Chowan County Board of Commissioners
SPECIAL MEETING
Monday, November 18, 2024
Chowan County Public Safety Center
305 West Freemason Street
5:00 pm

AGENDA

The Chowan County Board of Commissioners will hold a special meeting on Monday, November 18, 2024 at 5:00 pm before the regular 6pm meeting. The special meeting at 5:00pm will be held in the Chowan County Public Safety Center (305 West Freemason St. Edenton, NC).

The purpose of this special meeting will be a closed session to meet in accordance with NCGS 143-318-11 (a) (3) attorney client. The regular meeting at 6:00pm will follow.

Chowan County Board of Commissioners
Regular Meeting
Monday, November 18, 2024
Chowan County Public Safety Center
305 West Freemason Street
6:00pm

AGENDA

Regular Meeting

a. Call to Order
b. Pledge
c. Invocation — Commissioner Cummings

1. **Approval of Draft Agenda**

2. **Public Comment**
   In accordance with NCGS 153A-52.1 The Board will allow a maximum of 3 minutes per speaker during the Public Comment Period.

3. **Consent Agenda**
   All items on the Consent Agenda are considered to be routine and may be enacted by one motion. If a County Commissioner requests discussion on an item, the item will be removed from the Consent Agenda and considered separately.

   a. Minutes
   The Board will review and consider approval of the October 30, 2024 Joint Planning Board meeting and the November 4, 2023 Regular and Special Meetings

4. **FY 2023-24 Audit Report**
   County's Auditor with Thompson, Price, Scott, Adams and Co. will formally present the FY 2023-24 Independent Audit with financial statements and answer questions from the Board.

5. **Annual Report**
   Co-Directors Shannon Ray and Brian Chappell will provide the Board with the annual reports from Senior Center and Recreation Departments.

6. **NCACC – Essentials of County Government - Commissioner Elect Shaffer**
   It is recommended that the Board authorize the Clerk to register Commissioner Elect Tony Shaffer for training and accommodations so that he may attend the NCACC 2025 Essentials of County Government (also known as new Commissioner Training) which will be held in New Bern in January 2025.

7. **Financial Items**
   Finance Officer Cathy Smith will present the following:

   a. FY 2025 Budget Amendments
      2025-024
      2025-025

   b. Update on JA Holmes Highschool Project Expenses

8. **External Board/Committee Report**
   Board members are asked to report on the activities of the external boards to which they have been appointed.

9. **Manager's Report**
   County Manager Kevin Howard will update the Board on any pending matters.

10. **Timely and Important Matters**

11. **Adjourn**

<u>Chowan County Board of Commissioners and Chowan County Planning Board</u>
<u>Special Joint Meeting</u>
Wednesday, October 30, 2024
Chowan County Public Safety Center
305 West Freemason Street
6:00pm

This meeting was recorded. A copy of the recording is in the meeting file labeled October 30, 2024.

Commissioners Present: Chair Bob Kirby Commissioners, Ron Cummings, Larry McLaughlin, Alex Kehayes, Ellis Lawrence and Tray Taylor.

Commissioners Absent: Commissioner Chris Evans

Planning Board Members Present: Mike Williams, Haywood Bond (came in later), Brian Ward and Dwayne Goodwin.

Planning Board Members Absent: Matt Floyd and Jerry Parrish

Staff present County Manager Kevin Howard Board Clerk Susanne Stallings and Planner Brandon Shoaf.

Insight Planning and Development staff present was Austin Brinkley.

<u>Chowan County Land Use Regulations Worksession</u>
Chairman Bob Kirby welcomed all in attendance and called the special meeting of the Board of Commissioners to order.

Due to a lack of quorum at the time the special was called to order, the Planning Board meeting was not convened. It was decided that the Board members present would listen to the presentation from Insight Planning and Development.

