150,530
2028	209,407
2029	307,456
2030	<u>83,036</u>
Total	<u>\$ 1,232,918</u>

Actuarial Assumptions. The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 to 7.75 percent, includes inflation at 2.50% and real wage growth of 0.75%
Discount rate	4.28 percent

The discount rate used to determine the total pension liability is the Standard and Poor's Municipal Bond 20 Year High Grade Rate Index. The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an experience study completed by the actuary for the Local Government Employees' Retirement System for the five-year period ending December 31, 2019. All mortality rates use Pub-2010 amount-weighted tables and are projected from 2010 using generational improvement with Scale MP-2019.

Sensitivity of the County's total pension liability to changes in the discount rate. The following presents the County's total pension liability calculated using the discount rate of 4.28 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.28 percent) or 1-percentage-point higher (5.28 percent) than the current rate:

	1% Decrease (3.28%)	Discount Rate (4.28%)	1% Increase (5.28%)
County's total pension liability	\$ 15,057,089	13,978,679	12,998,295

Schedule of changes in total pension liability.

Total pension liability as of December 31, 2023	\$ 13,195,454
Changes for the year:	
Service cost at end of year	570,905
Interest	508,206
Difference between expected and actuarial experience	976,501
Changes of assumptions and inputs	(291,755)
Benefit payments	<u>(980,632)</u>
Net changes	<u>783,225</u>
Total pension liability as of December 31, 2024	<u>\$ 13,978,679</u>

Changes of assumptions and benefit terms. Since the prior measurement date of December 31, 2023 to the current measurement date of December 31, 2024, the discount rate has changed from 4.00 percent to 4.28 percent due to a change in the Municipal Bond Index Rate.

Supplemental Retirement Income Plan for Law Enforcement Officers

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

Funding Policy. Article 12E of G.S. Chapter 143 requires that the County contribute each month an amount equal to 5.0% of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the Plan. The County's contributions for the year ended June 30, 2025 were \$1,086,245, exclusive of voluntary employee contributions.

Register of Deeds' Supplemental Pension Fund

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

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

Funding Policy. On a monthly basis, the County remits to the Department of State Treasurer an amount equal to 1.5% of the monthly receipts collected pursuant to Article 1 of North Carolina General Statute Chapter 161. The statutory contribution currently has no relationship to the actuarial required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Immediately following January 1 of each year, the Department of State Treasurer divides 93% of the amount in the RODSPF at the end of the preceding calendar year into equal shares, up to the statutory maximum, to be disbursed as monthly benefits. The remaining 7% of the fund's assets may be used by the State Treasurer in administering the fund. For the fiscal year ended June 30, 2025, the County's required and actual contributions were \$33,887.

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

At June 30, 2025, the County reported an asset of \$509,483 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2024. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2023. The total pension liability was then rolled forward to the measurement date of June 30, 2024 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 (measurement date), the County's proportion was 4.421%, which was an increase of 1.384% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the County recognized pension expense of \$47,373. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,186	9,049
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	196,754	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	46,852	162,282
Employer contributions subsequent to the measurement date	33,887	-
Totals	\$ 288,679	171,331

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

Year ending June 30,	
2026	\$ 61,214
2027	3,618
2028	17,863
2029	766
Total	<u>\$ 83,461</u>

Actuarial Assumptions. The total pension liability in the December 31, 2023 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 3.25 percent inflation and productivity factor
Investment rate of return	3.00 percent

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, 2023 valuation were based on the results of an actuarial experience study prepared as of December 31, 2020. Future ad hoc cost of living adjustment amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the Bond Index External Investment Pool. The long-term expected real rate of return for the Bond Index Investment Pool as of June 30, 2024 is 2.76%.

The information above is based on 30-year expectations developed with the consulting actuary for the 2022 asset, liability and investment policy study for the North Carolina Retirement Systems, including RODSPF. 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 2.38%. All rates of return and inflation are annualized.

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

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

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

	1% Decrease (2.00%)	Discount Rate (3.00%)	1% Increase (4.00%)
County's proportionate share of the net pension liability (asset)	\$ (337,577)	(509,483)	(654,285)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

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

The following is information related to the proportionate share and pension expense for all pension plans as of June 30, 2025:

	LGERS	LEOSSA	RODSPF	Total
Pension Expense	\$ 25,721,711	1,946,678	47,373	27,715,762
Pension Liability (Asset)	87,340,611	13,978,679	(509,483)	100,809,807
Proportionate share of pension liability (asset)	1.26%		4.421%	
Deferred Outflows of Resources:				
Differences between expected and actual experience	15,305,382	2,019,359	11,186	17,335,927
Changes of Assumptions	--	439,423	--	439,423
Net difference between projected and actual earnings on pension plan investments	11,873,904	--	196,754	12,070,658
Changes in proportion and differences between employer contributions and proportionate share of contributions	269,631	--	46,852	316,483
Employer contributions subsequent to the measurement date	18,667,737	534,308	33,887	19,235,932
Total Deferred Outflows of Resources	\$ 46,116,654	2,993,090	288,679	49,398,423
Deferred Inflows of Resources:				
Differences between expected and actual experience	102,907	--	9,049	111,956
Changes of Assumptions	--	1,225,864	--	1,225,864
Net difference between projected and actual earnings on pension plan investments	--	--	--	--
Changes in proportion and differences between employer contributions and proportionate share of contributions	774,838	--	162,282	937,120
Total Deferred Inflows of Resources	\$ 877,745	1,225,864	171,331	2,274,940

5b. Other Post-employment Benefits (OPEB)

Healthcare, Life Insurance, and Death Benefits

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

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

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

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

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

Membership of the Plan consisted of the following at June 30, 2024, the date of the latest actuarial valuation:

Retirees currently receiving benefits	1,115
Active plan members	2,010
Total	3,125

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

The County pays the full costs of retiree death benefits and life insurance for disability retirees, which were \$19,000 and \$141,622, respectively, for fiscal year 2025. The monthly cost of healthcare benefits is shared by the County and covered retirees, respectively, as follows: retiree-only coverage, \$929 and \$117; retiree and one dependent, \$1,156 and \$330; and retiree and more than one dependent, \$1,616 and \$669. For fiscal year 2025, the County contributed \$3,234,135 for healthcare benefits, and retiree Plan members contributed \$468,957. Additionally, the County contributed \$1,600,000 to prefund benefits.

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

Target Allocation	10-year expected geometric real rate of return	
Equity index fund	65%	6.80%
Bond index fund	25%	4.80%
Short-term investment fund	10%	3.30%

For the year ended June 30, 2025, the money weighted annual rate of return on investments, net of investment expense, was 12.59 percent.

Net OPEB Liability. The components of the net OPEB liability at June 30, 2025 are:

Total OPEB liability	\$ 80,990,497
Plan fiduciary net position	58,709,649
Net OPEB liability	\$ 22,280,848

The ratio of plan fiduciary net position to total OPEB liability is 72.49 percent.

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2024 using the following key actuarial assumptions and other inputs:

Inflation	2.50 percent
Real wage growth	.75 percent
Wage inflation	3.25 percent
Salary increases, including wage inflation:	
General employees	3.25 – 8.41 percent
Firefighters	3.25 – 8.15 percent
Law enforcement officers	3.25 – 7.90 percent
Long-term investment rate of return, net of OPEB plan investment expense, including price inflation	6.27 percent
Municipal bond index rate:	
Prior measurement date	3.93 percent
Measurement date	5.20 percent
Year fiduciary net position to be depleted:	
Prior measurement date	N/A
Measurement date	N/A
Single equivalent interest rate, net of OPEB plan investment expense, including price inflation:	
Prior measurement date	6.27 percent
Measurement date	6.27 percent
Health care cost trends: Pre-Medicare	7.00 percent for 2024 decreasing to an ultimate rate of 4.50 percent by 2034

The total OPEB liability was rolled forward to June 30, 2025, utilizing update procedures incorporating the actuarial assumptions. Mortality rates were based on the Pub-2010 mortality tables, with adjustments for Local Government Employees Retirement System experience and generational mortality improvements using Scale MP-2019.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period January 1, 2015 – December 31, 2019, adopted by the Board of the Local Government Employees Retirement System.

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

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

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

	Discount		
	1% Decrease (5.27%)	Rate (6.27%)	1% Increase (7.27%)
Net OPEB liability	\$ 29,500,886	22,280,848	15,883,152

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

	Healthcare Cost Trend Rate		
	1% Decrease	Cost Trend Rate	1% Increase
Net OPEB liability	\$ 14,685,570	22,280,848	31,195,699

Changes in Net OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB. At June 30, 2025, the County reported a net OPEB liability of \$22,280,848. The total OPEB liability used to calculate the net OPEB liability is based upon an actuarial valuation as of June 30, 2024. The expected total OPEB liability is determined as of June 30, 2025 using standard roll forward techniques.

At June 30, 2025, the components of the net OPEB liability are as follows:

	Total OPEB Liability	Plan Net Position	Net OPEB Liability
Balance as of June 30, 2024	\$ 73,485,521	50,577,976	22,907,545
Changes for the year:			
Service cost	2,302,860	--	2,302,860
Interest	4,418,808	--	4,418,808
Difference between expected and actual experience	4,029,824	--	4,029,824
Changes of assumptions or other inputs	2,866,632	--	2,866,632
Contributions – employer	--	7,729,371	(7,729,371)
Net investment income	--	6,531,673	(6,531,673)
Benefit payments	(6,113,148)	(6,113,148)	--
Administrative expenses	--	(16,223)	16,223
Net changes	7,504,976	8,131,673	(626,697)
Balance as of June 30, 2025	\$ 80,990,497	58,709,649	22,280,848

For the year ended June 30, 2025, the County recognized OPEB income of \$2,696,039. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,917,367	5,242,769
Changes of assumptions and other inputs	2,772,985	3,111,955
Net difference between projected and actual earnings on pension plan investments	--	4,109,077
Totals	\$ 8,690,352	12,463,801

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

Year ending June 30,	
2026	\$ (4,830,700)
2027	(496,331)
2028	(66,271)
2029	597,722
2030	1,022,131
Total	\$ (3,773,449)

5c. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees on the job; certain employee, dependent, and retiree health care costs; and natural disasters. These risks of loss are handled through a combination of risk retention and insurance. The County uses the Employee Health Benefits Fund (an internal service fund) to account for and finance its risks of loss for employee, dependent, and retiree health care. Other risks of loss are accounted for in the General Fund.

The County's risk retention program provides coverage for a maximum of \$1,000,000 for each workers' compensation claim, \$100,000 for each auto liability and general liability claim, \$100,000 for each public officials, \$250,000 for each law enforcement claim, \$100,000 for each property damage claim, and \$25,000 for each health care claim. The County purchases commercial insurance for claims in excess of the retention limits. There were no settlements in excess of the insurance coverage in any of the prior three fiscal years.

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

In accordance with G.S. 159-29, the County's employees that have access at any given time to \$100 or more of the County's funds are performance bonded through a commercial surety bond. The chief financial officer and tax collector are individually bonded for \$1,000,000 and \$150,000, respectively. The Sheriff is individually bonded at \$25,000. The remaining employees that have access to funds are covered under a blanket policy with coverage of \$4,000,000.

Claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). For losses other than employee, dependent, and retiree health care costs, the County's actuarially determined claims liability, which does not include non-incremental claims adjustment expenses, is \$2,299,962 at June 30, 2025. It is reported in the Statement of Net Position as a long-term liability, due within one year.

The County's estimated claims liability for employee, dependent, and retiree health care costs is \$2,559,000 at June 30, 2025. It is reported as a current liability in the proprietary fund Statement of Net Position and as a long-term liability, due within one year, in the government-wide Statement of Net Position.

The County's risk retention program for employee, dependent, and retiree health care costs, and premiums is maintained at a level to cover future catastrophic losses as well as the actuarially determined claims liability, and also to enable matching revenues and expenses over a reasonable period of time without significant year-to-year increases. The net position of \$710,136 in the Employee Health Benefits Fund are designated for these purposes.

Changes in the claims liability amount in fiscal 2024 and fiscal 2025 were as follows:

	Current-Year			
	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
2023-2024	\$3,228,369	32,451,107	(31,828,350)	3,851,126
2024-2025	3,851,126	42,635,324	(41,627,488)	4,858,962

5d. Contingent Liabilities

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

The County is involved in several other claims and lawsuits, which it intends to defend vigorously. The County's legal counsel estimates that any possible liability to the County resulting from such litigation and not covered by insurance would not have a material adverse effect on the financial position of the County at June 30, 2025.

5e. Joint Ventures

The County, in conjunction with the State of North Carolina and the Winston-Salem/Forsyth County Board of Education, participates in a joint venture to operate Forsyth Technical Community College. Each of the three participants appoints four members of the thirteen-member board of trustees of the community college. The president of the community college's student government serves as an ex officio nonvoting member of the community college's board of trustees. The community college is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the community college's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds or other debt instruments to provide financing for new facilities. The County has an ongoing financial responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed \$12,084,147 and \$15,260,983 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2025. In addition, the County made debt service payments of \$7,941,084 during the fiscal year on general obligation bonds and an installment financing agreement issued for community college capital facilities. The participating governments do not have an equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2025. Complete financial statements for the community college may be obtained from the community college's administrative offices at 2100 Silas Creek Parkway, Winston-Salem, North Carolina 27103.

In conjunction with the City of Winston-Salem and the Greater Winston-Salem Chamber of Commerce, Inc., the County takes part in a joint venture to operate the Forsyth County Tourism Development Authority, which was established pursuant to state statute for the purpose of furthering the development of travel, tourism, and conventions in the County. The Authority board is comprised of nine members of which the County and the City of Winston-Salem each appoint four, and the Chamber appoints one. The Authority receives 61.4% of room occupancy taxes which are levied and collected by the County. For the year ended June 30, 2025, occupancy taxes totaling \$5,596,165 were distributed to the Authority. The County also provided \$27,348 in financial services to the Authority during fiscal year 2025. The participating governments and agency do not have an equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2025. Complete financial statements for the Authority can be obtained from the Authority's finance officer at Forsyth County Government Center, 201 N. Chestnut Street, Winston-Salem, North Carolina 27101.

5f. Jointly Governed Organizations

The County, in conjunction with eleven other counties and 62 municipalities, is a member of the Piedmont Triad Regional Council (PTRC). The PTRC is a voluntary association of municipal and county governments, enabled by state law to promote regional issues and cooperation among members and to coordinate funding from federal and state agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$82,014 to the Council during the fiscal year ended June 30, 2025.

The County participates with Guilford County and three municipalities in the Piedmont Triad International Airport Authority which operates the airport of the same name. Each participating government has one appointment to the seven-member board except Guilford County, which has three appointments. The County made no payments to the Authority in the fiscal year ended June 30, 2025.

5g. Adjustments and restatements of beginning balances

The County implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, for the fiscal year ending June 30, 2025. In addition to the value of unused annual leave owed to employees upon separation of employment, the County now recognizes as part of the liability for compensated absences an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years. The effects of the change in accounting principle are shown in the table below in the “Restatement – GASB 101 implementation” column.

The County failed to recognize as revenue the full amount awarded under a nationwide opioid settlement. The effects of reporting the full settlement amount as an exchange or exchange-like transaction are shown in the table below in the “Adjustment – Opioid Settlement Fund” column. The recognition of additional opioid revenue resulted in the Opioid Settlement Fund qualifying as a major fund. The effects of moving the Opioid Settlement Fund from nonmajor to major fund are shown in the table below in the “Adjustment – Opioid Settlement Fund as major fund” column.

The County recognized grant revenue in the County Capital Projects Fund in the prior year that should have been presented as unearned revenue. The effects of making this correction are shown in the table below in the “Adjustment – County Capital Projects Fund” column.

	6/30/2024 Net position as previously reported	Restatement - GASB 101 implementation	Adjustment - Opioid Settlement Fund	Adjustment - Opioid Settlement Fund as major fund	Adjustment - County Capital Projects Fund	6/30/2024 Net position as restated and adjusted
Government-wide						
Governmental activities	66,245,974	(17,160,633)	27,786,499	-	(5,960,745)	70,911,095
Total Government-wide	\$ 66,245,974	\$ (17,160,633)	\$ 27,786,499	\$ -	\$ (5,960,745)	\$ 70,911,095
Governmental funds						
Major funds:						
General Fund	210,169,356	-	-	-	-	210,169,356
Opioid Settlement Fund	-	-	2,351,184	6,804,188	-	9,155,372
County Capital Projects Fund	109,801,550	-	-	-	(5,960,745)	103,840,805
Education Capital Projects Fund	181,861,580	-	-	-	-	181,861,580
Pandemic Response Fund	1,704,175	-	-	-	-	1,704,175
Nonmajor funds	12,451,112	-	-	(6,804,188)	-	5,646,924
Total governmental funds	\$ 515,987,773	\$ -	\$ 2,351,184	\$ -	\$ (5,960,745)	\$ 512,378,212

Required Supplementary Schedules

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

- Local Governmental Employees' Retirement System – Schedule of the Proportionate Share of the Net Pension Liability (Asset)**
- Local Governmental Employees' Retirement System – Schedule of Employer Contributions**
- Law Enforcement Officers' Special Separation Allowance – Schedule of Changes in Total Pension Liability (Asset)**
- Law Enforcement Officers' Special Separation Allowance – Schedule of Total Pension Liability (Asset) as a Percentage of Covered Payroll**
- Law Enforcement Officers' Special Separation Allowance – Notes to the Required Schedules**
- Register of Deeds' Supplemental Pension Fund – Schedule of the Proportionate Share of the Net Pension Liability (Asset)**
- Register of Deeds' Supplemental Pension Fund – Schedule of Employer Contributions**
- Healthcare Plan – Schedule of Changes in Net OPEB Liability and Related Ratios**
- Healthcare Plan – Schedule of Employer Contributions**
- Healthcare Plan – Notes to the Required Schedules**
- Healthcare Plan – Schedule of Investment Returns**

LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM

FORSYTH COUNTY, NORTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

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

Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Proportion of the net pension liability (asset)	1.296%	1.324%	1.325%	1.377%	1.376%	1.369%	1.402%	1.383%	1.380%	1.400%
County's proportionate share of the net pension liability (asset)	\$ 87,340,611	87,693,844	74,765,845	21,122,678	49,165,696	37,388,507	33,257,151	21,135,895	29,287,603	6,283,987
County's covered payroll	122,684,651	117,343,700	102,625,794	96,981,503	96,946,393	92,640,576	87,585,656	86,954,681	84,323,090	82,451,507
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	71.19%	74.73%	72.85%	21.78%	50.71%	40.36%	37.97%	24.31%	34.73%	7.62%
Plan fiduciary net position as a percentage of the total pension liability	83.30%	82.49%	84.14%	95.51%	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 18,667,737	16,155,227	13,982,853	11,915,695	10,046,439	8,915,568	7,328,062	6,896,296	6,435,317	5,736,808
Contributions in relation to the contractually required contribution	<u>18,667,737</u>	<u>16,155,227</u>	<u>13,982,853</u>	<u>11,915,695</u>	<u>10,046,439</u>	<u>8,915,568</u>	<u>7,328,062</u>	<u>6,896,296</u>	<u>6,435,317</u>	<u>5,736,808</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered payroll	\$ 134,244,024	122,684,651	117,343,700	102,625,794	96,981,503	96,946,393	92,640,576	87,585,656	86,954,681	84,323,090
Contributions as a percentage of covered payroll	13.91%	13.17%	11.92%	11.61%	10.36%	9.20%	7.91%	7.87%	7.40%	6.80%

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE

FORSYTH COUNTY, NORTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY (ASSET)¹

Last Nine Fiscal Years (see Note 1 below)

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Service Cost	\$ 570,905	496,145	653,745	644,063	365,467	300,482	317,852	254,543	292,100
Interest	508,206	484,764	279,579	230,463	273,412	288,665	243,471	280,573	235,450
Difference between expected and actual experience	976,501	1,089,976	592,879	650,806	560,209	362,962	617,333	155,543	-
Changes of assumptions and other inputs	(291,755)	281,388	(1,932,519)	(308,192)	3,091,178	222,999	(278,708)	415,966	(455,706)
Benefit payments	(980,632)	(808,494)	(738,702)	(723,094)	(748,979)	(688,187)	(660,575)	(680,570)	(622,315)
Net change in Total Pension Liability	\$ 783,225	1,543,779	(1,145,018)	494,046	3,541,287	486,921	239,373	426,055	(550,471)
Total Pension Liability - beginning	13,195,454	11,651,675	12,796,693	12,302,647	8,761,360	8,274,439	8,035,066	7,609,011	8,159,482
Total Pension Liability - ending	\$ 13,978,679	13,195,454	11,651,675	12,796,693	12,302,647	8,761,360	8,274,439	8,035,066	7,609,011