Austin Brinkley, Senior Planner for Insight and Development provided an overview of the project for the update of the Chowan County Land Use Regulations. He reviewed the changes recommended for Articles 11-22 of the Ordinance. A redlined copy of the existing ordinance with recommended changes highlighted were provided to both the Planning Board and Board of Commissioners. A copy of the draft document is in the meeting file labeled October 30, 2024.

Haywood Bond joined the meeting, it was noted that quorum of Planning Board members was also present for the Special meeting.

Mr. Brinkley asked the Board for a recommendation in Article 14 on whether or not to allow multi family units in the R-15 District. Both Boards indicated their concern over permitting this in the ordinance.

No further recommendations to the draft ordinance were made.

Mr. Brinkley noted that the next step in the process to insert the Board recommendations to the draft ordinance. Then the document will go to the Planning Board for review and a recommendation that will come to the Board of Commissioners for review and final adoption. He stated that the next meeting would be in early January.

Being no further questions or comments from those in attendance, Planning Board Chairman Mike Williams declared the Planning Board meeting adjourned. Chairman Bob Kirby declared the special Board of Commissioners meeting adjourned.

Bob Kirby, Chairman

Susanne Stallings
Clerk

Special Meeting
Monday, November 4, 2024
5:00 pm
Chowan County Public Safety Center
305 West Freemason Street

Closed Session

Present: Chairman Bob Kirby, Commissioners, Ellis Lawrence, Larry McLaughlin, Chris Evans and Alex Kehayes.

Commissioners Tray Taylor and Ron Cummings were absent.

Staff present County Manager Kevin Howard, Finance Officer Cathy Smith, County Attorney Lauren Arizaga-Womble and Board Clerk Susanne Stallings.

[redacted]

[redacted]

[redacted]

[redacted]

<u>Adjourn</u>

Commissioner Evans moved to adjourn the special meeting. Chair Kirby asked for all in favor, the motion passed unanimously (5-0).

______________________________ ______________________________
Bob Kirby, Chairman Susanne Stallings, Clerk

Special Meeting
Monday November 4, 2024
5:00pm
Chowan County Public Safety Center
305 West Freemason St.
Edenton, NC

Present: Chairman Bob Kirby, Commissioners, Ellis Lawrence, Larry McLaughlin, Chris Evans and Alex Kehayes.

Commissioners Ron Cummings and Tray Taylor were absent.

Staff present County Manager Kevin Howard, Finance Officer Cathy Smith, County Attorney Lauren Arizaga-Womble and Board Clerk Susanne Stallings .

Closed Session

Commissioner Evans moved to go into closed session in accordance with NCGS 143-318-11 (a) (3) attorney client. Chair Kirby asked for all in favor, the motion passed unanimously (5-0).

The minutes of the closed session are sealed.

Commissioner Evans moved to come out of closed session. Chair Kirby asked for all in favor, the motion passed unanimously (5-0).

Adjourn

Commissioner Evans moved to adjourn. Chair Kirby asked for all in favor, the motion passed unanimously (5-0).

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Bob Kirby, Chairman

Susanne Stallings
Clerk

Chowan County Board of Commissioners
Regular Meeting
Monday, November 4, 2024
Chowan County Public Safety Center
305 West Freemason Street
6:00pm

This meeting was recorded. A copy of the recording is in the meeting file labeled November 4, 2024.

Present: Chairman Bob Kirby, Commissioners, Ellis Lawrence, Chris Evans, Tray Taylor, Larry McLaughlin, and Alex Kehayes.

Absent: Commissioner Ron Cummings

Staff present County Manager Kevin Howard and Board Clerk Susanne Stallings and Finance Officer Cathy Smith.

Regular Meeting

Chair Kirby called the regular meeting to order and led in the pledge.

Commissioner Evans then offered the invocation.

Approval of Agenda

Commissioner McLaughlin moved to approve the agenda as presented.

Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Public Comment

Chair Kirby opened the floor for public comment.

Jared Jacavone spoke on behalf of Shepard Pruden Memorial Library. He thanked the Board for the recent improvements made at the Library. He thanked the Board for their support for the America's 250th celebration. He shared that the Library has received grant funds to make emergency preparedness kits for County residents. He stated a resident must live in Chowan County to receive a kit and to contact the Library for more information.