¹

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

SCHEDULE OF TOTAL PENSION LIABILITY (ASSET) AS A PERCENTAGE OF COVERED PAYROLL¹

For the fiscal year ended June 30,

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Pension Liability	\$ 13,978,679	13,195,454	11,651,675	12,796,693	12,302,647	8,761,360	8,274,439	8,035,066	7,609,011
Covered-employee payroll	\$ 19,854,252	18,368,778	16,370,150	15,629,155	13,941,026	12,300,412	11,753,403	10,996,359	10,680,124
Total Pension Liability as a percent of covered-employee payroll	70.41%	71.84%	71.18%	81.88%	88.25%	71.23%	70.40%	73.07%	71.24%

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

Notes to the Required Schedules:

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

REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND

FORSYTH COUNTY, NORTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

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

Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Proportion of the net pension liability (asset)	4.421%	3.037%	3.766%	3.478%	3.564%	3.440%	3.780%	3.962%	3.961%	3.929%
County's proportionate share of the net pension liability (asset)	\$ (509,483)	(365,015)	(498,556)	(668,259)	(816,749)	(679,188)	(626,106)	(676,308)	(740,482)	(910,408)
County's covered-employee payroll	\$ 101,233	103,394	91,768	88,515	86,915	84,631	82,261	100,962	97,488	90,114
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-503.28%	-353.03%	-543.28%	-754.97%	-939.71%	-802.53%	-761.12%	-669.86%	-759.56%	-1010.28%
Plan fiduciary net position as a percentage of the total pension liability	133.61%	135.74%	139.04%	156.53%	173.62%	164.11%	153.31%	153.77%	160.17%	197.29%

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 33,887	31,972	33,180	43,167	41,743	34,124	32,699	32,350	34,426	32,356
Contributions in relation to the contractually required contribution	\$ 33,887	31,972	33,180	43,167	41,743	34,124	32,699	32,350	34,426	32,356
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
Covered-employee payroll	\$ 111,507	101,233	103,394	91,768	88,515	86,915	84,631	82,261	100,962	97,488
Contributions as a percentage of covered-employee payroll	30.39%	31.58%	32.09%	47.04%	47.16%	39.26%	38.64%	39.33%	34.10%	33.19%

HEALTHCARE PLAN

FORSYTH COUNTY, NORTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS ¹

For the fiscal year ended June 30,	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
TOTAL OPEB LIABILITY									
Service Cost	\$ 2,302,860	2,230,374	2,662,349	2,477,659	4,414,974	4,365,019	3,081,527	3,045,210	2,876,639
Interest on total OPEB liability	4,418,808	4,343,810	3,520,591	3,543,583	4,088,383	3,936,358	4,719,619	4,605,929	4,422,422
Difference between expected and actual experience	4,029,824	684,121	4,486,998	(867,655)	(29,169,251)	(3,215,577)	(6,122,054)	(1,342,048)	-
Changes of assumptions or other inputs	2,866,632	-	(4,674,994)	1,188,082	(5,155,058)	(991,320)	16,450,078	-	-
Benefit payments ²	(6,113,148)	(6,012,708)	(4,706,211)	(3,700,375)	(3,643,164)	(2,775,016)	(4,366,227)	(4,371,688)	(4,025,629)
Net change in total OPEB liability	7,504,976	1,245,597	1,288,733	2,641,294	(29,464,116)	1,319,464	13,762,943	1,937,403	3,273,432
Total OPEB liability - beginning	73,485,521	72,239,924	70,951,191	68,309,897	97,774,013	96,454,549	82,691,606	80,754,203	77,480,771
Total OPEB liability - ending	<u>80,990,497</u>	<u>73,485,521</u>	<u>72,239,924</u>	<u>70,951,191</u>	<u>68,309,897</u>	<u>97,774,013</u>	<u>96,454,549</u>	<u>82,691,606</u>	<u>80,754,203</u>
PLAN FIDUCIARY NET POSITION									
Contributions - employer ³	\$ 7,729,371	7,612,708	6,306,211	5,300,375	5,243,164	4,375,016	5,991,311	5,971,688	5,625,629
Net investment income	6,531,673	6,113,793	4,303,970	(5,351,935)	7,985,876	1,174,573	1,635,661	1,616,544	2,398,737
Benefit payments ²	(6,113,148)	(6,012,708)	(4,706,211)	(3,700,375)	(3,643,164)	(2,775,016)	(4,366,227)	(4,371,688)	(4,025,629)
Plan administrative expenses	(16,223.00)	-	-	-	-	-	(25,084)	-	-
Net change in Plan fiduciary net position	8,131,673	7,713,793	5,903,970	(3,751,935)	9,585,876	2,774,573	3,235,661	3,216,544	3,998,737
Plan fiduciary net position - beginning	50,577,976	42,864,183	36,960,213	40,712,148	31,126,272	28,351,699	25,116,038	21,899,494	17,900,757
Plan fiduciary net position - ending	<u>58,709,649</u>	<u>50,577,976</u>	<u>42,864,183</u>	<u>36,960,213</u>	<u>40,712,148</u>	<u>31,126,272</u>	<u>28,351,699</u>	<u>25,116,038</u>	<u>21,899,494</u>
NET OPEB LIABILITY									
Plan fiduciary net position as a percentage of the total OPEB liability	72.49%	68.83%	59.34%	52.09%	59.60%	31.83%	29.39%	30.37%	27.12%
Covered employee payroll ⁴	\$ 116,634,324	95,313,591	95,313,591	91,324,641	91,324,641	85,024,648	85,024,648	79,583,427	79,583,427
Net OPEB liability as a percentage of covered employee payroll	19.10%	24.03%	30.82%	37.22%	30.22%	78.39%	80.10%	72.35%	73.95%

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

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

³ Employer contributions include benefit payments paid outside the Trust.

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

HEALTHCARE PLAN

FORSYTH COUNTY, NORTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
TOTAL OPEB LIABILITY										
Actuarially Determined Contribution	\$ 5,068,814	5,068,814	5,096,713	5,096,713	7,277,688	7,277,688	7,144,036	7,144,036	5,627,638	5,321,271
Contributions in relation to the Actuarially Determined Contribution	7,729,371	7,612,708	6,306,211	5,300,375	5,243,164	4,375,016	5,991,311	5,971,688	5,625,629	6,926,372
Annual contribution excess (deficiency)	\$ 2,660,557	2,543,894	1,209,498	203,662	(2,034,524)	(2,902,672)	(1,152,725)	(1,172,348)	(2,009)	1,605,101
Covered employee payroll ¹	\$ 116,634,324	95,313,591	95,313,591	91,324,641	91,324,641	85,024,648	85,024,648	79,583,427	79,583,427	79,583,427
Actual contributions as a percentage of covered employee payroll	6.63%	7.99%	6.62%	5.80%	5.74%	5.15%	7.05%	7.50%	7.07%	8.70%

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

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

Valuation date	06/30/2024
Actuarial cost method	Entry Age Normal (Level Percentage of Pay)
Amortization method	Level dollar
Remaining amortization period	20 years
Asset valuation method	Market value of Assets
Actuarial assumptions:	Investment rate of return* Medical cost trend rate Year of ultimate trend rate *Includes inflation at
	6.27% 7.00% for 2024 - 4.50% for 2034 2034 2.50%

SCHEDULE OF INVESTMENT RETURNS

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual money-weighted rate of return, net of investment expenses	12.59%	13.93%	11.25%	-12.65%	24.63%	3.91%	6.32%	7.00%	12.67%	-0.93%

Major Governmental Funds

Budgetary Comparison Schedules

General Fund

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

Opioid Settlement Fund

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

Capital Project Funds

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

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

Special Revenue Fund

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

GENERAL FUND

A-1

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

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2025

Page 1 of 3

	<u>Budgeted Amounts</u>		Variance with <u>Final Budget</u>	
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
Revenues:				
Taxes:				
Property:				
Current year	\$ 310,211,912	310,211,912	314,197,510	3,985,598
Prior years	1,200,000	1,200,000	1,775,312	575,312
Interest and fees	850,000	850,000	1,125,684	275,684
Total property	<u>312,261,912</u>	<u>312,261,912</u>	<u>317,098,506</u>	<u>4,836,594</u>
Occupancy taxes	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,259,137</u>	<u>259,137</u>
Local option sales:				
Article 39 one cent	40,124,367	40,124,367	36,874,201	(3,250,166)
Article 40 one-half cent	24,618,343	24,618,343	25,025,431	407,088
Article 42 one-half cent	24,878,521	24,878,521	25,210,695	332,174
Article 44 one-half cent		-	162	162
Article 46 one-quarter cent	20,563,231	20,563,231	20,181,687	(381,544)
Total sales	<u>110,184,462</u>	<u>110,184,462</u>	<u>107,292,176</u>	<u>(2,892,286)</u>
Other taxes	<u>420,000</u>	<u>420,000</u>	<u>778,544</u>	<u>358,544</u>
Total taxes	423,866,374	423,866,374	426,428,363	2,561,989
Licenses and permits	823,191	823,191	746,081	(77,110)
Intergovernmental	53,233,076	58,219,054	52,182,659	(6,036,395)
Charges for services	35,885,352	35,885,352	33,206,622	(2,678,730)
Investment earnings	7,251,500	7,251,500	10,300,251	3,048,751
Other	<u>13,546,486</u>	<u>13,967,170</u>	<u>16,244,658</u>	<u>2,277,488</u>
Total revenues	<u>534,605,979</u>	<u>540,012,641</u>	<u>539,108,634</u>	<u>(904,007)</u>
Expenditures:				
Current:				
General government:				
Budget and management	670,341	711,980	711,736	244
Finance	2,558,439	2,513,300	2,338,393	174,907
General services	18,660,727	18,621,302	16,926,399	1,694,903
Human resources	2,218,061	2,275,173	2,113,449	161,724
Management information services	9,180,865	8,639,150	7,311,411	1,327,739
MapForsyth	1,261,967	1,290,623	1,262,516	28,107
Planning	1,900,560	1,900,560	1,625,925	274,635
Purchasing	128,140	128,140	125,773	2,367
Attorney	2,147,539	2,263,116	2,252,204	10,912
Board of elections	2,687,097	2,929,786	2,462,278	467,508
County commissioners and manager	1,717,567	1,968,590	1,881,593	86,997
Register of deeds	1,733,634	1,745,759	1,588,696	157,063
Tax administration	8,649,306	8,627,660	8,040,093	587,567
Communications	607,481	627,487	601,651	25,836
Non-departmental:				
Contingency and budget reserve	3,495,000	134,697	-	134,697
County-wide salary savings	(4,000,000)	(4,000,000)	-	(4,000,000)
Other services and adjustments	5,292,273	9,221,191	6,676,705	2,544,486
Employee salary adjustments	4,685,781	4,022,731	-	4,022,731
Prior year encumbrances	1,800,000	-	-	-
Community grants	<u>1,922,250</u>	<u>2,217,250</u>	<u>1,937,660</u>	<u>279,590</u>
Total general government	<u>67,317,028</u>	<u>65,838,495</u>	<u>57,856,482</u>	<u>7,982,013</u>

GENERAL FUND

A-1

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

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2025

Page 2 of 3

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget</u>	
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Final Budget</u>
Public safety:				
Animal services	\$ 1,453,036	1,488,345	1,313,506	174,839
Emergency management	596,140	596,140	581,744	14,396
Emergency services	26,766,096	26,995,640	26,580,880	414,760
Interagency communications	526,281	583,653	397,644	186,009
Sheriff	75,755,916	80,126,436	80,264,308	(137,872)
Youth services	2,463,715	2,648,877	2,079,828	569,049
Family justice center	400,417	420,429	355,135	65,294
Nondepartmental other services and adjustments	1,894,367	1,894,367	2,141,479	(247,112)
Total public safety	<u>109,855,968</u>	<u>114,753,887</u>	<u>113,714,524</u>	<u>1,039,363</u>
Environmental protection:				
NC cooperative extension service - conservation of natural resources	1,281,437	1,295,515	199,753	1,095,762
Environmental assistance and protection	3,043,975	3,217,906	3,139,478	78,428
Inspections	602,540	602,540	502,570	99,970
Nondepartmental other services and adjustments	10,860	10,860	14,571	(3,711)
Total environmental protection	<u>4,938,812</u>	<u>5,126,821</u>	<u>3,856,372</u>	<u>1,270,449</u>
Human services:				
Health and human services	486,256	464,744	361,895	102,849
Social services	57,027,546	58,057,307	52,681,088	5,376,219
Public health	27,711,295	30,672,827	25,636,590	5,036,237
Behavioral health services	6,390,236	6,401,168	5,646,520	754,648
Nondepartmental other services and adjustments	776,936	776,936	886,328	(109,392)
Total human services	<u>92,392,269</u>	<u>96,372,982</u>	<u>85,212,421</u>	<u>11,160,561</u>
Culture and recreation:				
Library	9,896,285	9,841,060	9,672,962	168,098
Parks and recreation	9,984,115	9,987,075	9,323,560	663,515
Nondepartmental other services and adjustments	213,015	213,015	247,958	(34,943)
Total culture and recreation	<u>20,093,415</u>	<u>20,041,150</u>	<u>19,244,480</u>	<u>796,670</u>
Community and economic development:				
Airport	2,580,601	2,549,213	2,186,839	362,374
Community and economic development	4,387,613	6,116,940	3,711,808	2,405,132
Nondepartmental other services and adjustments	25,923	25,923	28,234	(2,311)
Total community and economic development	<u>6,994,137</u>	<u>8,692,076</u>	<u>5,926,881</u>	<u>2,765,195</u>
Education:				
NC cooperative extension service	955,633	964,606	671,588	293,018
Nondepartmental other services and adjustments	15,274	15,274	16,636	(1,362)
Total education	<u>970,907</u>	<u>979,880</u>	<u>688,224</u>	<u>291,656</u>
Intergovernmental:				
Education:				
Forsyth Technical Community College:				
Current expense	11,696,690	12,084,147	12,084,147	-
Capital outlay	455,000	455,000	455,000	-
Total Forsyth Technical Community College	<u>12,151,690</u>	<u>12,539,147</u>	<u>12,539,147</u>	<u>-</u>

GENERAL FUND

A-1

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

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2025

Page 3 of 3

		Budgeted Amounts		Variance with
		Original	Final	Final Budget
Winston-Salem/Forsyth County Schools:				
Instructional programs	\$ 109,288,002	109,288,002	109,288,002	-
Support services	50,376,660	50,376,660	50,376,660	-
Community services	79,864	79,864	79,864	-
Charter schools	10,288,349	10,288,349	10,288,349	-
Capital outlay	3,966,456	3,966,456	3,966,456	-
Total Winston-Salem/Forsyth County Schools	<u>173,999,331</u>	<u>173,999,331</u>	<u>173,999,331</u>	<u>-</u>
Total intergovernmental education	<u>186,151,021</u>	<u>186,538,478</u>	<u>186,538,478</u>	<u>-</u>
Debt service:				
General obligation bonds:				
Principal	51,820,000	51,820,000	51,820,000	-
Interest and other charges	22,656,429	22,656,429	22,656,425	4
Limited obligation bonds and other borrowing:				
Principal	8,048,500	8,048,500	8,048,500	-
Interest and other charges	4,182,760	4,192,760	4,186,409	6,351
Lease and subscription liabilities:				
Principal	-	-	2,140,062	(2,140,062)
Interest and other charges	-	-	90,817	(90,817)
Contingency	3,258,645	3,258,645	-	3,258,645
Total debt service	<u>89,966,334</u>	<u>89,976,334</u>	<u>88,942,213</u>	<u>1,034,121</u>
Capital Outlay	<u>1,357,264</u>	<u>10,237,050</u>	<u>6,332,239</u>	<u>3,904,811</u>
Total expenditures	<u>580,037,155</u>	<u>598,557,153</u>	<u>568,312,314</u>	<u>30,244,839</u>
Excess (deficiency) of revenues over expenditures	<u>(45,431,176)</u>	<u>(58,544,512)</u>	<u>(29,203,680)</u>	<u>29,340,832</u>
Other financing sources (uses):				
Lease liabilities issued	-	-	47,554	47,554
SBITA debt issued	-	-	755,995	755,995
Transfers in:				
County Facilities Fund	3,102,412	1,613,192	4,818,461	3,205,269
Pandemic Response Fund	3,235,351	10,436,174	10,109,174	(327,000)
Fire Tax Districts Fund	3,899,611	3,899,611	3,755,632	(143,979)
State Public School Building Capital Fund	3,650,000	3,650,000	3,657,177	7,177
Total transfers in	<u>13,887,374</u>	<u>19,598,977</u>	<u>22,340,444</u>	<u>2,741,467</u>
Transfers out:				
Education Capital Projects Fund	(1,735,000)	(1,735,000)	(1,735,000)	-
Housing Rehabilitation Fund	(60,000)	(60,000)	(38,825)	21,175
Total transfers out	<u>(1,795,000)</u>	<u>(1,795,000)</u>	<u>(1,773,825)</u>	<u>21,175</u>
Total other financing sources (uses)	<u>12,092,374</u>	<u>17,803,977</u>	<u>21,370,168</u>	<u>3,566,191</u>
Net change in fund balance	<u>\$ (33,338,802)</u>	<u>(40,740,535)</u>	<u>(7,833,512)</u>	<u>32,907,023</u>
Fund balance - June 30, 2024			<u>210,169,356</u>	
Fund balance - June 30, 2025			<u>\$ 202,335,844</u>	

OPIOID SETTLEMENT FUND

A-2

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

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other revenue	\$ -	-	3,307,423	3,307,423
Investment earnings	-	-	313,903	313,903
Total revenues	-	-	3,621,326	3,621,326
Expenditures:				
Current - human services				
Peer support program	278,407	-	-	-
Support people in treatment and recovery	142,375	-	-	-
Prevent misuse of opioids	147,000	-	-	-
Collaborative Strategic Planning	-	50,000	-	50,000
Evidence-based Addiction Treatment	-	1,000,150	331,031	669,119
Recovery support services	137,826	475,273	160,341	314,932
Recovery housing support	225,000	308,335	238,792	69,543
Naloxone Distribution		511,500	88,054	423,446
Syringe service program	480,300	480,300	433,616	46,684
Treat opioid use disorder	1,231,823	231,673	153,967	77,706
Prevent misuse of opioids (G3)	-	61,908	60,932	976
Prevent misuse of opioids (G7)	-	20,000	16,181	3,819
Prevent misuse of opioids (G8)	-	65,092	46,661	18,431
Prevent overdose deaths and other harms	532,234	20,734	14,767	5,967
Leadership, planning and coordination	149,000	99,000	99,000	-
Total expenditures	3,323,965	3,323,965	1,643,342	1,680,623
Net change in fund balance	\$ (3,323,965)	(3,323,965)	1,977,984	5,301,949
Fund balance - June 30, 2024, as previously reported			-	
Adjustments, note 5g			9,155,372	
Fund balance - June 30, 2024, as restated			9,155,372	
Fund balance - June 30, 2025	\$ 11,133,356			

COUNTY CAPITAL PROJECTS FUND

A-3

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

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	<u>Cumulative Total to June 30, 2025</u>	<u>Activity Year Ended June 30, 2025</u>	<u>Cumulative Total to June 30, 2024</u>
Revenues:				
Intergovernmental	\$ 108,759,472	46,766,604	14,161,923	32,604,681
Investment earnings	14,794,229	15,589,303	4,215,726	11,373,577
Other	6,751,985	6,726,985	150,000	6,576,985
Total revenues	130,305,686	69,082,892	18,527,649	50,555,243
Expenditures:				
Current - Debt service - interest and other charges	2,513,672	966,264	673,572	292,692
Capital outlay:				
County buildings	155,837,470	138,005,796	1,816,130	136,189,666
Parks	65,311,961	42,712,228	24,616,678	18,095,550
Sheriff	7,358,038	3,723,500	2,116,266	1,607,234
Community and economic development	12,510,572	6,771,310	369,400	6,401,910
Airport	114,985,668	45,658,474	13,128,489	32,529,985
Library	42,312,000	39,716,982	68,311	39,648,671
Technology	28,031,090	21,643,921	9,740,503	11,903,418
Sustainability	749,320	385,093	308,079	77,014
Capital - unallocated	2,665,716	-	-	-
Total capital outlay	429,761,835	298,617,304	52,163,856	246,453,448
Total expenditures	432,275,507	299,583,568	52,837,428	246,746,140
Excess (deficiency) of revenues over expenditures	(301,969,821)	(230,500,676)	(34,309,779)	(196,190,897)
Other financing sources:				
General obligation bonds issued	64,042,700	64,042,700	4,000,000	60,042,700
Premium on general obligation bonds	6,043,864	6,113,695	1,174,831	4,938,864
Limited obligation bonds issued	106,311,710	106,311,710	-	106,311,710
Premium on limited obligation bonds	17,613,889	17,613,889	-	17,613,889
Installment purchase borrowing	7,776,941	7,776,941	-	7,776,941
Other long-term borrowing	4,920,300	4,920,300	-	4,920,300
Transfer from (to) General Fund	95,760,417	93,608,837	(4,818,461)	98,427,298
Transfer to Education Capital Projects Fund	(500,000)	(500,000)	(500,000)	-
Total other financing sources (uses)	301,969,821	299,888,072	(143,630)	300,031,702
Net change in fund balance	\$ -	69,387,396	(34,453,409)	103,840,805
Fund balance - June 30, 2024, as previously reported			109,801,550	
Adjustments, note 5g			(5,960,745)	
Fund balance - June 30, 2024, as restated			103,840,805	
Fund balance - June 30, 2025			\$ 69,387,396	

COUNTY CAPITAL PROJECTS FUND
A-3.1
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

Page 1 of 3

	<u>Budget</u>	<u>Cumulative Total to June 30, 2025</u>	<u>Activity Year Ended June 30, 2025</u>	<u>Cumulative Total to June 30, 2024</u>
Revenues:				
Intergovernmental	\$ 108,759,472	46,766,604	14,161,923	32,604,681
Investment earnings	14,794,229	15,589,303	4,215,726	11,373,577
Other	6,751,985	6,726,985	150,000	6,576,985
Total revenues	130,305,686	69,082,892	18,527,649	50,555,243
Expenditures:				
Current - Debt service - interest and other charges	2,513,672	966,264	673,572	292,692
Capital outlay:				
County Buildings:				
Kaleideum museum	33,662,035	33,509,727	16,823	33,492,904
Court facility	100,152,715	97,818,416	340,660	97,477,756
Capital repair and maintenance	6,000,000	2,765,644	1,258,838	1,506,806
Public health facility renovation	5,633,335	33,400	-	33,400
Government center security	150,000	39,224	39,224	-
Animal shelter	100,000	-	-	-
Monarch building improvements	3,800,000	-	-	-
Highland Avenue beautification	2,500,000	-	-	-
WSFCS maintenance colocation	3,839,385	3,839,385	160,585	3,678,800
Total county buildings	155,837,470	138,005,796	1,816,130	136,189,666
Parks:				
Tanglewood Park	2,803,209	2,757,091	39,479	2,717,612
Community parks	868,000	849,288	-	849,288
Tanglewood clubhouse	15,973,018	14,344,909	12,544,026	1,800,883
Pickleball courts	322,116	322,116	-	322,116
Belews Lake Park	10,780,504	7,436,795	514,204	6,922,591
Horizon Park	2,500,000	141,367	4,282	137,085
Agricultural park complex	20,000,000	12,623,090	10,811,680	1,811,410
Tree risk mitigation	100,000	100,000	-	100,000
TWP campground	750,000	49,421	49,421	-
TWP - FOL displays	250,000	-	-	-
TWP - Yadkin River overlook	175,000	-	-	-
Capital repair and maintenance	5,200,000	1,196,478	653,586	542,892
Tanglewood Park - golf	2,891,673	2,891,673	-	2,891,673
Unallocated	550,000	-	-	-
Budget reserve - restricted	2,148,441	-	-	-
Total parks	65,311,961	42,712,228	24,616,678	18,095,550
Sheriff:				
Public safety center upfit/WSPD colocation	1,569,682	1,569,682	(37,552)	1,607,234
Radio consoles	218,356	218,356	218,356	-
LEDC security	1,070,000	-	-	-
LEDC lock upgrade	2,000,000	1,935,462	1,935,462	-
LEDC capital maintenance	2,500,000	-	-	-
Total sheriff	7,358,038	3,723,500	2,116,266	1,607,234

COUNTY CAPITAL PROJECTS FUND

A-3.1

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

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

Page 2 of 3

	<u>Budget</u>	<u>Cumulative Total to June 30, 2025</u>	<u>Activity Year Ended June 30, 2025</u>	<u>Cumulative Total to June 30, 2024</u>
Community and economic development:				
Tanglewood Business Park	\$ 10,010,572	6,438,542	82,250	6,356,292
Forsyth Tech-Learn & Earn apprenticeships	470,000	136,490	90,872	45,618
Urgent repair program	190,000	49,153	49,153	-
Future employment center	250,000	147,125	147,125	-
Economic development projects	1,590,000	-	-	-
Total community and economic development	12,510,572	6,771,310	369,400	6,401,910
Airport:				
15-33 Rehabilitation (Design)	8,500,000	7,690,782	-	7,690,782
3820 North Liberty Street improvements	100,000	-	-	-
4001 Liberty Street Improvements	6,610,015	2,612,731	2,229,879	382,852
4400 Lansing Drive improvements	2,000,000	141,700	141,700	-
Airfield lighting rehabilitation	6,571,365	201,738	42,870	158,868
Airfield Drainage Improvements Phase II	500,000	106,159	6,800	99,359
Airport capital repair and maintenance	2,284,436	1,053,042	140,511	912,531
Airport car wash	1,509,294	931,934	931,934	-
Airport S ramp and Q ramp - design study	250,000	89,196	75,544	13,652
Airport security upgrades	350,000	18,759	1,365	17,394
Brushy Fork Creek restoration	700,000	106,080	105,480	600
Control Tower	2,165,700	161,700	161,700	-
Greenway feasibility study	300,000	-	-	-
Landfill environmental and site preparation	1,234,300	-	-	-
Lower terminal parking	985,000	-	-	-
MRO Hangar Development	14,900,000	-	-	-
Runway 15-33 Improvements	2,250,000	46,268	-	46,268
South aircraft parking ramp improvements	2,000,000	-	-	-
South Ramp demolition	200,000	-	-	-
Taxiway Alpha	14,350,920	8,416,614	1,991,258	6,425,356
Taxiway Lima and Ramp	14,550,000	405,421	15,355	390,066
Taxiway Quebec	649,080	457,546	-	457,546
Terminal Area Improvements	29,000,000	22,938,225	7,269,939	15,668,286
Terminal Fencing	210,720	76,375	14,154	62,221
Terminal Ramp, Runway 4-22	205,600	204,204	-	204,204
Budget reserve - restricted	2,609,238	-	-	-
Total airport	114,985,668	45,658,474	13,128,489	32,529,985
Library:				
Library projects	39,648,671	39,648,671	-	39,648,671
Library branch upfits	2,549,500	68,311	68,311	-
Unallocated - library	113,829	-	-	-
Total library	42,312,000	39,716,982	68,311	39,648,671

COUNTY CAPITAL PROJECTS FUND

A-3.1

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

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

Page 3 of 3

	<u>Budget</u>	<u>Cumulative Total to June 30, 2025</u>	<u>Activity Year Ended June 30, 2025</u>	<u>Cumulative Total to June 30, 2024</u>
Technology:				
Radio system upgrade	\$ 19,923,460	16,457,170	9,660,503	6,796,667
Master address repository	250,000	211,904	80,000	131,904
Access switch replacement	1,900,000	-	-	-
FOCUS replacement (DSS)	540,000	-	-	-
Parking deck cameras	120,000	-	-	-
ERP system	4,332,072	4,332,072	-	4,332,072
EMS defibrillator replacement	642,775	642,775	-	642,775
Unallocated - technology	322,783	-	-	-
Total technology	28,031,090	21,643,921	9,740,503	11,903,418
Sustainability:				
Photovoltaic solar and other projects	264,000	151,068	151,068	-
Electrification of fleet	485,320	234,025	157,011	77,014
Total sustainability	749,320	385,093	308,079	77,014
Unallocated	2,665,716	-	-	-
Total capital outlay	429,761,835	298,617,304	52,163,856	246,453,448
Total expenditures	432,275,507	299,583,568	52,837,428	246,746,140
Deficiency of revenues over expenditures	(301,969,821)	(230,500,676)	(34,309,779)	(196,190,897)
Other financing sources:				
General obligation bonds issued	64,042,700	64,042,700	4,000,000	60,042,700
Premium on general obligation bonds	6,043,864	6,113,695	1,174,831	4,938,864
Limited obligation bonds issued	106,311,710	106,311,710	-	106,311,710
Premium on limited obligation bonds	17,613,889	17,613,889	-	17,613,889
Installment purchase borrowing	7,776,941	7,776,941	-	7,776,941
Other long-term borrowing	4,920,300	4,920,300	-	4,920,300
Transfer from (to) General Fund	95,760,417	93,608,837	(4,818,461)	98,427,298
Transfer to Education Capital Projects Fund	(500,000)	(500,000)	(500,000)	-
Total other financing sources (uses)	301,969,821	299,888,072	(143,630)	300,031,702
Net change in fund balance	\$ -	<u>69,387,396</u>	(34,453,409)	<u>103,840,805</u>
Fund balance - June 30, 2024, as previously reported			109,801,550	
Error correction			(5,960,745)	
Fund balance - June 30, 2024, as restated			<u>103,840,805</u>	
Fund balance - June 30, 2025	\$	<u>69,387,396</u>		

EDUCATION CAPITAL PROJECTS FUND

A-4

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	Budget	Cumulative Total to June 30, 2025	Activity Year Ended June 30, 2025	Cumulative Total to June 30, 2024
Revenues:				
Intergovernmental	\$ 892,313	892,313	-	892,313
Investment earnings	25,816,914	26,834,485	7,429,661	19,404,824
Total revenues	<u>26,709,227</u>	<u>27,726,798</u>	<u>7,429,661</u>	<u>20,297,137</u>
Expenditures:				
Current:				
Debt service - interest and other charges	26,745,521	1,870,230	312,227	1,558,003
Intergovernmental - education:				
Forsyth Technical Community College	74,236,541	54,603,631	14,805,983	39,797,648
Winston-Salem/Forsyth County Schools	454,883,535	334,348,424	40,577,148	293,771,276
Total expenditures	<u>555,865,597</u>	<u>390,822,285</u>	<u>55,695,358</u>	<u>335,126,927</u>
Excess (deficiency) of revenues over expenditures	(529,156,370)	(363,095,487)	(48,265,697)	(314,829,790)
Other financing sources:				
General obligation bonds issued	475,794,887	475,794,887	29,635,000	446,159,887
Premium on general obligation bonds	40,716,483	41,068,645	947,162	40,121,483
Transfers in	12,645,000	12,645,000	2,235,000	10,410,000
Total other financing sources (uses)	<u>529,156,370</u>	<u>529,508,532</u>	<u>32,817,162</u>	<u>496,691,370</u>
Net change in fund balance	\$ -	<u>166,413,045</u>	(15,448,535)	<u>181,861,580</u>
Fund balance - June 30, 2024			181,861,580	
Fund balance - June 30, 2025	\$	<u>166,413,045</u>		

PANDEMIC RESPONSE FUND

A-5

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

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	Cumulative Total to <u>June 30, 2025</u>	Activity Year Ended <u>June 30, 2025</u>	Cumulative Total to <u>June 30, 2024</u>
Revenues:				
Intergovernmental:				
Emergency Rental Assistance Program 2 - County	\$ 3,206,300	3,180,839	-	3,180,839
Emergency Rental Assistance Program 2 - State	12,618,151	12,449,848	11,364	12,438,484
Emergency Rental Assistance Program - City	6,730,523	6,360,872	-	6,360,872
Coronavirus Local Fiscal Recovery Funds	74,256,322	73,900,397	20,276,850	53,623,547
Coronavirus Local Fiscal Recovery Funds-State	12,500,000	2,493,482	2,276,770	216,712
Food and Nutrition (SNAP) Program	298,018	191,505	-	191,505
City of Winston-Salem	750,000	750,000	250,000	500,000
Investment earnings	<u>3,425,500</u>	<u>3,753,550</u>	<u>584,293</u>	<u>3,169,257</u>
Total revenues	<u>113,784,814</u>	<u>103,080,493</u>	<u>23,399,277</u>	<u>79,681,216</u>
Expenditures:				
Current - human services:				
Emergency Rental Assistance Program 2 - County	3,206,300	3,182,634	-	3,182,634
Emergency Rental Assistance Program 2 - State	12,618,151	12,449,847	11,364	12,438,483
Emergency Rental Assistance Program - City	6,730,523	6,359,495	-	6,359,495
Food and Nutrition (SNAP) Program	298,018	191,505	-	191,505
Coronavirus Local Fiscal Recovery Funds	41,993,771	41,711,874	8,013,046	33,698,828
Coronavirus Local Fiscal Recovery Funds-State	12,600,000	1,480,319	1,263,607	216,712
Capital outlay - public safety	284,978	284,978	82,496	202,482
Capital outlay - human services	3,607,868	5,839,327	4,693,155	1,146,172
Capital outlay - culture and recreation	<u>2,141,886</u>	<u>2,126,058</u>	<u>1,779,473</u>	<u>346,585</u>
Total expenditures	<u>83,481,495</u>	<u>73,626,037</u>	<u>15,843,141</u>	<u>57,782,896</u>
Excess (deficiency) of revenues over expenditures	<u>30,303,319</u>	<u>29,454,456</u>	<u>7,556,136</u>	<u>21,898,320</u>
Other financing uses - transfer to general fund	<u>(30,303,319)</u>	<u>(30,303,319)</u>	<u>(10,109,174)</u>	<u>(20,194,145)</u>
Net change in fund balance	<u>\$ -</u>	<u>(848,863)</u>	<u>(2,553,038)</u>	<u>1,704,175</u>
Fund balance - June 30, 2024			1,704,175	
Fund balance - June 30, 2025			<u>\$ (848,863)</u>	

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

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

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

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

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

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

COMBINING BALANCE SHEET

B-1

NONMAJOR SPECIAL REVENUE FUNDS

FORSYTH COUNTY, NORTH CAROLINA

June 30, 2025

		Law		Moser	State Public			
	Fire Tax	Enforcement	Emergency	Bequest	School	Public		
	Districts	Equitable	Telephone	for Care	Building	Community	Safety	
ASSETS								
Cash and investments - restricted	\$ 719,989	942,687	766,708	302,978	-	829,645	24,865	3,586,872
Receivables (net):								
Property taxes	73,693	-	-	-	-	-	-	73,693
Accounts	-	-	-	-	-	1,682	101,702	103,384
Accrued interest	2,241	4,215	2,498	1,000	-	2,027	323	12,304
Due from other governments	949,160	-	30,036	146	-	234,947	409	1,214,698
Total assets	\$ 1,745,083	946,902	799,242	304,124	-	1,068,301	127,299	4,990,951
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and								
accrued liabilities	\$ 100,190	1,040	433	-	-	15,070	-	116,733
Due to other governments	6,731	12,908	723	-	-	-	-	20,362
Due to other funds	-	-	-	-	-	-	47,599	47,599
Total liabilities	106,921	13,948	1,156	-	-	15,070	47,599	184,694
Deferred Inflows of Resources:								
Unavailable taxes	73,693	-	-	-	-	-	-	73,693
Total deferred inflows of resources	73,693	-	-	-	-	-	-	73,693
Fund balances:								
Restricted for:								
Stabilization by state statute	951,401	44,921	32,534	1,146	-	259,095	108,468	1,397,565
Public safety	613,068	888,033	765,552	-	-	-	-	2,266,653
Human services	-	-	-	302,978	-	-	-	302,978
Community and economic development	-	-	-	-	-	794,136	-	794,136
Unassigned	-	-	-	-	-	-	(28,768)	(28,768)
Total fund balances	1,564,469	932,954	798,086	304,124	-	1,053,231	79,700	4,732,564
Total liabilities, deferred inflows of resources and fund balances	\$ 1,745,083	946,902	799,242	304,124	-	1,068,301	127,299	4,990,951

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

B-2

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2025

	Fire Tax Districts	Law Enforcement Equitable Distribution	Emergency Telephone System	Moser Bequest for Care of Elderly	State Public School Building Capital	Community Development	Public Safety Grant	Opioid Settlement	Total
Revenues:									
Taxes:									
Property	\$ 13,209,225	-	-	-	-	-	-	-	13,209,225
Local option sales taxes	3,312,334	-	-	-	-	-	-	-	3,312,334
Intergovernmental	-	126,296	-	-	3,657,177	1,055,850	54,512	-	4,893,835
Investment earnings	75,421	41,832	37,049	10,490	-	20,537	6,925	-	192,254
Other	-	-	-	-	-	80,329	118,260	-	198,589
Total revenues	16,596,980	168,128	37,049	10,490	3,657,177	1,156,716	179,697	-	21,806,237
Expenditures:									
Current:									
Debt service - principal retirement	-	-	-	-	-	-	107,589	-	107,589
Debt service - Interest and other charges	-	-	-	-	-	-	17,411	-	17,411
Public safety	12,851,255	133,853	99,331	-	-	-	231,348	-	13,315,787
Human services	-	-	-	5,130	-	-	-	-	5,130
Community and economic development	-	-	-	-	-	999,912	-	-	999,912
Capital Outlay: Public safety	-	275,497	591,633	-	-	-	33,654	-	900,784
Total expenditures	12,851,255	409,350	690,964	5,130	-	999,912	390,002	-	15,346,613
Excess (deficiency) of revenues over expenditures	3,745,725	(241,222)	(653,915)	5,360	3,657,177	156,804	(210,305)	-	6,459,624
Other financing sources (uses):									
Transfers in - general fund	-	-	-	-	-	38,825	-	-	38,825
Transfers out - general fund	(3,755,632)	-	-	-	(3,657,177)	-	-	-	(7,412,809)
Total other financing sources (uses)	(3,755,632)	-	-	-	(3,657,177)	38,825	-	-	(7,373,984)
Net change in fund balances	(9,907)	(241,222)	(653,915)	5,360	-	195,629	(210,305)	-	(914,360)
Fund balance - June 30, 2024, as previously reported	1,574,376	1,174,176	1,452,001	298,764	-	857,602	290,005	6,804,188	12,451,112
Adjustments	-	-	-	-	-	-	-	(6,804,188)	(6,804,188)
Fund balance - June 30, 2024, as restated	1,574,376	1,174,176	1,452,001	298,764	-	857,602	290,005	-	5,646,924
Fund balance - June 30, 2025	\$ 1,564,469	932,954	798,086	304,124	-	1,053,231	79,700	-	4,732,564

FIRE TAX DISTRICTS FUND

B-3

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

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2025

Page 1 of 2

		<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
		<u>Original</u>	<u>Final</u>	
Revenues:				
Taxes:				
Property	\$ 12,975,708	12,975,708	13,209,225	233,517
Local option sales taxes	3,427,770	3,428,470	3,312,334	(116,136)
Total taxes	16,403,478	16,404,178	16,521,559	117,381
Investment earnings	-	-	75,421	75,421
Total revenues	16,403,478	16,404,178	16,596,980	192,802
Expenditures - current - public safety:				
Beeson's Cross Roads	410,495	410,495	410,495	-
Beeson's Cross Roads Service	46,258	46,258	46,258	-
Belews Creek	548,915	548,915	548,915	-
City View	50,434	50,434	50,434	-
Clemmons	2,791,724	2,791,724	2,791,724	-
Forest Hill	14,941	14,941	14,606	335
Griffith	320,504	320,504	320,504	-
Gumtree	116,028	116,028	116,028	-
Horneytown	401,112	401,112	401,112	-
King (Forsyth County)	671,001	731,001	717,605	13,396
Lewisville	2,152,493	2,152,493	2,152,493	-
Mineral Springs	288,945	288,945	288,945	-
Mineral Springs Service	11,423	11,423	11,184	239
Mount Tabor	103,226	103,226	103,226	-
Old Richmond	670,000	670,000	670,000	-
Piney Grove	1,091,251	1,091,251	1,091,251	-
Rural Hall	613,937	613,937	613,937	-
Salem Chapel	150,570	150,570	150,570	-
South Fork	7,347	7,347	7,347	-
Talley's Crossing	256,658	256,658	256,658	-
Triangle	140,170	140,170	140,170	-
Union Cross	470,058	470,058	470,058	-
Vienna	914,127	914,127	914,127	-
Walkertown	492,374	492,374	492,374	-
West Bend	71,234	71,234	71,234	-
Total expenditures	12,805,225	12,865,225	12,851,255	13,970
Excess of revenues over expenditures	3,598,253	3,538,953	3,745,725	206,772