Consent Agenda

Minutes

The Board will review and consider approval of the October 21, 2024 Regular Meeting and the October 28, 2024 Opioid Settlement Committee Meeting minutes.

Tax Refund Release Report

Dodson, B.	$836.62	Overpayment

Commissioner Taylor moved to approve the consent agenda as presented. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Opioid Settlement Committee Items

Mr. Howard noted that the Opioid Settlement Funds Committee met on Monday, October 28, 2024. The following recommendations are for the Board's consideration:

- Recommendation for Commissioner Tray Taylor to attend the NC Summit on Reducing Overdose in Raleigh on March 18-20. Funds from the Commissioner travel budget or the settlement funds may be used to pay for attendance at this conference.

Commissioner Evans moved to approve the request as presented. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

- Recommendation to make two additional appointments to the Committee. It is recommended that Edenton-Chowan School system appoint one representative to serve on the committee and that Chowan County Department of Social Services Director be appointed to serve on the committee. Julie Tunney with the North East North Carolina Partnership for Public Health has indicated interest in attending the Committee meetings. Ms. Tunney will attend committee meetings to serve as an advisory member to the Committee.

Commissioner Lawrence moved to approve the appointments as presented. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Board members discussed some of the options for use of the settlement funds that were discussed in the Committee meeting minutes.

Commissioner Lawrence stated he did not feel there was enough funding to solve the opioid crisis.

Commissioner McLaughlin discussed his concerns over funding for financial assistance could be seen as enabling.

Mr. Howard stated that the Committee hopes to partner with neighboring agencies to make the most impactful use of the funds. He noted that studies provided to staff and the Committee indicate that individuals who seek assistance have a higher recovery success rate.

Annual Report

EMS Director Colin Ryan provided the Board with the annual report from EMS. A copy of the Power Point presentation is in the meeting file labeled November 4, 2024.

Local Reentry Council Appointment

Mr. Howard asked if the Board wishes to appoint a County Commissioner to serve as a representative on the Hertford, Bertie, Gates, Chowan Local Reentry Council. Mr. Howard currently serves on the Committee and most participating Counties also have a Commissioner appointee serving.

No action was taken on this matter. Board members were asked to inform Mr. Howard if there is any interest in serving on this committee.

Financial Items

Finance Officer Cathy Smith presented the following:

FY25 Budget Amendments

BA2025-021

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Animal Shelter			
11-4381-550-00	Capital outlay - Vehicles		9,500.00
11-4380-600-00	*Donations		(9,500.00)
	Balanced	-	-
Justification:			
	To amend the 2025 budget for Animal Shelter to include purchase of 2006 van. The van will be purchased using Animal Shelter Donations and this was approved by the BOC on the consent agenda on 10/21/24.		

BA2025-022

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Intensive Supervision			
11-3523-003-00	Intensive Supervision - Rev	1,001.00	
11-5230-442-00	Intensive Supervision - Exp		1,001.00
11-3523-004-00	JCPC Council -Rev	1,200.00	
11-5230-443-00	JCPC Council -Exp		1,200.00
After School			
11-6131-126-00	Salaries - PT		(2,015.00)
11-6131-181-00	Fica		(92.00)
11-6131-261-00	Office Supplies		500.00
11-6131-390-00	Restitution & Other Services		496.00
Recreation			
11-6130-121-00	Recreation - Salaries		1,111.00
	Balanced	2,201.00	2,201.00
Justification:			
	To amend the budget for JCPC Programs in order to reconcile county budget with JCPC budget.		

BA2025-023

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Planning			
11-4910-192-00	Professional Services		25,000.00
11-3990-990-00	Fund Balance Appropriated	25,000.00	
	Balanced	25,000.00	25,000.00
Justification:			
	To amend the budget for Planning to include Ordinance update from Insight Planning. This project was budgeted in 2024 but not completed.		