FIRE TAX DISTRICTS FUND

B-3

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

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2025

Page 2 of 2

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Other financing uses - transfers out-				
General Fund:				
Countywide Fire Service	\$ (668,135)	(668,135)	(660,519)	7,616
Beeson's Cross Roads	(114,647)	(114,647)	(107,596)	7,051
Beeson's Cross Roads Service	(12,316)	(12,316)	(11,469)	847
Belews Creek	(147,588)	(147,588)	(138,241)	9,347
City View	(14,170)	(14,170)	(13,344)	826
Clemmons	(584,852)	(584,852)	(559,877)	24,975
Forest Hill	(4,059)	(4,059)	(3,744)	315
Griffith	(70,563)	(70,563)	(51,268)	19,295
Gumtree	(32,084)	(32,084)	(30,763)	1,321
Horneytown	(113,774)	(113,774)	(108,248)	5,526
King of Forsyth County	(195,154)	(195,154)	(179,019)	16,135
Lewisville	(561,435)	(561,435)	(531,350)	30,085
Mineral Springs	(78,201)	(78,201)	(71,819)	6,382
Mineral Springs Service	(3,277)	(3,277)	(2,815)	462
Mount Tabor	(28,111)	(28,111)	(27,176)	935
Old Richmond	(157,257)	(157,257)	(150,363)	6,894
Piney Grove	(301,195)	(301,195)	(291,151)	10,044
Rural Hall	(170,237)	(170,237)	(160,995)	9,242
Salem Chapel	(43,017)	(43,017)	(41,140)	1,877
South Fork	(1,646)	(1,746)	(1,680)	66
Talley's Crossing	(71,078)	(71,078)	(67,926)	3,152
Triangle	(39,270)	(39,870)	(38,869)	1,001
Union Cross	(131,976)	(131,976)	(126,397)	5,579
Vienna	(246,789)	(246,789)	(231,024)	15,765
Walkertown	(136,889)	(136,889)	(131,432)	5,457
West Bend	(18,666)	(18,666)	(17,407)	1,259
Total other financing uses	<u>(3,946,386)</u>	<u>(3,947,086)</u>	<u>(3,755,632)</u>	<u>191,454</u>
Net change in fund balance	\$ (348,133)	(408,133)	(9,907)	<u>398,226</u>
Fund balance - June 30, 2024			1,574,376	
Fund balance - June 30, 2025	\$	<u>1,564,469</u>		

LAW ENFORCEMENT EQUITABLE DISTRIBUTION FUND

B-4

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

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 20,000	20,000	126,296	106,296
Investment earnings	2,000	2,000	41,832	39,832
Total revenues	22,000	22,000	168,128	146,128
Expenditures - public safety				
Current	115,111	189,601	133,853	55,748
Capital outlay	85,700	275,497	275,497	-
Total expenditures	200,811	465,098	409,350	55,748
Net change in fund balance	\$ (178,811)	(443,098)	(241,222)	201,876
Fund balance - June 30, 2024			1,174,176	
Fund balance - June 30, 2025			\$ 932,954	

EMERGENCY TELEPHONE SYSTEM FUND

B-5

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

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment earnings	\$ -	-	37,049	37,049
Total revenues	-	-	37,049	37,049
Expenditures:				
Current - Public Safety	178,000	179,395	99,331	80,064
Capital outlay - Public Safety	655,000	1,012,761	591,633	421,128
Total expenditures	833,000	1,192,156	690,964	501,192
Excess (deficiency) of revenues over expenditures	(833,000)	(1,192,156)	(653,915)	(464,143)
Other financing sources - transfer from General Fund	-	1,395	-	(1,395)
Net change in fund balance	\$ (833,000)	(1,190,761)	(653,915)	(465,538)
Fund balance - June 30, 2024			1,452,001	
Fund balance - June 30, 2025			\$ 798,086	

MOSER BEQUEST FOR CARE OF ELDERLY FUND

B-6

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

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues - investment earnings	\$ 500	500	10,490	9,990
Expenditures - Human Services	50,000	50,000	5,130	44,870
Net change in fund balance	<u>\$ (49,500)</u>	<u>(49,500)</u>	5,360	<u>54,860</u>
Fund balance - June 30, 2024			298,764	
Fund balance - June 30, 2025			<u>\$ 304,124</u>	

STATE PUBLIC SCHOOL BUILDING CAPITAL FUND

B-7

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

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	<u>Cumulative Total to June 30, 2025</u>	<u>Activity Year Ended June 30, 2025</u>	<u>Cumulative Total to June 30, 2024</u>
Revenues - Intergovernmental	\$ 3,657,177	3,657,177	3,657,177	-
Other financing sources (uses):				
Transfers out - General Fund	(3,657,177)	(3,657,177)	(3,657,177)	-
Net change in fund balance	<u>\$ -</u>	<u>-</u>	-	<u>-</u>
Fund balance - June 30, 2024			-	
Fund balance - June 30, 2025			<u>\$ -</u>	

COMMUNITY DEVELOPMENT FUND

B-8

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	<u>Cumulative Total to June 30, 2025</u>	<u>Activity Year Ended June 30, 2025</u>	<u>Cumulative Total to June 30, 2024</u>
Revenues:				
Intergovernmental:				
WSFC HOME program	\$ 1,869,200	1,002,718	116,205	886,513
HOME Single Family Rehabilitation	190,000	-	-	-
Essential Single Family Rehabilitation	256,000	240,096	191,321	48,775
CDBG Neighborhood Stabilization program	176,249	119,298	-	119,298
NCHFA Urgent Repair Program	833,000	783,715	130,570	653,145
Local government grants	<u>1,572,000</u>	<u>894,754</u>	<u>617,754</u>	<u>277,000</u>
Total intergovernmental	<u>4,896,449</u>	<u>3,040,581</u>	<u>1,055,850</u>	<u>1,984,731</u>
Investment earnings	-	78,102	20,537	57,565
Mortgage repayments	<u>1,387,078</u>	<u>1,052,539</u>	<u>80,329</u>	<u>972,210</u>
Total revenues	<u>6,283,527</u>	<u>4,171,222</u>	<u>1,156,716</u>	<u>3,014,506</u>
Expenditures - current - community and economic development:				
WSFC HOME	1,869,200	1,013,555	122,751	890,804
WSFC HOME - local match	232,762	111,976	15,061	96,915
HOME Program Income	1,625,000	389,948	1,881	388,067
NCHFA Single Family Rehabilitation	601,000	395,551	149,257	246,294
Forsyth County IDA	28,182	23,500	6,000	17,500
Forsyth County - local match	185,810	149,175	12,167	137,008
CDBG NSP program income	550,000	169,101	-	169,101
NCHFA Urgent Repair Program	678,000	529,951	98,693	431,258
2024 Winston-Salem Interlocal Housing	<u>1,500,000</u>	<u>889,352</u>	<u>594,102</u>	<u>295,250</u>
Total expenditures	<u>7,269,953</u>	<u>3,672,109</u>	<u>999,912</u>	<u>2,672,197</u>
Excess (deficiency) of revenues over expenditures				
	<u>(986,426)</u>	<u>499,113</u>	<u>156,804</u>	<u>342,309</u>
Other financing sources - transfers in	<u>986,426</u>	<u>554,118</u>	<u>38,825</u>	<u>515,293</u>
Net change in fund balance	<u>\$ -</u>	<u>1,053,231</u>	<u>195,629</u>	<u>857,602</u>
Fund balance - June 30, 2024			857,602	
Fund balance - June 30, 2025			<u>\$ 1,053,231</u>	

2019 HOUSING GRANT PROJECT ORDINANCE

B-8.1

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	Cumulative Total to <u>June 30, 2025</u>	Activity Year Ended <u>June 30, 2025</u>	Cumulative Total to <u>June 30, 2024</u>
Revenues:				
Intergovernmental:				
2018 WSFC HOME program	\$ 262,000	261,953	-	261,953
CDBG NSP	176,249	119,298	-	119,298
2018 NCHFA Urgent Repair Program	100,000	91,237	-	91,237
Local government grants	10,000	12,000	-	12,000
Total intergovernmental	<u>548,249</u>	<u>484,488</u>	-	<u>484,488</u>
Investment earnings	-	43,258	9,275	33,983
Mortgage repayments	700,000	775,257	-	775,257
Total revenues	<u>1,248,249</u>	<u>1,303,003</u>	<u>9,275</u>	<u>1,293,728</u>
Expenditures - current - community and economic development:				
2018 WSFC HOME	262,000	261,935	-	261,935
2018 WSFC HOME - local match	56,950	51,779	-	51,779
HOME Program Income	825,000	386,592	-	386,592
CDBG NSP Program Income	200,000	169,101	-	169,101
2018 NCHFA Urgent Repair Program	100,000	90,787	-	90,787
Total expenditures	<u>1,443,950</u>	<u>960,194</u>	-	<u>960,194</u>
Excess (deficiency) of revenues over expenditures	<u>(195,701)</u>	<u>342,809</u>	<u>9,275</u>	<u>333,534</u>
Other financing sources (uses):				
General Fund	46,950	46,950	-	46,950
2015 Housing Fund	148,751	103,773	-	103,773
2023 Housing Fund	-	-	-	-
Total other financing sources	<u>195,701</u>	<u>150,723</u>	-	<u>150,723</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ <u> -</u>	<u>493,532</u>	<u>9,275</u>	<u>484,257</u>

2020 HOUSING GRANT PROJECT ORDINANCE

B-8.2

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	Cumulative Total to June 30, 2025	Activity Year Ended June 30, 2025	Cumulative Total to June 30, 2024
Revenues:				
Intergovernmental:				
2019 WSFC HOME Program	\$ 241,500	241,598	-	241,598
2019 Single Family Rehabilitation Program	190,000	-	-	-
2019 NCHFA Urgent Repair Program	255,000	361,908	-	361,908
Local government grants	12,000	12,000	-	12,000
Total intergovernmental	<u>698,500</u>	<u>615,506</u>	<u>-</u>	<u>615,506</u>
Investment earnings	-	5,438	1,350	4,088
Total revenues	<u>698,500</u>	<u>620,944</u>	<u>1,350</u>	<u>619,594</u>
Expenditures - current - community and economic development:				
2019 WSFC HOME	241,500	242,874	-	242,874
2019 WSFC HOME - local match	27,169	16,182	-	16,182
2019 Forsyth County - local match	27,169	27,169	-	27,169
2019 Single Family Rehabilitation Program	345,000	205,199	-	205,199
2019 NCHFA Urgent Repair Program	100,000	100,000	-	100,000
Total expenditures	<u>740,838</u>	<u>591,424</u>	<u>-</u>	<u>591,424</u>
Excess (deficiency) of revenues over expenditures	<u>(42,338)</u>	<u>29,520</u>	<u>1,350</u>	<u>28,170</u>
Other financing sources - transfer in general fund	<u>42,338</u>	<u>42,338</u>	<u>-</u>	<u>42,338</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>71,858</u>	<u>1,350</u>	<u>70,508</u>

2021 HOUSING GRANT PROJECT ORDINANCE

B-8.3

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	Cumulative Total to June 30, 2025	Activity Year Ended June 30, 2025	Cumulative Total to June 30, 2024
Revenues:				
Intergovernmental:				
2020 WSFC HOME Program	\$ 264,700	265,654	2,505	263,149
2020 NCHFA Urgent Repair Program	100,000	100,000	-	100,000
Local government grants	10,000	10,000	-	10,000
Total intergovernmental	374,700	375,654	2,505	373,149
Investment earnings	-	9,683	2,344	7,339
Mortgage repayments	62,078	21,240	-	21,240
Total revenues	436,778	406,577	4,849	401,728
Expenditures - current - community and economic development:				
2020 WSFC HOME	264,700	264,524	2,265	262,259
2020 WSFC HOME - local match	29,779	29,715	9,561	20,154
2020 Forsyth County - local match	29,779	29,779	-	29,779
Forsyth County IDA	28,182	23,500	6,000	17,500
CDBG NSP Program Income	150,000	-	-	-
2020 NCHFA Urgent Repair Program	100,000	100,000	-	100,000
Total expenditures	602,440	447,518	17,826	429,692
Deficiency of revenues over expenditures	(165,662)	(40,941)	(12,977)	(27,964)
Other financing sources - transfers in:				
General Fund	49,558	49,558	-	49,558
2018 Housing Fund	116,104	116,104	-	116,104
Total other financing sources	165,662	165,662	-	165,662
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ -	124,721	(12,977)	137,698

2022 HOUSING GRANT PROJECT ORDINANCE

B-8.4

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	Cumulative Total to June 30, 2025	Activity Year Ended June 30, 2025	Cumulative Total to June 30, 2024
Revenues:				
Intergovernmental:				
2021 WSFC HOME Program	\$ 276,400	203,893	94,618	109,275
2021 NCHFA Urgent Repair Program	114,000	100,000	-	100,000
Local government grants	10,000	10,000	-	10,000
Total intergovernmental	400,400	313,893	94,618	219,275
Investment earnings	-	2,235	368	1,867
Total revenues	400,400	316,128	94,986	221,142
Expenditures - current - community and economic development:				
2021 WSFC HOME	276,400	214,603	101,404	113,199
2021 WSFC HOME - local match	31,095	7,500	5,500	2,000
2021 Forsyth County - local match	31,095	28,419	58	28,361
2021 NCHFA Urgent Repair Program	114,000	98,237	-	98,237
Total expenditures	452,590	348,759	106,962	241,797
Deficiency of revenues over expenditures	(52,190)	(32,631)	(11,976)	(20,655)
Other financing sources - transfer in general fund	52,190	52,190	-	52,190
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ -	19,559	(11,976)	31,535

2023 HOUSING GRANT PROJECT ORDINANCE

B-8.5

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

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	Cumulative Total to June 30, 2025	Activity Year Ended June 30, 2025	Cumulative Total to June 30, 2024
Revenues:				
Intergovernmental:				
2022 WSFC HOME Program	\$ 313,800	26,345	15,807	10,538
2022 Essential Single Family Rehabilitation	256,000	240,096	191,321	48,775
Local government grants	10,000	12,000	-	12,000
Total intergovernmental	579,800	278,441	207,128	71,313
Investment earnings	-	16,892	6,604	10,288
Mortgage repayments	625,000	256,042	80,329	175,713
Total revenues	1,204,800	551,375	294,061	257,314
Expenditures - current - community and economic development:				
2022 WSFC HOME Program	313,800	26,344	15,807	10,537
2022 WSFC HOME - local match	35,303	6,800	-	6,800
2022 Forsyth County - local match	35,303	25,303	1,000	24,303
HOME Program Income	800,000	3,356	1,881	1,475
CDBG NSP Program Income	200,000	-	-	-
2022 Essential Single Family Rehabilitation	256,000	190,352	149,257	41,095
Total expenditures	1,640,405	252,155	167,945	84,210
Deficiency of revenues over expenditures	(435,605)	299,220	126,116	173,104
Other financing sources:				
Transfer from General Fund	60,605	52,190	-	52,190
Transfer from 2019 Housing	375,000	-	-	-
Total other financing sources	435,605	52,190	-	52,190
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ -	351,410	126,116	225,294

2024 HOUSING GRANT PROJECT ORDINANCE

B-8.6

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	Cumulative Total to <u>June 30, 2025</u>	Activity Year Ended <u>June 30, 2025</u>	Cumulative Total to <u>June 30, 2024</u>
Revenues:				
Intergovernmental:				
2023 WSFC HOME Program	\$ 293,800	3,275	3,275	-
2023 NCHFA Urgent Repair	132,000	130,570	130,570	-
Local government grants	1,510,000	828,754	607,754	221,000
Total intergovernmental	1,935,800	962,599	741,599	221,000
Investment earnings	-	-	-	-
Total revenues	1,935,800	962,599	741,599	221,000
Expenditures - current - community and economic development:				
2023 WSFC HOME Program	293,800	3,275	3,275	-
2023 WSFC HOME Program Local Match	33,053	-	-	-
2024 Winston-Salem Interlocal Housing	1,500,000	889,352	594,102	295,250
NCHFA Urgent Repair	132,000	129,927	87,693	42,234
2023 Forsyth County Local match	33,052	31,805	4,409	27,396
Total expenditures	1,991,905	1,054,359	689,479	364,880
Deficiency of revenues over expenditures	<u>(56,105)</u>	<u>(91,760)</u>	<u>52,120</u>	<u>(143,880)</u>
Other financing sources - transfer in general fund	<u>56,105</u>	<u>52,190</u>	<u>-</u>	<u>52,190</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	<u>\$ -</u>	<u>(39,570)</u>	<u>52,120</u>	<u>(91,690)</u>

2025 HOUSING GRANT PROJECT ORDINANCE

B-8.7

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	Cumulative Total to <u>June 30, 2025</u>	Activity Year Ended <u>June 30, 2025</u>	Cumulative Total to <u>June 30, 2024</u>
Revenues:				
Intergovernmental:				
2024 WSFC Home Program	\$ 217,000	-	-	-
NCHFA Urgent Repair Program URP24	132,000	-	-	-
Local government grants	10,000	10,000	10,000	-
Total intergovernmental	359,000	10,000	10,000	-
Investment earnings	-	596	596	-
Total revenues	359,000	10,596	10,596	-
Expenditures - current - community and economic development:				
2024 WSFC Home Program	217,000	-	-	-
2024 WSFC HOME Local Match	19,413	-	-	-
2024 Forsyth County Local Match	29,412	6,700	6,700	-
NCHFA Urgent Repair Program URP24	132,000	11,000	11,000	-
Total expenditures	397,825	17,700	17,700	-
Deficiency of revenues over expenditures	(38,825)	(7,104)	(7,104)	-
Other financing sources - transfer in general fund	38,825	38,825	38,825	-
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ -	31,721	31,721	-

PUBLIC SAFETY GRANT FUND

B-9

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	Cumulative Total to <u>June 30, 2025</u>	Activity Year Ended <u>June 30, 2025</u>	Cumulative Total to <u>June 30, 2024</u>
Revenues:				
Intergovernmental - Justice Assistance	\$ 766,169	645,954	54,512	591,442
Other revenue	459,200	118,260	118,260	-
Investment earnings	<u>19,071</u>	<u>16,299</u>	<u>6,925</u>	<u>9,374</u>
Total revenues	<u>1,244,440</u>	<u>780,513</u>	<u>179,697</u>	<u>600,816</u>
Expenditures:				
Debt service:				
Principal retirement	78,052	185,641	107,589	78,052
Interest and other charges	-	17,411	17,411	-
Current:				
Sheriff	625,499	205,689	91,676	114,013
City of Winston-Salem police	263,061	258,418	139,672	118,746
Capital outlay: Sheriff	<u>1,006,255</u>	<u>766,814</u>	<u>33,654</u>	<u>733,160</u>
Total expenditures	<u>1,972,867</u>	<u>1,433,973</u>	<u>390,002</u>	<u>1,043,971</u>
Other financing sources:				
SBITA debt issued	<u>728,427</u>	<u>733,160</u>	<u>-</u>	<u>733,160</u>
Net change in fund balance	\$ -	<u>79,700</u>	(210,305)	<u>290,005</u>
Fund balance - June 30, 2024			290,005	
Fund balance - June 30, 2025			\$ <u>79,700</u>	

2021 JUSTICE ASSISTANCE GRANT PROJECT ORDINANCE

B-9.1

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	<u>Cumulative Total to June 30, 2025</u>	<u>Activity Year Ended June 30, 2025</u>	<u>Cumulative Total to June 30, 2024</u>
Revenues:				
Intergovernmental - Justice Assistance	\$ 237,492	237,492	-	237,492
Investment earnings	7,071	7,070	30	7,040
Total revenues	<u>244,563</u>	<u>244,562</u>	<u>30</u>	<u>244,532</u>
Expenditures:				
Current:				
Debt service - principal	4,733	4,733	-	4,733
Sheriff	121,084	121,083	7,070	114,013
City of Winston-Salem police	118,746	118,746	-	118,746
Capital outlay: Sheriff	<u>113,620</u>	<u>118,353</u>	<u>-</u>	<u>118,353</u>
Total expenditures	<u>358,183</u>	<u>362,915</u>	<u>7,070</u>	<u>355,845</u>
Other financing sources:				
SBITA debt issued	113,620	118,353	-	118,353
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date				
	\$ <u>—</u>	<u>—</u>	<u>(7,040)</u>	<u>7,040</u>

2022 JUSTICE ASSISTANCE GRANT PROJECT ORDINANCE

B-9.2

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

FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	<u>Cumulative Total to June 30, 2025</u>	<u>Activity Year Ended June 30, 2025</u>	<u>Cumulative Total to June 30, 2024</u>
Revenue: Intergovernmental - Justice Assistance				
Intergovernmental - Justice Assistance	\$ 127,831	127,831	54,512	73,319
Expenditures -				
Debt service:				
Principal retirement	73,319	120,238	46,919	73,319
Interest and other charges	-	7,593	7,593	-
Capital outlay: Sheriff	<u>109,024</u>	<u>54,512</u>	<u>-</u>	<u>54,512</u>
Total expenditures	<u>182,343</u>	<u>182,343</u>	<u>54,512</u>	<u>127,831</u>
Other financing sources:				
SBITA debt issued	54,512	54,512	-	54,512
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date				
	\$ <u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

2023 JUSTICE ASSISTANCE GRANT PROJECT ORDINANCE

B-9.3

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	Cumulative Total to <u>June 30, 2025</u>	Activity Year Ended <u>June 30, 2025</u>	Cumulative Total to <u>June 30, 2024</u>
Revenues:				
Intergovernmental - Justice Assistance	\$ 280,631	280,631	-	280,631
Investment earnings	12,000	9,229	6,895	2,334
Total revenues	<u>292,631</u>	<u>289,860</u>	<u>6,895</u>	<u>282,965</u>
Expenditures:				
Debt service:				
Principal retirement	-	60,670	60,670	-
Interest and other charges	-	9,818	9,818	-
Current: City of Winston-Salem police	144,315	139,672	139,672	-
Capital outlay: Sheriff	708,611	560,295	-	560,295
Total expenditures	<u>852,926</u>	<u>770,455</u>	<u>210,160</u>	<u>560,295</u>
Other financing sources:				
SBITA liability issued	560,295	560,295	-	560,295
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date				
	\$ <u> -</u>	<u>79,700</u>	<u>(203,265)</u>	<u>282,965</u>

2024 DRONE STUDY GRANT PROJECT ORDINANCE

B-9.4

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	Cumulative Total to <u>June 30, 2025</u>	Activity Year Ended <u>June 30, 2025</u>	Cumulative Total to <u>June 30, 2024</u>
Revenue: Other revenue				
Revenue: Other revenue	\$ 459,200	118,260	118,260	-
Expenditures:				
Current: Public Safety				
Personal services	120,000	24,119	24,119	-
Operating services	121,450	14,012	14,012	-
Travel	26,522	26,521	26,521	-
General supplies	71,228	19,954	19,954	-
Other general and administrative	45,000	-	-	-
Capital outlay: Public Safety	75,000	33,654	33,654	-
Total expenditures	<u>459,200</u>	<u>118,260</u>	<u>118,260</u>	<u>-</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date				
	\$ <u> -</u>	<u>-</u>	<u>-</u>	<u>-</u>

2024 JUSTICE ASSISTANCE GRANT PROJECT ORDINANCE**B-9.5****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
FORSYTH COUNTY, NORTH CAROLINA

From Project Inception and for the Year Ended June 30, 2025

	<u>Budget</u>	Cumulative Total to <u>June 30, 2025</u>	Activity Year Ended <u>June 30, 2025</u>	Cumulative Total to <u>June 30, 2024</u>
Revenue: Intergovernmental - Justice Assistance	\$ 120,215	-	-	-
Expenditures: Current - Sheriff	120,215	-	-	-
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses - project to date	\$ -	-	-	-

Fiduciary Funds

Custodial Funds

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

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

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

COMBINING STATEMENT OF FIDUCIARY NET POSITION

E-1

CUSTODIAL FUNDS

FORSYTH COUNTY, NORTH CAROLINA

June 30, 2025

	Municipal Tax	Sheriff	Total Custodial
	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>
ASSETS			
Cash and cash equivalents / investments	\$ 1,334,270	675,556	2,009,826
Property taxes receivable for other governments, net	3,913,838	-	3,913,838
Total assets	\$ 5,248,108	675,556	5,923,664
LIABILITIES			
Accounts payable and accrued liabilities	\$ -	142,950	142,950
Due to other governments	1,334,270	-	1,334,270
Total liabilities	\$ 1,334,270	142,950	1,477,220
NET POSITION			
Restricted for:			
Individuals, organizations and other governments	3,913,838	532,606	4,446,444
Total net position	\$ 3,913,838	532,606	4,446,444

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

E-2

CUSTODIAL FUNDS

FORSYTH COUNTY, NORTH CAROLINA

For the Fiscal Year Ended June 30, 2025

	Municipal Tax	Sheriff	Total Custodial
	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>
ADDITIONS			
Ad valorem taxes collected for other governments	\$ 222,096,258	-	222,096,258
Collections pursuant to court orders	-	173,304	173,304
Total additions	222,096,258	173,304	222,269,562
DEDUCTIONS			
Tax distributions to other governments	221,844,542		221,844,542
Payments pursuant to court orders	-	216,522	216,522
Total deductions	221,844,542	216,522	222,061,064
Change in net position	251,716	(43,218)	208,498
Net position - beginning	3,662,122	575,824	4,237,946
Net position, ending	\$ 3,913,838	532,606	4,446,444

Other Schedules

This section contains additional information on property taxes.

Schedule of Ad Valorem Taxes Receivable – General Fund

Analysis of Current Tax Levy – Countywide Levy

SCHEDULE OF AD VALOREM TAXES RECEIVABLE

F-1

GENERAL FUND

FORSYTH COUNTY, NORTH CAROLINA

June 30, 2025

Fiscal Year	Uncollected Balance	Additions		Uncollected Balance	
	June 30, 2024	Net of Releases	Collections And Credits	Writeoffs	June 30, 2025
2024 - 2025	\$ -	316,836,341	314,670,321	-	2,166,020
2023 - 2024	2,247,412	(307,581)	1,250,318	-	689,514
2022 - 2023	759,104	(4,492)	206,042	-	548,569
2021 - 2022	459,361	(827)	81,259	-	377,275
2020 - 2021	459,357	(255)	58,768	-	400,334
2019 - 2020	340,766	(519)	37,110	-	303,137
2018 - 2019	275,568	(345)	26,936	-	248,287
2017 - 2018	190,951	(302)	21,712	-	168,937
2016 - 2017	235,656	(223)	17,367	-	218,066
2015 - 2016	159,131	(201)	15,085	143,845	0
	\$ 5,127,307	316,521,596	316,384,918	143,845	5,120,139

Less: allowance for uncollectible accounts:

General Fund (3,258,201)

Ad valorem taxes receivable - net:

General Fund \$ 1,861,938

Reconcilement with revenues:

Property taxes - General Fund	\$ 317,098,506
Penalties collected on ad valorem taxes -	
Fines and Forfeitures Fund	255,425
Reconciling items:	
Interest and fees collected	\$ (1,125,684)
Refunds	226,936
Collection of taxes previously written off	<u>(70,265)</u>
Total reconciling items	<u>(969,013)</u>
Total collections and credits	<u>\$ 316,384,918</u>

ANALYSIS OF CURRENT TAX LEVY

F-2

COUNTYWIDE LEVY

FORSYTH COUNTY, NORTH CAROLINA
For the Fiscal Year Ended June 30, 2025

Secondary Market Disclosures:

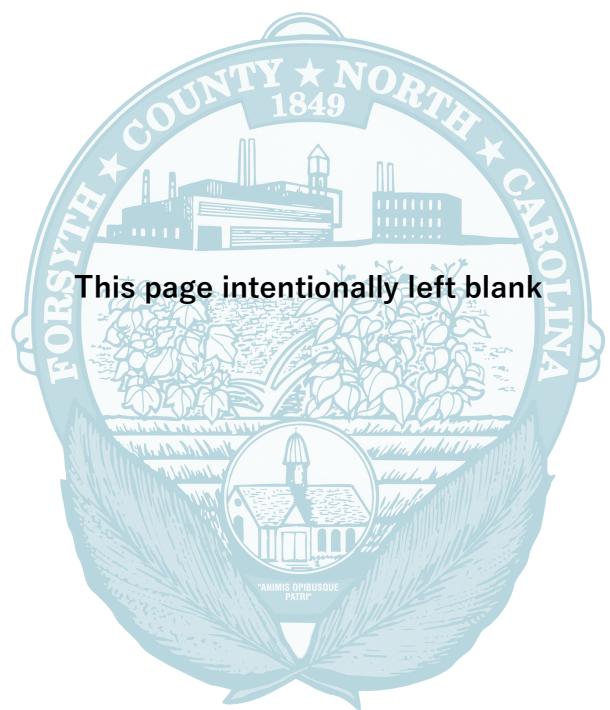
Assessed Valuation:

Assessment Ratio (2)	100%
Real Property	\$ 36,356,840,560
Personal Property	9,236,689,184
Public Service Companies (3)	1,035,344,344
Total Assessed Valuation	46,628,874,088
Tax Rate per \$100	0.6778
Levy (includes discoveries, releases and abatements)	\$ 316,836,341

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

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

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



Statistical Section

This part of the Forsyth County annual comprehensive financial report presents detail information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents

Financial Trends – These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	100
Revenue Capacity – These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property taxes.	106
Debt Capacity – These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	111
Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.	114
Operating Information – These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.	117

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

NET POSITION BY COMPONENT
FORSYTH COUNTY, NORTH CAROLINA

Schedule 1

Last Ten Fiscal Years

(accrual basis of accounting)

						Fiscal Year				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021 - restated</u>	<u>2022</u>	<u>2023</u>	<u>2024 restated</u>	<u>2025</u>
Governmental activities:										
Net investment in capital assets	\$ 91,997,431	93,927,835	108,155,157	136,846,089	141,204,543	151,261,560	194,391,826	211,657,845	232,911,258	270,311,474
Restricted	55,613,795	43,255,799	59,161,078	58,440,613	62,092,255	142,478,585	147,893,636	130,993,945	170,821,415	130,700,979
Unrestricted	(291,327,469)	(259,186,803)	(312,304,937)	(319,864,643)	(318,998,667)	(390,522,024)	(376,204,756)	(314,748,347)	(332,821,578)	(318,781,353)
Total governmental activities net position (deficit)	\$ (143,716,243)	(122,003,169)	(144,988,702)	(124,577,941)	(115,701,869)	(96,781,879)	(33,919,294)	27,903,443	70,911,095	82,231,100
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

CHANGES IN NET POSITION
FORSYTH COUNTY, NORTH CAROLINA

Schedule 2

Last Ten Fiscal Years
(accrual basis of accounting)

										Fiscal Year									
										<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021 - restated</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Expenses - Governmental activities:																			
General government	\$ 39,710,432	41,691,056	42,248,827	43,824,204	45,353,013	44,665,735	44,899,011	59,336,945	69,828,124	75,901,040									
Public safety	77,733,569	80,973,981	82,537,195	89,481,482	91,710,314	93,280,119	98,515,795	109,807,538	121,673,832	138,212,269									
Environmental protection	2,777,088	2,435,366	2,819,059	2,988,102	3,169,444	3,017,914	3,380,634	3,465,816	3,416,747	3,921,946									
Human services	78,666,572	76,711,222	63,583,037	65,441,721	75,044,951	77,789,756	99,330,693	102,345,711	94,716,403	96,012,516									
Culture and recreation	15,951,292	16,641,402	18,485,376	18,477,223	18,744,724	17,985,372	18,081,134	17,673,605	18,029,848	19,860,736									
Community and econ. development	4,211,266	3,840,814	9,452,469	6,822,318	9,569,704	7,907,657	10,587,507	6,504,022	7,531,065	8,885,786									
Education	135,927,424	143,258,413	169,888,388	191,146,150	190,237,126	215,467,699	214,269,063	222,312,377	230,803,309	242,630,787									
Interest on long-term debt	16,179,523	17,161,545	18,557,050	18,720,561	20,159,476	16,711,312	17,652,260	12,138,658	24,377,355	21,364,763									
Total expenses	<u>371,157,166</u>	<u>382,713,799</u>	<u>407,571,401</u>	<u>436,901,761</u>	<u>453,988,752</u>	<u>476,825,564</u>	<u>506,716,097</u>	<u>533,584,672</u>	<u>570,376,683</u>	<u>606,789,843</u>									
Program revenues - Governmental activities:																			
Charges for services:																			
General government	3,528,423	3,648,384	3,756,993	3,768,511	3,955,880	4,415,907	4,821,816	4,783,847	5,495,211	5,829,018									
Public safety	17,143,278	16,137,539	15,827,574	17,531,635	18,477,813	15,645,791	23,469,031	19,841,360	21,742,436	30,558,046									
Environmental protection	532,922	172,683	742,063	960,498	652,170	840,614	974,237	658,221	233,895	819,762									
Human services	7,142,225	5,247,617	8,673,055	4,572,125	5,402,693	4,697,688	4,359,475	4,572,363	7,155,435	5,603,451									
Culture and recreation	4,197,334	4,162,505	4,074,068	3,772,485	4,060,238	4,310,019	5,045,230	4,983,991	5,745,922	5,655,087									
Community and econ. development	126,263	103,560	121,073	1,532,214	2,457,051	4,739,263	3,719,203	4,194,371	4,276,011	4,245,032									
Education	48,249	49,146	50,195	43,034	42,509	35,837	39,240	35,731	39,794	33,062									
Operating grants and contributions:																			
General government	651,129	581,454	871,649	966,906	956,622	1,878,315	1,470,615	1,643,566	2,116,752	1,624,964									
Public safety	4,325,041	4,270,996	4,538,285	4,433,121	4,412,459	5,215,441	5,199,785	5,052,180	4,138,870	5,311,564									
Environmental protection	870,607	815,512	1,615,512	453,138	685,541	716,128	1,257,041	542,543	1,311,035	1,290,051									
Human services	44,316,342	44,429,639	30,397,209	29,518,375	39,206,572	40,827,451	75,123,604	74,902,773	66,166,737	66,852,246									
Culture and recreation	1,145,752	1,904,836	780,014	919,383	833,288	1,246,620	1,006,281	742,476	2,591,912	922,424									
Community and econ. development	476,516	329,492	1,045,211	1,687,001	1,127,187	348,318	1,040,484	224,876	1,413,232	2,749,948									
Education	3,922,145	3,874,893	3,880,874	3,983,814	3,889,537	4,242,463	3,688,272	4,951,570	3,697,596	3,685,752									
Capital grants and contributions:																			
Human services	-	-	12,233,423	-	-	-	-	-	-	-									
Culture and recreation	-	-	-	-	-	-	-	-	-	7,289,161									
Community and econ. development	-	-	-	24,110,823	408,031	489,052	7,389,605	10,725,650	12,556,934	3,321,273									
Total program revenues	<u>88,426,226</u>	<u>85,728,256</u>	<u>88,607,198</u>	<u>98,253,063</u>	<u>86,567,591</u>	<u>89,648,907</u>	<u>138,603,919</u>	<u>137,855,518</u>	<u>138,681,772</u>	<u>145,790,841</u>									
Net expense	<u>(282,730,940)</u>	<u>(296,985,543)</u>	<u>(318,964,203)</u>	<u>(338,648,698)</u>	<u>(367,421,161)</u>	<u>(387,176,657)</u>	<u>(368,112,178)</u>	<u>(395,729,154)</u>	<u>(431,694,911)</u>	<u>(460,999,002)</u>									

(continued)

CHANGES IN NET POSITION

Schedule 2

FORSYTH COUNTY, NORTH CAROLINA

Last Ten Fiscal Years

(*accrual basis of accounting*)

General revenues and other changes in net position - Governmental activities:											
Taxes:											
Property taxes	\$ 248,996,613	253,812,982	267,549,276	275,276,564	291,511,563	297,343,536	304,906,716	313,776,668	322,555,374	330,392,794	
Local option sales taxes	61,889,139	63,841,660	65,500,369	68,839,822	70,352,709	97,253,545	107,725,307	109,477,438	107,042,735	110,604,511	
Occupancy taxes	747,342	787,567	843,065	907,089	719,675	586,773	990,022	1,135,675	1,141,575	1,259,137	
Gross receipts tax	430,692	475,501	459,794	492,137	441,334	483,922	579,661	493,554	477,751	778,544	
Excise stamp tax	1,696,261	1,919,012	2,051,214	2,519,811	2,798,033	3,102,090	4,059,993	3,183,453	3,130,778	3,196,804	
Grants and contributions not restricted to specific programs	3,744,478	4,028,266	4,030,893	4,120,474	5,372,214	6,556,826	7,097,566	10,159,198	4,241,681	3,938,392	
Investment earnings	874,524	1,548,280	3,688,357	6,481,035	5,061,816	349,866	134,284	17,693,257	29,977,898	22,019,490	
Miscellaneous	3,172,690	116,609	1,760,522	422,527	1,413,402	420,089	5,481,214	1,632,648	1,469,650	129,335	
Total general revenues	\$ 321,551,739	326,529,877	345,883,490	359,059,459	377,670,746	406,096,647	430,974,763	457,551,891	470,037,442	472,319,007	
Change in net position - governmental activities	\$ 38,820,799	29,544,334	26,919,287	20,410,761	10,249,585	18,919,990	62,862,585	61,822,737	38,342,531	11,320,005	

FUND BALANCES OF GOVERNMENTAL FUNDS
FORSYTH COUNTY, NORTH CAROLINA

Schedule 3

Last Ten Fiscal Years

(modified accrual basis of accounting)

		Fiscal Year									
		<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021 - restated</u>	<u>2022</u>	<u>2023</u>	<u>2024 restated</u>	<u>2025</u>
General Fund											
Nonspendable	\$ 122,250	122,250	122,250	122,250	122,250	122,250	122,250	122,250	122,250	122,250	172,250
Restricted	31,674,812	32,644,300	35,654,436	36,356,366	37,617,142	44,963,186	54,850,450	50,259,463	56,155,285	57,389,778	
Committed	37,544,316	34,743,602	28,022,228	33,369,023	2,981,418	15,471,626	44,512,575	47,642,535	38,176,186	30,873,745	
Assigned	18,603,884	19,017,695	25,877,050	19,344,636	30,455,363	26,581,728	36,097,735	41,388,191	33,995,025	4,493,695	
Unassigned	<u>59,187,664</u>	<u>59,556,713</u>	<u>59,683,982</u>	<u>64,217,261</u>	<u>62,561,176</u>	<u>70,009,874</u>	<u>74,559,812</u>	<u>79,780,437</u>	<u>81,720,610</u>	<u>109,406,376</u>	
Total General Fund	\$ 147,132,926	146,084,560	149,359,946	153,409,536	133,737,349	157,148,664	210,142,822	219,192,876	210,169,356	202,335,844	
All other governmental funds											
Nonspendable	\$ -	-	-	-	-	-	-	-	-	-	-
Restricted	46,325,132	147,066,899	110,965,483	161,445,708	131,075,730	319,619,945	240,007,926	295,150,838	271,292,941	250,848,062	
Committed	8,127,167	7,415,455	11,003,946	9,060,673	49,553,858	72,932,667	35,232,495	59,699,602	57,992,582	7,395,846	
Assigned	-	-	-	-	-	-	-	-	-	-	
Unassigned	<u>(1,883,107)</u>	<u>(93,996)</u>	<u>(7,526,246)</u>	<u>29,744,017</u>	<u>(3,014,302)</u>	<u>(210,586)</u>	<u>(939,865)</u>	<u>(23,533,909)</u>	<u>(27,076,667)</u>	<u>(7,426,410)</u>	
Total all other governmental funds	\$ 52,569,192	154,388,358	114,443,183	200,250,398	177,615,286	392,342,026	274,300,556	331,316,531	302,208,856	250,817,498	