Commissioner McLaughlin moved to approve the budget amendments as presented. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Financial Report for September 2024
Ms. Smith presented the Board with the September financials. A copy of the report is in the meeting file labeled November 4, 2024.

Audit
Ms. Smith noted that the audit has been submitted and the auditor will present the final audit to the Board by December.

External Board/Committee Report
Commissioner Taylor thanked the Board for putting him on the Opioid Settlement Funds Committee and stated he hoped to learn more from the conference in March.

Manager's Report
County Manager Kevin Howard provided the following updates:

- Maintenance is working on a quote to paint the exterior of the Library
- The Courthouse renovation project is on schedule, with court resuming in the location in January 2025.
- The high school construction project is on schedule, a change order should be coming to the Commissioners soon.

Timely and Important Matters
Upcoming Meetings
Ms. Stallings noted the following meeting dates:

Commissioners Special Meeting – Water System Rate Study Review - November 12, 2024 – 4pm

Missing Road Signs
Commissioner Evans noted that there are several missing road signs in the County.

Mr. Howard stated the Water Director has recently shared that he has ordered several replacement signs.

Recreation
Commissioner Evans asked what the current advertised vacancy in Recreation is for.

Mr. Howard stated the current employee has retired and they are looking to merge some responsibilities and fill that vacant position.

Timbermill
Mr. Howard noted that he has provided the Board with a letter from Timbermill that requests that 2025 be the first grant year for the EDIG agreement.

Adjourn
Being no further business, Commissioner McLaughlin moved that the meeting be adjourned. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

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Bob Kirby, Chairman

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Susanne Stallings, Clerk

CHOWAN COUNTY
AUDIT PRESENTATION
FOR THE YEAR ENDED JUNE 30, 2024

Thompson, Price, Scott, Adams & Co., P.A.
4024 Oleander Drive Suite 103
Wilmington, North Carolina 28403
Telephone (910) 791-4872
Fax (910) 239-8294

CHOWAN COUNTY
REQUIRED COMMUNICATIONS

Area	Comments
Responsibilities Under Generally Accepted Auditing Standards, <u>Government Auditing Standards</u>, OMB Uniform Guidance, and the State Single Audit Implementation Act.	
Design the audit to provide reasonable assurance that the financial statements are free of material error and in compliance with government regulations.	• Accomplished. No material error noted.
Perform all planned procedures and have complete access to both management and required information.	• Completed. Our work was not limited in any way.
Communicate significant deficiencies in the internal control.	• To be discussed at end of presentation.

CHOWAN COUNTY
REQUIRED COMMUNICATIONS *(CONTINUED)*

Area	Comments
Adoption or Change in Accounting Policies Communicate the initial adoption of or a change in an accounting principle which had or is expected to have a significant effect on the financial statements.	• None.
Management Judgment and Accounting Estimates Assess methodologies used and basis of evidence for matters requiring judgments and estimates.	• Methods used and evidence considered appear to have led to reasonable amounts being included in the financial statements.
Financial statement disclosures	• The financial statement disclosures are neutral, consistent, and clear.
Significant Audit Adjustments or Unrecorded Differences Communicate significant recorded and unrecorded differences.	• None.

CHOWAN COUNTY
REQUIRED COMMUNICATIONS *(CONTINUED)*

Area	Comments
Disagreements with Management Communicate any disagreements on financial or reporting matters that, if not satisfactorily resolved, would cause a modification of our report.	• None.
Management Representations	• Management provided a management representation letter.
Consultation with Other Accountants Communicate consultation that took place with other accountants.	• None to our knowledge.
Prior to Retention Issues Communicate any major issues that management discussed with the auditor in connection with the retention of the auditor, including the application of accounting principles and auditing standards.	• None.