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

Schedule 4

Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Revenues										
Property taxes	\$ 249,097,206	254,356,987	267,708,214	275,322,245	291,138,751	297,548,508	305,118,758	313,731,638	322,536,393	330,307,731
Occupancy taxes	747,342	787,567	843,065	907,089	719,675	586,773	990,022	1,135,675	1,141,575	1,259,137
Local option sales tax	61,889,139	63,841,660	65,500,369	68,839,822	70,352,709	97,253,545	107,725,307	109,477,438	107,042,735	110,604,510
Other taxes	430,692	475,501	459,794	492,137	441,334	483,922	579,661	493,555	477,751	778,544
Licenses and permits	885,379	837,632	888,557	847,930	950,621	1,101,224	964,200	882,939	834,390	746,081
Intergovernmental	58,522,653	59,841,104	46,209,318	46,976,546	56,333,247	61,245,137	103,820,832	106,918,398	103,562,700	94,053,401
Charges for services	23,129,592	22,105,829	22,306,846	24,005,139	24,201,585	26,376,464	31,341,027	31,052,716	35,692,596	33,206,622
Investment earnings	892,558	1,575,590	3,741,305	6,572,370	5,145,319	374,496	(9,483)	19,714,376	31,772,349	23,036,088
Other	10,599,508	8,630,891	13,920,565	9,271,542	12,797,968	10,730,182	13,482,669	11,509,367	15,149,696	19,900,670
Total revenues	406,194,069	412,452,761	421,578,033	433,234,820	462,081,209	495,700,251	564,012,993	594,916,102	618,210,185	613,892,784
Expenditures										
Current:										
General government	36,742,065	39,040,088	39,422,533	40,088,488	41,406,663	41,709,821	43,700,089	53,332,484	50,514,340	57,856,482
Public safety	75,399,678	78,879,635	79,004,885	82,827,983	83,035,269	86,541,683	95,727,671	108,900,319	115,340,681	127,030,311
Environmental protection	2,770,670	2,497,067	2,813,935	2,854,242	2,980,933	2,893,124	3,443,896	3,528,372	3,313,596	3,856,372
Human services	72,603,478	74,918,617	63,432,141	63,428,312	71,681,462	75,921,480	101,220,489	102,940,480	93,432,760	96,148,910
Culture and recreation	14,523,516	15,064,741	15,592,888	15,525,342	15,841,182	15,105,354	16,733,075	17,874,057	17,849,097	19,244,480
Comm. and econ. development	4,212,562	3,839,152	9,453,076	6,287,498	6,454,644	5,374,313	8,007,881	5,379,849	6,132,238	6,926,793
Education	789,485	807,656	801,446	733,935	719,385	665,601	707,748	776,277	756,776	688,224
Intergovernmental:										
Human services	5,811,072	1,948,784	-	-	-	-	-	-	-	-
Education	135,157,216	142,452,410	169,076,299	189,876,343	189,510,247	214,804,734	213,566,541	221,563,991	230,027,607	241,921,609
Debt service:										
Principal retirement	40,054,752	39,184,853	41,885,000	41,220,000	45,885,000	61,701,068	56,193,650	56,223,500	61,319,590	62,116,151
Interest and other charges	20,643,389	19,090,480	22,031,256	20,646,227	24,628,108	21,917,395	25,731,530	26,294,067	29,489,879	27,936,861
Capital outlay	13,083,061	23,260,508	14,734,363	11,202,508	27,653,351	21,902,049	66,683,835	80,336,236	45,254,613	65,952,003
Total expenditures	421,790,944	440,983,991	458,247,822	474,690,878	509,796,244	548,536,622	631,716,405	677,149,632	653,431,177	709,678,196
Deficiency of revenues over expenditures	(15,596,875)	(28,531,230)	(36,669,789)	(41,456,058)	(47,715,035)	(52,836,371)	(67,703,412)	(82,233,530)	(35,220,992)	(95,785,412)

(continued)

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

Schedule 4

Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>restated</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Other financing sources (uses):										
General obligation bonds issuance	-	123,145,000	-	119,790,000	-	129,040,000	-	127,520,000	-	33,635,000
Premium on general obligation bonds	-	6,157,030	-	11,522,863	-	13,881,196	-	12,643,315	-	2,121,993
Limited obligation bonds issued	-	-	-	-	-	103,661,233	-	-	-	-
Premium on limited obligation bonds	-	-	-	-	-	17,613,889	-	-	-	-
Installment purchases	-	-	-	-	2,690,477	7,776,941	-	-	-	-
Lease liabilities issued	-	-	-	-	-	-	1,605,549	2,244,111	45,081	47,554
SBITA liabilities issued	-	-	-	-	-	-	-	5,892,133	654,277	755,995
Other long-term borrowing	-	-	-	-	2,247,974	1,621,775	1,050,551	-	-	-
Refunding bonds issued	29,720,000	-	-	-	66,810,000	19,850,000	-	-	-	-
Premium on refunding bonds	-	-	-	-	10,879,285	2,710,414	-	-	-	-
Refunding LOBs issuance	-	-	-	-	-	23,278,767	-	-	-	-
Premium on LOBs refunding bonds	-	-	-	-	-	3,481,327	-	-	-	-
Transfers in	15,574,472	18,622,313	16,187,298	25,444,016	179,579,649	165,817,505	147,411,007	38,546,949	39,391,520	24,614,269
Transfers out	(15,574,472)	(18,622,313)	(16,187,298)	(25,444,016)	(179,579,649)	(165,817,505)	(147,411,007)	(38,546,949)	(39,391,520)	(24,614,269)
Payment to refunded bond										
escrow agent	(29,600,400)	-	-	-	(77,220,000)	(31,941,116)	-	-	-	-
Total other financing sources (uses)	119,600	129,302,030	-	131,312,863	5,407,736	290,974,426	2,656,100	148,299,559	699,358	36,560,542
Net change in fund balances	\$ (15,477,275)	100,770,800	(36,669,789)	89,856,805	(42,307,299)	238,138,055	(65,047,312)	66,066,029	(34,521,634)	(59,224,870)
Debt service as a percentage of noncapital expenditures	14.9%	14.0%	14.4%	13.4%	14.6%	15.9%	14.5%	14.0%	14.9%	13.9%

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

Schedule 5

Last Ten Fiscal Years

Fiscal Year	(1)						(2) Ratio of		(3) Total Direct
	Ended	Tax Year Ended	Real	Personal	Registered	Corporate	Assessed Value to Estimated	Actual Value	
<u>June 30</u>	<u>December 31</u>	<u>Property</u>	<u>Property</u>	<u>Vehicles</u>	<u>Excess</u>	<u>Total</u>	<u>Rate</u>		
2016	2015	26,239,522,214	3,040,006,463	2,885,713,744	660,896,757	32,826,139,178	100%	0.7310	
2017	2016	26,875,173,026	3,012,441,003	3,024,187,570	675,048,940	33,586,850,539	100%	0.7310	
2018	2017	28,493,555,596	3,409,057,936	3,142,046,637	695,663,473	35,740,323,642	100%	0.7235	
2019	2018	28,896,922,657	3,691,746,250	3,338,057,975	721,340,710	36,648,067,592	100%	0.7235	
2020	2019	29,439,875,290	3,757,915,292	3,403,069,908	754,389,347	37,355,249,837	100%	0.7535	
2021	2020	29,924,209,616	3,874,685,012	3,831,282,353	779,851,424	38,410,028,405	100%	0.7435	
2022	2021	34,468,614,147	3,902,969,828	3,853,932,295	838,198,571	43,063,714,841	100%	0.6778	
2023	2022	34,957,174,220	4,259,012,990	4,084,345,665	960,264,159	44,260,797,034	100%	0.6778	
2024	2023	35,796,677,950	4,555,057,850	4,254,687,739	1,003,686,237	45,610,109,776	100%	0.6778	
2025	2024	36,356,840,560	4,535,890,086	4,700,799,098	1,035,344,344	46,628,874,088	100%	0.6778	

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

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

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

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

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

Schedule 6

Page 1 of 2

Last Ten Fiscal Years

	Tax Rates per \$100 Valuation, Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Forsyth County	\$ 0.6778	0.6778	0.6778	0.6778	0.7435	0.7535	0.7235	0.7235	0.7310	0.7310
Municipalities: (1)										
City of Winston-Salem	0.7250	0.6610	0.6360	0.6124	0.6374	0.6374	0.5974	0.5974	0.5850	0.5650
Combined Rate	1.4028	1.3388	1.3138	1.2902	1.3809	1.3909	1.3209	1.3209	1.3160	1.2960
Town of Bethania	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
Combined Rate	0.9778	0.9778	0.9778	0.9778	1.0435	1.0535	1.0235	1.0235	1.0310	1.0310
Village of Clemmons	0.1500	0.1500	0.1500	0.1150	0.1150	0.1150	0.1150	0.1150	0.1150	0.1150
Combined Rate	0.8278	0.8278	0.8278	0.7928	0.8585	0.8685	0.8385	0.8385	0.8460	0.8460
City of High Point	0.6475	0.6175	0.6175	0.6475	0.6475	0.6475	0.6475	0.6475	0.6475	0.6500
Combined Rate	1.3253	1.2953	1.2953	1.3253	1.3910	1.4010	1.3710	1.3710	1.3785	1.3810
Town of Kernersville	0.5840	0.5590	0.5590	0.5590	0.5700	0.5700	0.5700	0.5545	0.5700	0.5425
Combined Rate	1.2618	1.2368	1.2368	1.2368	1.3135	1.3235	1.2935	1.2780	1.3010	1.2735
City of King	0.4700	0.4700	0.4700	0.4700	0.4220	0.4220	0.4220	0.4220	0.4220	0.4220
Combined Rate	1.1478	1.1478	1.1478	1.1478	1.1655	1.1755	1.1455	1.1455	1.1530	1.1530
Town of Lewisville	0.2170	0.1770	0.1770	0.1770	0.1770	0.1770	0.1770	0.1770	0.1770	0.1770
Combined Rate	0.8948	0.8548	0.8548	0.8548	0.9205	0.9305	0.9005	0.9005	0.9080	0.9080
Town of Rural Hall	0.3400	0.3100	0.3100	0.3100	0.3100	0.3100	0.3100	0.3100	0.3100	0.3100
Combined Rate	1.0178	0.9878	0.9878	0.9878	1.0535	1.0635	1.0335	1.0335	1.0410	1.0410
Village of Tobaccoville	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Combined Rate	0.7278	0.7278	0.7278	0.7278	0.7935	0.8035	0.7735	0.7735	0.7810	0.7810
Town of Walkertown	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000
Combined Rate	0.8778	0.8778	0.8778	0.8778	0.9435	0.9535	0.9235	0.9235	0.9310	0.9310
Fire Tax Districts: (2)										
Countywide Fire Service District	0.0039	0.0039	0.0039	0.0039	0.0073	0.0073				
Beasons Crossroads	0.0950	0.0950	0.0950	0.0950	0.0950	0.0950	0.0986	0.0880	0.0880	0.0880
Combined Direct Rate	0.7767	0.7767	0.7767	0.7767	0.8458	0.8558	0.8221	0.8190	0.8190	0.8190
Beasons Crossroads Service	0.0950	0.0950	0.0950	0.0950	0.0950	0.0950	0.0986	0.0880	0.0880	0.0880
Combined Direct Rate	0.7767	0.7767	0.7767	0.7767	0.8458	0.8558	0.8221	0.8190	0.8190	0.8190
Belews Creek	0.1100	0.1100	0.1100	0.1100	0.1100	0.1100	0.1136	0.1100	0.0750	0.0750
Combined Direct Rate	0.7917	0.7917	0.7917	0.7917	0.8608	0.8708	0.8371	0.8410	0.8060	0.8060
City View	0.1000	0.1000	0.1000	0.1000	0.1000	0.1050	0.1086	0.1050	0.0900	0.0800
Combined Direct Rate	0.7817	0.7817	0.7817	0.7817	0.8508	0.8658	0.8321	0.8360	0.8210	0.8110
Clemmons	0.0800	0.0600	0.0600	0.0600	0.0600	0.0600	0.0636	0.0600	0.0600	0.0500
Combined Direct Rate	0.7617	0.7417	0.7417	0.7417	0.8108	0.8208	0.7871	0.7910	0.7910	0.7810
Forest Hill	0.1200	0.1200	0.1150	0.1150	0.1150	0.1150	0.1086	0.1050	0.0900	0.0850
Combined Direct Rate	0.8017	0.8017	0.7967	0.7967	0.8658	0.8758	0.8321	0.8360	0.8210	0.8160
Griffith	0.1100	0.0850	0.0650	0.0650	0.0650	0.0650	0.0586	0.0550	0.0550	0.0550
Combined Direct Rate	0.7917	0.7667	0.7467	0.7467	0.8158	0.8258	0.7821	0.7860	0.7860	0.7860

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

Schedule 6

Page 2 of 2

Last Ten Fiscal Years

	Tax Rates per \$100 Valuation, Year Ended June 30,									
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Fire Tax Districts (cont.): (2)										
Gumtree	\$ 0.1225	0.1125	0.1225	0.1000	0.1000	0.1000	0.1036	0.1000	0.1000	0.1000
Combined Direct Rate	0.8042	0.8042	0.8042	0.7817	0.8508	0.8608	0.8271	0.8310	0.8310	0.8310
Horneytown	0.1500	0.1500	0.1500	0.1500	0.1500	0.1500	0.1336	0.1220	0.1100	0.1100
Combined Direct Rate	0.8317	0.8317	0.8317	0.8317	0.9008	0.9108	0.8571	0.8455	0.8410	0.8410
King	0.0850	0.0850	0.0838	0.0838	0.0750	0.0750	0.0786	0.0750	0.0750	0.0650
Combined Direct Rate	0.7667	0.7667	0.7655	0.7655	0.8258	0.8358	0.8021	0.7985	0.8060	0.7960
Lewisville	0.0900	0.0850	0.0850	0.0800	0.0800	0.0800	0.0836	0.0800	0.0800	0.0800
Combined Direct Rate	0.7717	0.7667	0.7667	0.7617	0.8308	0.8408	0.8071	0.8035	0.8110	0.8110
Mineral Springs	0.1200	0.1200	0.1150	0.1150	0.1150	0.1150	0.1086	0.1050	0.1050	0.0900
Combined Direct Rate	0.8017	0.8017	0.7967	0.7967	0.8658	0.8758	0.8321	0.8285	0.8360	0.8210
Mineral Springs Service	0.1200	0.1200	0.1150	0.1150	0.1150	0.1150	0.1086	0.1050	0.1050	0.0900
Combined Direct Rate	0.8017	0.8017	0.7967	0.7967	0.8658	0.8758	0.8321	0.8285	0.8360	0.8210
Mount Tabor	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0786	0.0750	0.0750	0.0750
Combined Direct Rate	0.7667	0.7667	0.7667	0.7667	0.8358	0.8458	0.8021	0.7985	0.8060	0.8060
Old Richmond	0.1150	0.0950	0.0950	0.0950	0.0950	0.0950	0.0986	0.0950	0.0950	0.0950
Combined Direct Rate	0.7967	0.7767	0.7767	0.7767	0.8458	0.8558	0.8221	0.8185	0.8260	0.8260
Piney Grove	0.1400	0.1400	0.1400	0.1400	0.1400	0.1400	0.1436	0.1300	0.1300	0.1300
Combined Direct Rate	0.8217	0.8217	0.8217	0.8217	0.8908	0.9008	0.8671	0.8535	0.8610	0.8610
Salem Chapel	0.1400	0.1400	0.1400	0.1109	0.1200	0.1200	0.1236	0.1200	0.1200	0.1200
Combined Direct Rate	0.8217	0.8217	0.8217	0.7926	0.8708	0.8808	0.8471	0.8435	0.8510	0.8510
South Fork	0.0800	0.0600	0.0600	0.0600	0.0600	0.0600	0.0636	0.0600	0.0600	0.0600
Combined Direct Rate	0.7617	0.7417	0.7417	0.7417	0.8108	0.8208	0.7871	0.7835	0.7910	0.7910
Suburban (Rural Hall)	0.1050	0.1050	0.1050	0.1050	0.1100	0.1050	0.1086	0.1050	0.1050	0.1050
Combined Direct Rate	0.7867	0.7867	0.7867	0.7867	0.8608	0.8658	0.8321	0.8285	0.8360	0.8360
Talley's Crossing	0.1000	0.1000	0.1000	0.1000	0.1000	0.1050	0.1086	0.1050	0.1050	0.0900
Combined Direct Rate	0.7817	0.7817	0.7817	0.7817	0.8508	0.8658	0.8321	0.8285	0.8360	0.8210
Triangle	0.0920	0.0920	0.0920	0.0920	0.0920	0.0920	0.0956	0.0920	0.0920	0.0920
Combined Direct Rate	0.7737	0.7737	0.7737	0.7737	0.8428	0.8528	0.8191	0.8155	0.8230	0.8230
Union Cross	0.1350	0.1350	0.1350	0.1200	0.1200	0.1200	0.1236	0.1200	0.1200	0.1000
Combined Direct Rate	0.8167	0.8167	0.8167	0.8017	0.8708	0.8808	0.8471	0.8435	0.8510	0.8310
Vienna	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0786	0.0750	0.0750	0.0750
Combined Direct Rate	0.7667	0.7667	0.7667	0.7667	0.8358	0.8458	0.8021	0.7985	0.8060	0.8060
Walkertown (Northeast)	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1036	0.1000	0.1000	0.0950
Combined Direct Rate	0.7817	0.7817	0.7817	0.7817	0.8508	0.8608	0.8271	0.8235	0.8310	0.8260
West Bend	0.0900	0.0850	0.0850	0.0800	0.0800	0.0800	0.0836	0.0800	0.0800	0.0800
Combined Direct Rate	0.7717	0.7667	0.7667	0.7617	0.8308	0.8408	0.8071	0.8035	0.8110	0.8110

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

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

PRINCIPAL PROPERTY TAX PAYERS
FORSYTH COUNTY, NORTH CAROLINA

Current Year and Nine Years Ago

Schedule 7

Taxpayer	Type of Business	2024		Percentage of Total		2015		Percentage of Total	
		Assessed		Assessed		Assessed		Assessed	
		Valuation	Rank	Valuation	Rank	Valuation	Rank	Valuation	Rank
Reynolds American Inc	Tobacco, Foods, Petroleum and Transportation	\$ 1,097,687,036	1	2.35%		\$ 761,562,654	1	2.32%	
Duke Energy Corp/Piedmont Natural Gas	Electric Utility	749,022,067	2	1.61%		334,487,688	3	1.02%	
Wells Fargo	Banking	359,574,920	3	0.77%		181,169,904	6	0.55%	
Parr Investments	Real Estate Management	239,017,002	4	0.51%					
Caterpillar Inc	Manufacturer	228,491,189	5	0.49%		364,496,033	2	1.11%	
Ventas Inc	Real Estate Investment Trust	221,848,171	6	0.48%					
Wake Forest Baptist Health	Healthcare	187,221,589	7	0.40%					
Firstkey Homes	Real Estate Management	183,858,665	8	0.39%					
Ardagh Metal Packaging USA Corp	Manufacturer	158,302,703	9	0.34%					
Lowe's Data Center	Home Improvement Retailer	157,056,549	10	0.34%		263,888,646	4	0.80%	
JG Winston-Salem	Real Estate Management					203,477,018	5	0.62%	
Wexford Science & Technology, LLC	Real Estate Development					157,664,569	7	0.48%	
Deere-Hitachi	Manufacturer					100,614,501	8	0.31%	
Herbalife International of America	Manufacturer					95,934,337	9	0.29%	
Branch Banking & Trust	Banking					91,858,824	10	0.28%	
		\$ <u>3,582,079,891</u>		<u>7.68%</u>		\$ <u>2,555,154,174</u>		<u>7.78%</u>	

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

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

Note: Wake Forest Baptist Health includes property previously reported under Wake Forest University.