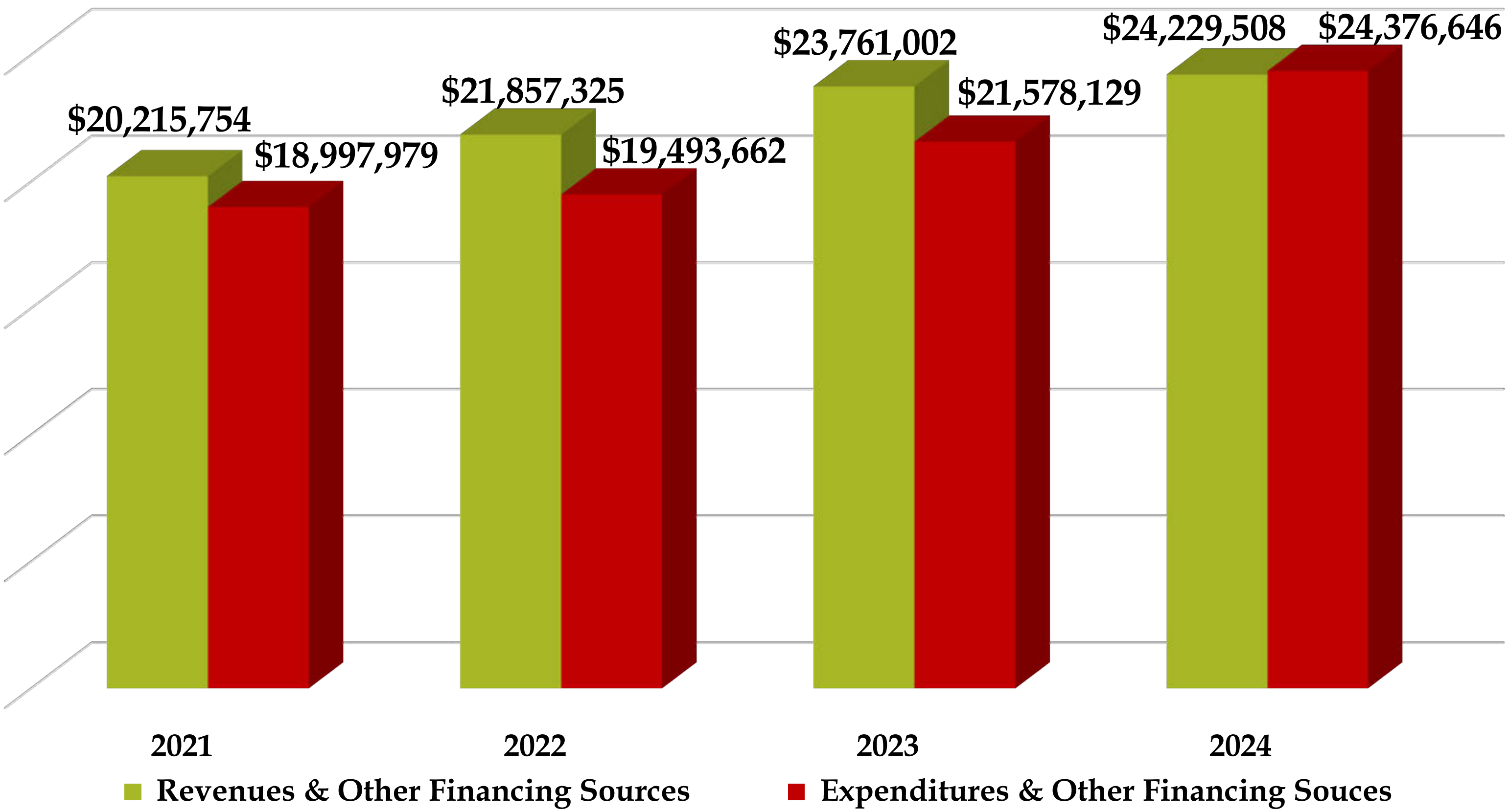
CHOWAN COUNTY
REQUIRED COMMUNICATIONS *(CONTINUED)*

Area	Comments
Difficulties Encountered Performing the Audit	
Any serious difficulties the auditor encountered in dealing with management such as unreasonable delays in providing needed information, unreasonable timetable set by management, or unavailability of client personnel.	• None noted.
Irregularities and Illegal Acts	
Communicate the existence of any material irregularities and/or illegal acts determined during the audit.	• None noted.

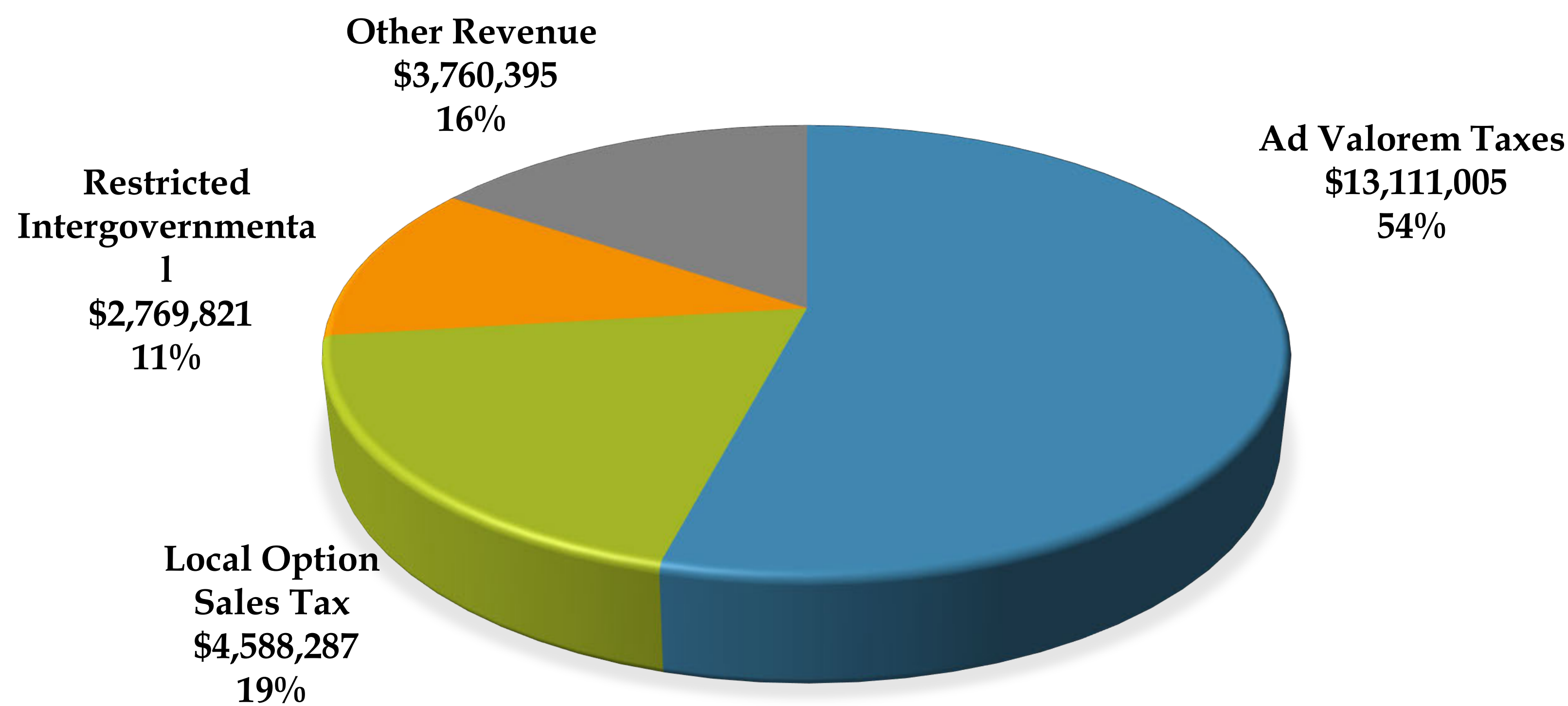
CHOWAN COUNTY GENERAL FUND

Dear Board Members:		
Below is a summarization of some of the key items in the audit report.		**2024**
Total Revenues and Other Financing Sources	$	24,229,508
Total Expenditures and Other Financing Uses	$	24,376,646
Net Change	**$**	(147,138)
Minimum Undesignated Fund Balance as Recommended by the Local Government Commission (20% of Expenditures)	$	4,875,329
Unassigned Fund Balance	$	10,132,265
Fund Balance Available as a Percentage of General Fund Expenditures		60.86%
Tax Collection Rate		98.48%