Note: Ventas Inc bought out Wexford Science & Technology, LLC

**PROPERTY TAX LEVIES AND COLLECTIONS
FORSYTH COUNTY, NORTH CAROLINA**

Schedule 8

Last Ten Fiscal Years

Fiscal Year Ended <u>June 30</u>	Total Tax Levy for <u>Fiscal Year</u>	Collected within the		Collections in Subsequent <u>Years</u>	Total Collections to Date		
		<u>Fiscal Year of the Levy</u>			<u>Amount</u>	<u>of Levy</u>	
		Percentage	<u>Amount</u>				
2016	241,192,603	239,063,497	99.12%	1,496,787	240,560,284	99.74%	
2017	246,544,840	244,417,516	99.14%	1,358,704	245,776,220	99.69%	
2018	259,184,864	257,172,253	99.22%	1,379,310	258,551,563	99.76%	
2019	266,203,284	264,297,009	99.28%	1,225,149	265,522,158	99.74%	
2020	281,867,417	279,198,788	99.05%	2,117,250	281,316,038	99.80%	
2021	286,211,607	284,394,322	99.37%	1,152,990	285,547,312	99.77%	
2022	293,652,311	291,834,443	99.38%	1,182,812	293,017,255	99.78%	
2023	302,086,595	300,185,470	99.37%	1,130,085	301,315,555	99.74%	
2024	310,929,904	308,682,492	99.28%	1,250,318	309,932,810	99.68%	
2025	316,836,341	314,670,321	99.32%	-	314,670,321	99.32%	

RATIOS OF OUTSTANDING DEBT BY TYPE
FORSYTH COUNTY, NORTH CAROLINA

Schedule 9

Last Ten Fiscal Years

Fiscal <u>Year</u>	Bonded Debt as a Percentage of Actual Taxable			Total Bonded Debt Per <u>Capita</u> ^b
	General <u>Obligation</u>	Value of <u>Property</u> ^a	Total Bonded	
	<u>Bonds</u>	<u>Property</u> ^a	<u>Debt Per Capita</u> ^b	
2016	452,707,749	1.38%	1,234.46	
2017	543,957,057	1.62%	1,467.34	
2018	503,677,229	1.41%	1,344.25	
2019	595,792,576	1.63%	1,575.76	
2020	550,875,637	1.47%	1,447.15	
2021	649,090,074	1.69%	1,690.94	
2022	597,184,121	1.39%	1,540.31	
2023	679,953,127	1.54%	1,741.05	
2024	621,109,192	1.36%	1,580.18	
2025	598,082,867	1.28%	1,511.85	

Fiscal <u>Year</u>	Governmental Activities								Percentage of Personal Income ^b	Total Debt Per <u>Capita</u> ^b
	General <u>Obligation</u>	Limited <u>Obligation</u>	Installment <u>Purchase</u>	Other <u>Long Term Borrowing</u>	Lease <u>Liabilities</u>	SBITA <u>Liabilities</u>	Total <u>Primary Government</u>			
	<u>Bonds</u>	<u>Bonds</u>	<u>Obligations</u>	<u>Borrowing</u>	<u>Liabilities</u>	<u>Liabilities</u>	<u>Government</u>			
2016	452,707,749	26,287,402	36,475,000	-	-	-	515,470,151	3.19%	1,405.60	
2017	543,957,057	24,506,733	31,195,000	-	-	-	599,658,790	3.63%	1,617.60	
2018	503,677,229	22,736,295	25,830,000	-	-	-	552,243,524	3.18%	1,473.87	
2019	595,792,576	20,976,088	20,390,000	-	-	-	637,158,664	3.61%	1,685.17	
2020	550,875,637	19,226,747	18,555,476	2,247,974	-	-	590,905,834	3.17%	1,552.31	
2021	649,090,074	148,855,848	11,270,000	3,646,099	-	-	812,862,021	4.10%	2,117.58	
2022	597,184,121	139,390,898	6,610,000	4,473,000	1,311,414	-	748,969,433	3.43%	1,931.81	
2023	679,953,127	130,480,081	1,890,000	4,224,500	2,854,707	3,924,327	823,326,742	3.65%	2,108.17	
2024	621,109,192	120,756,713	1,245,000	3,976,000	2,186,845	2,617,655	751,891,405	3.16%	1,912.91	
2025	598,082,867	111,195,026	615,000	3,727,500	1,663,408	1,696,990	716,980,791	n/a	1,812.40	

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

^a See Schedule 5 for property value data.

^b See Schedule 12 for population and personal income data. The last year of personal income data was not published at the time of this schedule. All years subject to annual updates.

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
FORSYTH COUNTY, NORTH CAROLINA**

FORSYTH COUNTY, NORTH CAROLINA

As of June 30, 2025

Schedule 10

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to Forsyth County^a</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
City of Winston-Salem	\$ 230,630,340	100.0%	\$ 230,630,340
Town of Kernersville	37,974,088	87.0%	33,052,646
Town of Lewisville	1,200,000	100.0%	1,200,000
City of High Point	110,980,163	1.0%	1,076,508
Town of King	1,444,697	9.5%	136,699
Village of Clemmons	54,551	100.0%	54,551
Other debt			
City of Winston-Salem	112,478,809	100.0%	<u>112,478,809</u>
Subtotal, overlapping debt			378,629,552
County direct debt			<u>716,980,791</u>
Total direct and overlapping debt			\$ <u>1,095,610,343</u>

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

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

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

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

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

Schedule 11

Last Ten Fiscal Years

(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed Value of Taxable Property	\$ 46,628,874
Debt Limit - Eight percent (8%) of assessed value	3,730,310
Debt applicable to limit:	
General obligation bonds	598,083
Limited obligation bonds	111,195
Installment purchase obligations	615
Other long term borrowing	3,728
Total debt applicable to legal debt limit	713,620
Legal debt margin	\$ 3,016,690

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	\$ 2,626,091	2,686,948	2,859,226	2,931,845	2,988,420	3,072,802	3,445,097	3,540,864	3,648,809	3,730,310
Total net debt applicable to limit	\$ 515,470	599,659	552,244	637,159	590,906	812,808	747,658	816,548	747,087	713,620
Legal debt margin	\$ 2,110,621	2,087,289	2,306,982	2,294,687	2,397,514	2,259,994	2,697,439	2,724,316	2,901,722	3,016,690
Total net debt applicable to the limit as a percentage of debt limit	19.6%	22.3%	19.3%	21.7%	19.8%	26.5%	21.7%	23.1%	20.5%	19.1%

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

**DEMOGRAPHIC AND ECONOMIC STATISTICS
FORSYTH COUNTY, NORTH CAROLINA**

Schedule 12

Last Ten Calendar Years

Calendar		Personal Income	Per Capita		Dropout Rates for	Public School	Private School	Unemployment
Year	Population ¹	(000's) ²	Personal Income ²	Median ³	Grades 9-12 ⁴	Enrollment ⁴	Enrollment ^{5, a}	Rate ⁶
2015	366,725	16,177,491	44,086	37.9	2.8%	53,908	4,458	5.4%
2016	370,709	16,523,347	44,565	38.0	2.4%	54,162	4,505	4.9%
2017	374,689	17,384,955	46,344	38.4	2.5%	54,094	4,511	4.4%
2018	378,098	17,671,702	46,711	38.5	2.5%	53,438	4,255	3.9%
2019	380,663	18,630,876	48,883	38.4	3.1%	53,277	4,461	3.7%
2020	383,864	19,846,178	51,790	38.4	3.1%	49,728	4,675	7.3%
2021	387,703	21,861,671	56,581	38.6	2.7%	50,937	4,953	5.0%
2022	390,541	22,555,096	57,884	38.8	3.6%	51,315	5,758	3.8%
2023	393,062	23,764,061	60,481	37.8	3.1%	50,732	5,743	3.5%
2024	395,597	n/a	n/a	38.3	3.3%	50,550	6,082	3.8%

Sources: ¹ Office of State Budget and Management. All years subject to annual updates.

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

³ U.S. Census Bureau. All years subject to annual updates.

⁴ North Carolina Department of Public Instruction

⁵ State of North Carolina Division of Non-Public Education

⁶ North Carolina Department of Commerce

Notes:

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

**PRINCIPAL EMPLOYERS
FORSYTH COUNTY, NORTH CAROLINA**

Current Year and Ten Years Ago

Schedule 13

<u>Employer</u>	<u>2025</u>		<u>2015</u>	
	<u>Number of Employees</u>	<u>Rank</u>	<u>Number of Employees</u>	<u>Rank</u>
Atrium Health Wake Forest Baptist ^a	1,000+	1	1,000+	2
Winston-Salem/Forsyth County School System	1,000+	2	1,000+	1
Novant Health	1,000+	3	1,000+	3
Wake Forest University	1,000+	4	1,000+	4
Wal-Mart Associates, Inc.	1,000+	5	1,000+	8
City of Winston-Salem	1,000+	6	1,000+	5
Forsyth County	1,000+	7	1,000+	9
National General Management Corp.	1,000+	8	1,000+	
Collins Aerospace	1,000+	9		
Forsyth Technical Community College	1,000+	10		
Truist Bank			1,000+	10
Hanesbrands, Inc.			1,000+	6
Wells Fargo Bank			1,000+	7
Total	<u>10,000+</u>		<u>10,000+</u>	
Minimum Percentage of Total County Employment	<u>5.6%</u>		<u>6.0%</u>	

^a Formerly Wake Forest University Baptist Medical Center; includes School of Medicine

Sources: N.C. Department of Commerce - Quarterly Census of Employment and Wages (QCEW) Largest Employers. Actual headcount data is unavailable. County civilian labor force count from North Carolina Department of Commerce used to calculate percentage of total employment.

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

Schedule 14

Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government	314	325	308	305	311	299	293	303	321	313
Public safety	782	786	774	790	813	806	791	850	803	897
Human services	661	710	693	688	688	649	644	676	744	787
Environmental protection	24	23	23	22	22	22	23	22	24	25
Community and economic development	4	5	5	11	17	16	17	18	17	19
Education	5	6	6	5	4	3	3	4	6	4
Culture and recreation	184	192	192	198	196	188	183	189	201	205
Total	1,992	2,047	2,001	2,019	2,051	1,983	1,954	2,062	2,116	2,250

Source: Forsyth County Finance Department

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

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

OPERATING INDICATORS BY FUNCTION
FORSYTH COUNTY, NORTH CAROLINA

Schedule 15

Last Ten Fiscal Years

Page 1 of 2

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government										
Register of deeds										
Deeds recorded	11,335	12,108	12,753	13,131	13,954	13,713	15,218	16,803	13,340	12,173
Real estate copies	15,795	17,735	18,138	17,483	16,759	11,775	7,308	8,179	6,764	6,869
Birth certificates	8,134	9,691	9,328	8,308	8,291	8,194	7,961	8,049	8,959	8,444
Marriage certificates	2,329	2,483	2,444	2,341	2,313	2,145	2,196	2,432	2,224	2,225
Vital records copies	65,744	65,740	67,406	63,206	64,357	61,418	73,195	85,537	89,314	90,768
Tax administration										
Current year levy collection percentage	98.89%	99.04%	99.08%	99.17%	99.25%	99.00%	99.32%	99.35%	99.33%	99.29%
Public safety										
Emergency management										
Responders receiving specialized training	125	75	390	212	254	286	468	306	581	680
Emergency services										
Emergency dispatches	29,364	30,311	31,512	32,298	34,051	33,698	36,385	42,630	41,683	42,832
Non-emergency dispatches	9,484	10,236	12,273	13,743	13,700	12,425	11,683	12,003	7,248	4,327
Fire										
Fire alarms (total dispatches)	7,241	7,711	8,110	8,506	9,453	8,186	7,490	10,314	11,453	18,868
Volunteer rescue squad response	20,060	20,942	19,850	18,371	19,027	15,439	8,986	15,038	25,426	31,910
911 calls received	93,542	98,333	102,769	98,170	99,959	104,494	118,121	107,990	114,849	110,337
Telephone calls processed	209,199	215,479	216,701	209,031	193,765	207,322	259,308	203,098	211,601	197,028
Sheriff										
Patrol service calls	80,851	83,851	76,016	81,189	88,782	77,957	78,574	85,176	89,532	89,053
Detention - avg. daily inmate population	731	684	766	797	835	634	563	687	734	811
Detention - avg. length of stay (in days)	21	22	23	25	28	45	26	33	35	36
Calls received (Animal Services)	11,077	10,671	11,007	10,547	10,899	8,499	10,109	11,663	12,797	12,720
Economic development										
Housing										
Homes rehabilitated	16	16	24	16	22	22	18	26	23	18
First time home buyers	39	36	35	29	22	27	18	11	9	20
Environmental protection										
Environmental assistance & protection										
Permits processed within prescribed timefr:	100%	85%	85%	85%	90%	94%	95%	90%	92%	93%
Correct air quality forecasting	77%	81%	82%	80%	80%	84%	83%	76%	78%	77%

(continued)

OPERATING INDICATORS BY FUNCTION
FORSYTH COUNTY, NORTH CAROLINA

Schedule 15

Last Ten Fiscal Years

Page 2 of 2

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Human services										
Public health										
Communicable disease investigations	1,640	1,253	751	292	128	4,238	33,660	60,039	32,952	4,574
Environmental health impr. permits	471	525	535	650	590	866	898	736	939	659
Social services										
Adult guardianships	338	328	306	311	224	228	224	216	219	204
Adoptions finalized	25	29	45	31	16	31	13	34	27	29
Child protective services investigations	2,819	3,514	3,686	3,292	3,689	3,556	3,537	3,856	3,145	3,106
Culture and recreation										
NC cooperative extension service										
Educational meetings attendance	4,522	5,423	6,581	2,965	8,870	10,482	7,673	11,100	14,353	12,200
Economic value of volunteer service	\$663,391	\$1,093,246	\$903,533	\$504,961	\$1,302,077	\$801,857	\$95,698	\$431,810	\$497,447	\$1,025,709
Library										
Number of libraries	10	10	10	10	10	10	10	10	10	10
Program Attendance	102,577	108,526	117,978	120,882	132,098	104,696	21,458	28,874	103,560	63,373
Materials Circulated	1,613,189	1,560,638	1,478,637	1,525,622	1,499,950	1,270,919	1,117,880	1,089,992	1,402,979	2,297,626
Recreation and parks										
Number of parks	9	9	9	9	9	9	9	9	9	10
Park visitors	4,256,936	4,376,870	4,114,472	4,714,586	5,139,851	6,039,138	5,318,092	4,958,533	4,873,634	5,127,122
Golf rounds played	52,513	51,950	52,090	47,584	41,863	58,597	63,838	58,154	57,493	62,129
Festival of lights - visitors	280,842	281,016	294,942	294,894	266,292	309,036	384,342	347,550	312,966	312,324
Education										
Winston-Salem/Forsyth County Schools										
Number of schools	81	81	80	80	79	79	79	81	81	81
Number of teachers	3,826	3,758	3,763	3,782	3,837	3,767	3,793	3,608	3,422	3,459
Forsyth Technical Community College										
Enrollment	13,036	12,238	11,477	11,306	11,450	10,151	9,982	10,108	10,907	11,549

Sources: Forsyth County Departments. North Carolina Department of Public Instruction. Forsyth Technical Community College. Fiscal Year 2024 is the most recent actual data available.

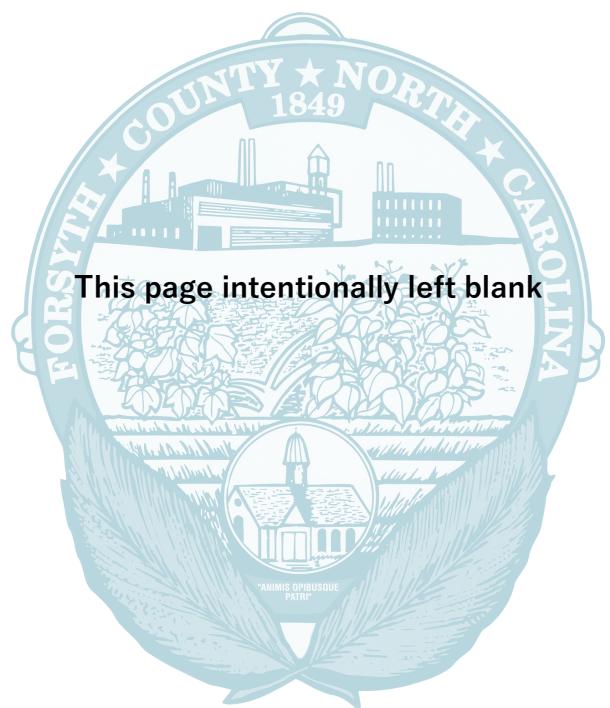
**CAPITAL ASSET STATISTICS BY FUNCTION
FORSYTH COUNTY, NORTH CAROLINA**

Schedule 16

Last Ten Fiscal Years

<u>Function</u>	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government										
General services										
Number of facilities	41	41	43	44	43	42	44	43	50	50
Square footage - active	2,099,727	2,146,032	2,264,658	2,229,705	2,212,809	2,223,609	2,224,805	2,230,067	2,273,585	2,273,585
Fleet vehicles	577	571	574	617	632	666	638	674	699	779
Public safety										
Emergency medical services										
Assigned vehicles	35	38	38	39	41	48	49	49	45	45
Fire										
Assigned vehicles	15	14	14	14	14	14	15	10	14	14
Sheriff										
Assigned vehicles	238	234	237	265	282	319	305	134	347	334

Source: Forsyth County General Services Department



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Forsyth County, North Carolina (the "County"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 3, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

County's Response to Findings

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

Purpose of This Report

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

Charlotte, North Carolina
December 3, 2025

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Forsyth County, North Carolina's (the "County"), compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2025. The County's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and the State Single Audit Implementation Act. Our responsibilities under those standards, Uniform Guidance, and the State Single Audit Implementation Act are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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.

Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 3, 2025, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and the State Single Audit Implementation Act and is 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Purpose of this Report

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

Charlotte, North Carolina
January 29, 2026

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

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

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Forsyth County, North Carolina's (the "County") compliance with the types of compliance requirements identified as subject to audit in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the County's major State programs for the year ended June 30, 2025. The County's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2025.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and the State Single Audit Implementation Act. Our responsibilities under those standards, Uniform Guidance and the State Single Audit Implementation Act are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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.

Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 3, 2025, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and the State Single Audit Implementation Act and is 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Purpose of this Report

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

Cherry Bekaert LLP

Charlotte, North Carolina
January 29, 2026

Forsyth County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2025

Grantor / Pass-through Grantor / Program Title	Assistance Listing Number	Federal/State Pass-Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
FEDERAL AWARDS:					
U.S. Dept. of Agriculture					
Food and Nutrition Service					
Passed-through N.C. Dept. of Health and Human Services					
Division of Public Health					
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		\$ 2,028,893	\$ -	\$ -
Division of Social Services					
Supplemental Nutrition Assistance (SNAP) Cluster					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		4,613,328	12,119	-
Total U.S. Dept. of Agriculture			<u>6,642,221</u>	<u>12,119</u>	<u>-</u>
U.S. Dept. of Commerce					
Economic Development Administration					
Economic Development Cluster					
Economic Adjustment Assistance - Airport Infrastructure	11.307		1,050,544	-	-
Total U.S. Dept. of Commerce			<u>1,050,544</u>	<u>-</u>	<u>-</u>
U.S. Dept. of Health and Human Services					
Administration for Children and Families					
Passed-through N.C. Dept. of Health and Human Services					
Division of Social Services					
MaryLee Allen Promoting Safe and Stable Families Program	93.556		47,821	-	-
TANF - Work First	93.558		1,577,041	-	-
Child Support Enforcement	93.563		3,853,048	-	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645		101,979	-	-
Low-Income Home Energy Assistance Program					
Crisis Intervention Program	93.568		(4,761)	-	-
Weatherization Assistance and Heating and Air Repair	93.568		255,717	-	-
Total Low-Income Home Energy Assistance Program			<u>250,956</u>	<u>-</u>	<u>-</u>
Social Services Block Grant (SSBG) Cluster					
SSBG - Other Service and Training	93.667		1,511,676	-	-
State In Home Service Fund	93.667		78,499	-	-
State Adult Day Care	93.667		120,403	66,859	-
State Child Protective Services	93.667		245,920	-	-
Total SSBG Cluster			<u>1,956,498</u>	<u>66,859</u>	<u>-</u>
Foster Care and Adoption Cluster (Note 3)					
Foster Care - Title IV-E	93.658		1,872,006	183,294	-
Foster Care - Title IV-E - Benefit Payments	93.658		1,177,630	456,270	-
Adoption Assistance	93.659		280,517	-	-
Total Foster Care and Adoption Cluster			<u>3,330,153</u>	<u>639,564</u>	<u>-</u>
Subsidized Child Care (Note 3)					
Child Care and Development Fund Administration	93.596		779,814	-	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood					
Administration and Services	93.674		32,053	8,013	-
Benefit Payments	93.674		1,081	-	-
Total John H. Chafee Foster Care Program for Successful Transition to Adulthood			<u>33,134</u>	<u>8,013</u>	<u>-</u>
Division of Public Health					
Refugee and Entrant Assistance State / Replacement Designee Administers Programs	93.566		6,090	-	-
Centers for Medicare and Medicaid Services					
Passed-through N.C. Dept. of Health and Human Services					
Division of Social Services					
Children's Health Insurance Program - N.C. Health Choice	93.767		849,142	272,138	-
Medicaid Cluster					
Medical Assistance Program	93.778		9,128,841	961,638	-