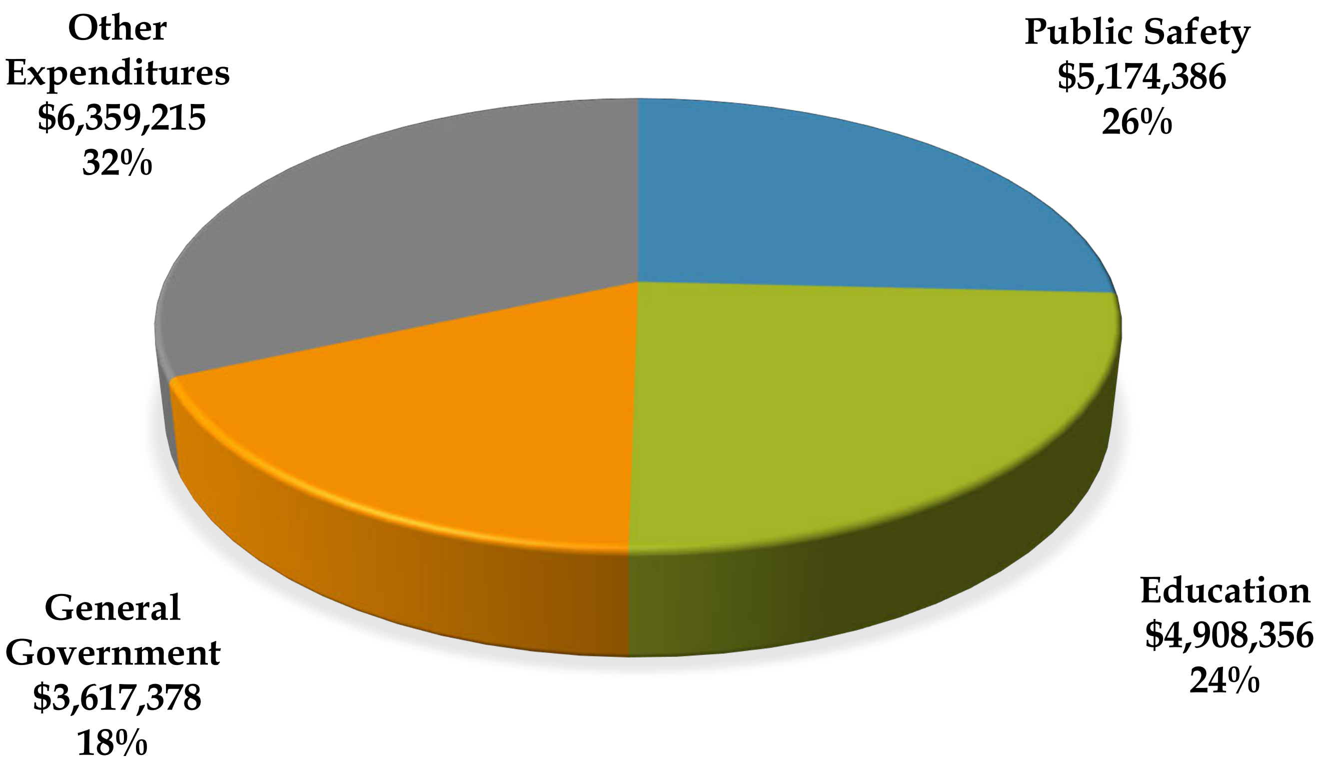
GENERAL FUND
OPERATING SUMMARY