Forsyth County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2025

Grantor / Pass-through Grantor / Program Title	Assistance Listing Number	Federal/State Pass-Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
Administration for Community Living					
Passed-through N.C. Dept. of Health and Human Services					
Division of Aging					
Passed-through Piedmont Triad Council of Government					
<i>Aging Cluster</i>					
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044		\$ 667,410	\$ 1,123,358	\$ 1,390,768
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045		475,092	79,428	554,520
Nutrition Services Incentive Program	93.053		171,260	-	171,260
State Funds			-	25,475	22,200
<i>Total Aging Cluster</i>			<u>1,313,762</u>	<u>1,228,261</u>	<u>2,138,748</u>
National Family Caregiver Support, Title III, Part E	93.052		122,139	12,551	134,690
Centers for Disease Control and Prevention					
Passed-through N.C. Dept. of Health and Human Services					
Division of Public Health					
Public Health Emergency Preparedness	93.069		48,978	-	-
Programs	93.116		24,357	-	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323		43,652	-	-
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354		50,000	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898		3,250	-	-
HIV Prevention Activities - Health Department Based	93.940		181,917	-	-
Preventive Health and Health Services Block Grant	93.991		27,423	-	-
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967		23,095	-	-
<i>Immunization Cooperation Agreements</i>					
Immunization Cooperation Agreements	93.268		235,843	-	-
COVID-19 - Immunization Cooperation Agreements	93.268		374,578	-	-
<i>Total Immunization Cooperation Agreements</i>			<u>610,421</u>	<u>-</u>	<u>-</u>
Health Resources and Services Administration					
Passed-through N.C. Dept. of Health and Human Services					
Division of Public Health					
HIV Care Formula Grants	93.917		61,245	-	-
Maternal and Child Health Services Block Grant	93.994		370,256	13,402	-
Office of Assistant Secretary for Health					
Passed-through N.C. Dept. of Health and Human Services					
Division of Public Health					
Family Planning Services	93.217		189,759	-	-
Food and Drug Administration					
National Environmental Health Association					
Food and Drug Administration Research	93.103		2,400	-	-
<i>Total U.S. Dept. of Health and Human Services</i>			<u>24,987,171</u>	<u>3,202,426</u>	<u>2,273,438</u>
U.S. Dept. of Housing and Urban Development					
Assistant Secretary for Community Planning and Development					
<i>Home Investment Partnerships Program</i>					
Passed-through City of Winston-Salem					
2020 Winston-Salem/Forsyth County HOME Consortium	14.239	M20-DC-37-0204	2,505	-	-
2021 Winston-Salem/Forsyth County HOME Consortium	14.239	M21-DC-37-0204	101,403	-	-
2022 Winston-Salem/Forsyth County HOME Consortium	14.239	M22-DC-37-0204	15,808	-	-
2023 Winston-Salem/Forsyth County HOME Consortium	14.239	M23-DC-37-0204	3,275	-	-
Winston-Salem/Forsyth County Interlocal Agreement, HOME	14.239		531,985	-	-
Passed-through N.C. Housing Finance Agency					
NCHFA Single Family Rehabilitation	14.239	M19-SG370100	191,321	-	-
<i>Total Home Investment Partnerships Program</i>			<u>846,297</u>	<u>-</u>	<u>-</u>
<i>Total U.S. Dept. of Housing and Urban Development</i>			<u>846,297</u>	<u>-</u>	<u>-</u>

Forsyth County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2025

Grantor / Pass-through Grantor / Program Title	Assistance Listing Number	Federal/State Pass-Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
<u>U.S. Dept. of Justice</u>					
Office of Justice Programs					
<i>Edward Byrne Memorial Justice Assistance Grant Program</i>					
Direct Program					
2023 Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03611-JAGX	\$ 210,160	\$ -	\$ 139,671
Passed-through City of Winston-Salem					
2022 Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-02194-JAGX	54,512	-	-
<i>Total Edward Byrne Memorial Justice Assistance Grant Program</i>			264,672	-	139,671
State Criminal Alien Assistance Program (SCAAP)	16.606		59,368	-	-
Equitable Sharing Program	16.922		171,707	-	-
<i>Total U.S. Dept. of Justice</i>			495,747	-	139,671
<u>U.S. Dept. of the Interior</u>					
National Park Service					
N.C. Dept. of Natural and Cultural Resources					
N.C. Office of Archives and History					
Historic Preservation Fund	15.904		29,900	-	-
<i>Total U.S. Dept. of the Interior</i>			29,900	-	-
<u>U.S. Dept. of Transportation</u>					
N.C. Dept. of Public Safety					
<i>Highway Safety Cluster</i>					
Passed-through City of Winston-Salem					
Governor's Highway Safety Program - DWI Taskforce	20.600		48,414	-	-
<i>Highway Safety Cluster</i>			48,414	-	-
<i>Total U.S. Dept. of Transportation</i>			48,414	-	-
<u>U.S. Dept. of Treasury</u>					
Direct Program					
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027		21,721,857	-	6,670,022
Passed-through N.C. Dept. of Health and Human Services					
Division of Mental Health, Developmental Disabilities, and Substance Abuse Services					
COVID-19: Behavioral Health	21.027		3,602,568	-	-
Passed-through N.C. Dept. of Natural and Cultural Resources					
Division of State Library					
SFRF Nonrecurring Aid to Libraries	21.027		14,632	-	-
<i>Total Coronavirus State and Local Fiscal Recovery Funds</i>			25,339,057	-	6,670,022
COVID-19: Emergency Rental Assistance Program (ERAP)	21.023		11,364	-	-
Equitable Sharing Program	21.016		118,295	-	-
<i>Total U.S. Dept. of Treasury</i>			25,468,716	-	6,670,022
<u>U.S. Environmental Protection Agency</u>					
Clean Air Act, Sec 103 (PM 2.5 Monitoring Network)	66.034		183,904	-	-
Clean Air Act, Sec 103 (Inflation Reduction Act)	66.034		147,175	-	-
<i>Total Clean Air Act, Sec 103</i>			331,079	-	-
Air Pollution Control Program Support, Sec 105	66.001		455,247	-	-
<i>Total U.S. Environmental Protection Agency</i>			786,326	-	-
<u>National Endowment for the Humanities</u>					
Passed-through N.C. Dept. of Natural and Cultural Resources					
Division of State Library					
Library Services and Technology Act (LSTA)	45.310		2,500	-	-
<i>Total National Endowment for the Humanities</i>			2,500	-	-
<i>Total Federal Awards</i>			60,357,836	3,214,545	9,083,131

Forsyth County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2025

Grantor / Pass-through Grantor / Program Title	Assistance Listing Number	Federal/State Pass-Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
STATE AWARDS:					
N.C. Dept. of Agriculture and Consumer Services					
Division of Soil and Water					
SWC - Agricultural Cost Share and Technical Assistance	25-039-4094	\$ -	\$ 23,343	\$ -	
Total N.C. Dept. of Agriculture and Consumer Services	2023-006-3201-2587	<u><u>\$ -</u></u>	<u><u>\$ 23,343</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
N.C. Dept. of Commerce					
Building Reuse Program	2023-006-3201-2587	<u><u>\$ -</u></u>	<u><u>250,000</u></u>	<u><u>250,000</u></u>	<u><u></u></u>
Total N.C. Dept. of Commerce		<u><u>\$ -</u></u>	<u><u>250,000</u></u>	<u><u>250,000</u></u>	<u><u></u></u>
N.C. Dept. of Environmental Quality					
Air Quality Mobile Source Program		<u><u>\$ -</u></u>	<u><u>219,824</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Total N.C. Dept. of Environmental Quality		<u><u>\$ -</u></u>	<u><u>219,824</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
N.C. Dept. of Health and Human Services					
Division of Public Health					
Aid to Counties		<u><u>\$ -</u></u>	<u><u>140,913</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Breast and Cervical Cancer		<u><u>\$ -</u></u>	<u><u>3,575</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Child Fatality Case Reporting		<u><u>\$ -</u></u>	<u><u>5,995</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Child Health		<u><u>\$ -</u></u>	<u><u>60,049</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Communicable Disease Pandemic Recovery-SFRF		<u><u>\$ -</u></u>	<u><u>301,409</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Communicable Disease Prevention HIV PrEP		<u><u>\$ -</u></u>	<u><u>131,513</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Family Planning - State		<u><u>\$ -</u></u>	<u><u>27,529</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Food and Lodging Fees		<u><u>\$ -</u></u>	<u><u>51,106</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
General Communicable Disease Control		<u><u>\$ -</u></u>	<u><u>17,760</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Healthy Beginnings		<u><u>\$ -</u></u>	<u><u>86,485</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Healthy Communities		<u><u>\$ -</u></u>	<u><u>7,570</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
High Risk Maternity Clinics		<u><u>\$ -</u></u>	<u><u>221,945</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Minority Diabetes Prevention Program		<u><u>\$ -</u></u>	<u><u>167,333</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Mosquito and Tick Suppression		<u><u>\$ -</u></u>	<u><u>16,140</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Nurse Family Partnership		<u><u>\$ -</u></u>	<u><u>302,125</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
School Nurse Funding Initiative		<u><u>\$ -</u></u>	<u><u>102,206</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
State Fiscal Recovery Funds		<u><u>\$ -</u></u>	<u><u>50,000</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Tuberculosis Control		<u><u>\$ -</u></u>	<u><u>55,367</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Passed-through Guilford County					
Improving Community Outcomes for Maternal and Child Health (ICO4MCH)		<u><u>\$ -</u></u>	<u><u>178,647</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Division of Social Services					
State Child Welfare - State Protective Services		<u><u>\$ -</u></u>	<u><u>239,829</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Emergency PLMT FC		<u><u>\$ -</u></u>	<u><u>69,957</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
State Foster Home		<u><u>\$ -</u></u>	<u><u>349,691</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
State Foster Home Fund (SFHF) Maximization		<u><u>\$ -</u></u>	<u><u>1,237,801</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Foster Care at Risk Maximization		<u><u>\$ -</u></u>	<u><u>29,620</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Extended Foster Care Maximization Non IV-E Programs		<u><u>\$ -</u></u>	<u><u>187,941</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Foster Care AT RISK		<u><u>\$ -</u></u>	<u><u>5,170</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Foster Care Kinship		<u><u>\$ -</u></u>	<u><u>47,437</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
State-Family Foster Max		<u><u>\$ -</u></u>	<u><u>552,817</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Total N.C. Dept. of Health and Human Services		<u><u>\$ -</u></u>	<u><u>4,647,930</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
N.C. Dept. of Information Technology					
NC 911 Board					
911 Fund Grant	GS143B-1407	<u><u>\$ -</u></u>	<u><u>14,645</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Total N.C. Dept. of Information Technology		<u><u>\$ -</u></u>	<u><u>14,645</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
N.C. Dept. of Natural and Cultural Resources					
Division of State Library					
State Aid to Libraries	GS125-b	<u><u>\$ -</u></u>	<u><u>408,132</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Total N.C. Dept. of Natural and Cultural Resources		<u><u>\$ -</u></u>	<u><u>408,132</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
N.C. Dept. of Public Instruction					
Public School Building Capital Fund - Lottery	0-002-933	<u><u>\$ -</u></u>	<u><u>3,657,177</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>
Total N.C. Dept. of Public Instruction		<u><u>\$ -</u></u>	<u><u>3,657,177</u></u>	<u><u>\$ -</u></u>	<u><u></u></u>

Forsyth County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2025

Grantor / Pass-through Grantor / Program Title	Assistance Listing Number	Federal/State Pass-Through Grantor's Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
N.C. Dept. of Public Safety					
Juvenile Justice and Delinquency Prevention (JCPC)	334-11424	\$ -	\$ 1,077,248	\$ 1,069,248	
Medication Assistance Treatment	A12320304-JEC	-	47,925	-	
Total N.C. Dept. of Public Safety		-	1,125,173	1,069,248	
N.C. Dept. of Transportation					
Elderly and Disabled Transportation Assistance	9.9050716	-	2,470	-	
	36237.26.17.1;				
	36237.26.15.3;			1,861,624	
	36244.37.10.2;				
	47185.1.1				
State Capital Infrastructure Fund - Airport	36244.37.8.1	-	1,167,972	-	
Aviation Career Education (ACE)	36244.37.10.3	-	3,000	-	
Airport Operations Counting Service	36244.37.10.1	-	1,200	-	
Integrated Mobility Division					
ROAP Elderly and Disabled Transportation Assistance Program (EDTAP)	36220.10.13.1	-	192,765	-	
ROAP Employment and Transportation Assistance Program (EMPL)	36236.11.12.1	-	83,889	-	
Total N.C. Dept. of Transportation		-	3,312,920	-	
N.C. Housing Finance Agency					
NCHFA Urgent Repair Program	2310	-	130,570	-	
Total N.C. Housing Finance Agency		-	130,570	-	
N.C. Office of Budget and Management					
State Capital Infrastructure Fund - Belews Lake	20231	-	137,755	-	
Directed Grant Regional Economic Development Reserve - Agricultural Park Complex	20233	-	5,000,000	-	
Directed Grant Regional Economic Development Reserve - Tanglewood Clubhouse	20234	-	2,289,161	-	
Total N.C. Office of Budget and Management		-	7,426,916	-	
Total State Awards		-	21,216,630	1,319,248	
OTHER FINANCIAL ASSISTANCE:					
NC Dept. of Justice					
Opioid Settlement (Note 4)		-	1,643,342	-	
Total Federal and State Awards		\$ 60,357,836	\$ 26,074,517	\$ 10,402,379	

Forsyth County, North Carolina

Notes to the Schedule of Expenditures of Federal and State Awards

For the Year Ended June 30, 2025

(1) Basis of Presentation

The accompanying schedule of expenditures of federal and State awards ("SEFSA") includes the federal and State grant activity of the Forsyth County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2025. The information in this SEFSA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of Forsyth County, it is not intended to and does not present the financial position, changes in net position or cash flows of Forsyth County.

(2) Summary of Significant Accounting Policies

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

(3) Clusters

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

(4) 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.

FORSYTH COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2025

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements were prepared in accordance with U.S. GAAP: *Unmodified*

Internal control over financial reporting:

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

Noncompliance material to financial statements noted?

yes no

Federal Awards

Internal control over major federal programs:

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

Noncompliance material to federal awards?

yes no

Type of auditor’s report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with the 2 CFR 200.516 (a)?

yes no

Identification of major federal programs:

Federal Assistance Listing Number

93.658, 93.659
93.778

Names of Federal Program or Cluster

Foster Care and Adoption Programs Cluster
Medicaid Cluster

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

\$1,810,735

Auditee qualified as low-risk auditee?

yes no

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

YEAR ENDED JUNE 30, 2025

State Awards

Internal control over major state programs:

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

Noncompliance material to state awards? _____ yes no

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with the *Audit Manual for Governmental Auditors in North Carolina*? _____ yes no

Identification of major state programs:

Names of State Program or Cluster

DSS Crosscutting

State Foster Home Fund (SFHF) Maximization

State-Family Foster Max

Directed Grant Regional Economic Development Reserve – Agricultural Park Complex

State Aid to Airports

Other major State programs for Forsyth County are Medical Assistance and Foster Care and Adoption Programs Cluster which include State matching funds on the federal program. Therefore, these programs have been included in the list of major federal programs above.

Section II – Financial Statement Findings

Material Weakness– Finding 2025-001

Criteria: Forsyth County's ("County") books and records should accurately reflect the County's financial statements in accordance with generally accepted accounting principles ("U.S. GAAP") for all transactions.

Condition: The County recognized revenue related to grant funds received in advance prior to recognizing allowable costs, since those grant funds were intended to be held back until after other restricted resources were depleted.

Effect: The County understated its unearned revenue by \$5,960,745 and overstated its net position and fund balance by the same amount in the County Capital Project Fund and Governmental Wide Activities.

Cause: The County recognized revenue for State airport grant funds in prior years to cover allowable expenditures incurred on airport capital projects that management of the airport had decided to utilize bond funds first. As a result, the grant funds should have continued to be presented as unearned revenue and not have been recognized as revenue in prior years. This error was discovered by the County and reported to the auditor in the current year.

Recommendation: We recommend the County ensure a process is in place to confirm funding sources utilized for grant funds expended each year to ensure the accurate recognition of revenue in the Annual Comprehensive Financial Report.

View of Responsible Officials: The County agrees with this finding; see the Corrective Action Plan for more information.

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

YEAR ENDED JUNE 30, 2025

Section III – Federal Award Findings and Questioned Costs

None reported.

Section IV – State Award Findings and Questioned Costs

None reported.

FORSYTH COUNTY, NORTH CAROLINA
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2025

Section V – Schedule of Prior Year Audit Findings

2024-001 – Corrected.

Terri L. Goodman, CPA
CHIEF FINANCIAL OFFICER

Lee H. Plunkett
DEPUTY CHIEF FINANCIAL OFFICER



Miranda C. Stafford
ASSISTANT CHIEF FINANCIAL OFFICER /
CONTROLLER

FINANCE DEPARTMENT

Finding 2025-001, Material Weakness

Corrective Action Plan

Goal: To correct funding sources related to project expenditures to ensure accurate financial reporting.

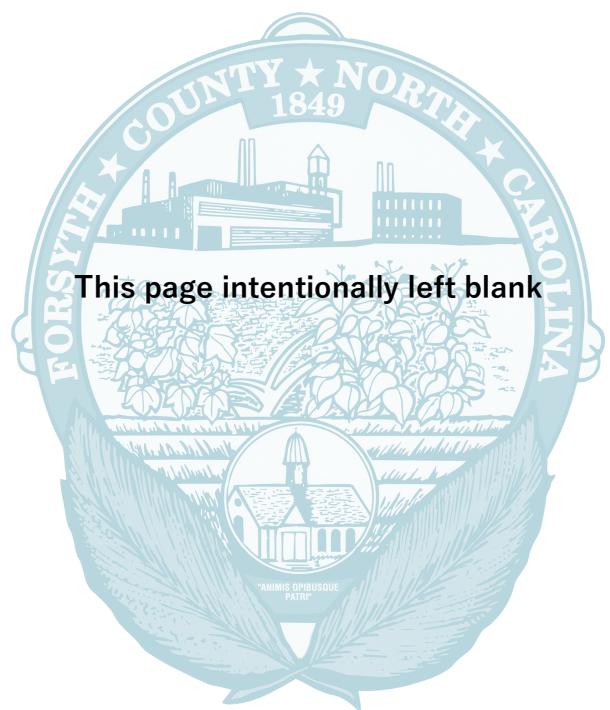
Plan: The County will update the Project Portfolio Management (PPM) module that is specifically used to track expenditures by funding source for multi-year projects by correcting all generic funding sources with the proper, specific funding source for each of the Airport's projects.

Performance Improvement Strategies:

1. Update PPM with the correct funding source through detailed reconciliation of current projects.
2. Reconcile PPM with reports generated by the Airport, or its consultant, that are submitted to the grantor on a monthly or quarterly basis, whichever is applicable.

Responsible Parties: Deputy CFO - Lee Plunkett, Treasury Manager - Adam Fernbach, Grants Administrator - Bailey Arnold. The Finance group will reach out to the Airport, its consultant Avcon, and the Budget Department for additional support when needed.

Timeframe: The Finance employees have already begun gathering data including reports from Avcon and the Airport. The expectation is to have the reconciliation and PPM update complete by January 31, 2026.



ACKNOWLEDGEMENTS

The preparation of the annual financial report was made possible by the dedicated service of the entire staff of the Forsyth County Finance Department. The year-end closing of the accounting system, report preparation and overall coordination was effectively managed by

Terri L. Goodman, Chief Financial Officer.

Also providing substantial support in report preparation and related accounting activities were:

Lee H. Plunkett, Deputy Chief Financial Officer

Miranda C. Stafford, Assistant Chief Financial Officer/Controller

Michael J. Phelps, Accounting and Financial Reporting Manager

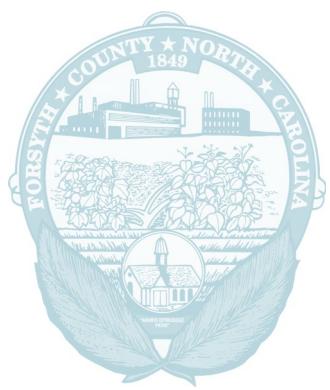
Scott R. Bolick, Senior Accountant/Financial Analyst

Anna L. Morrison, Senior Accountant/Financial Analyst

Front cover design:

Keith T. Spencer, IT Web Developer / Content Specialist

Forsyth County Communications Department



www.forsyth.cc