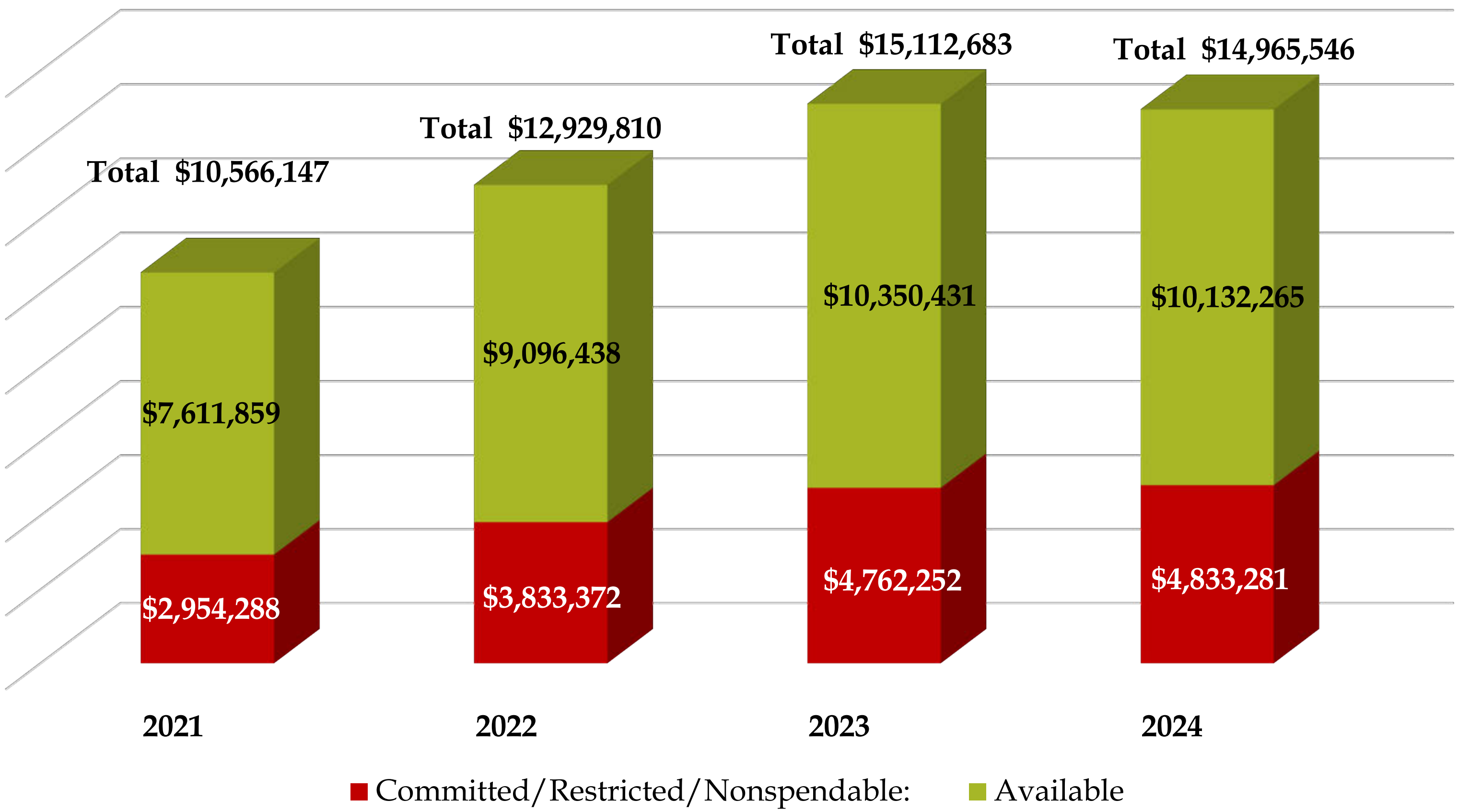
TOP 3 REVENUES:
GENERAL FUND - OPERATING



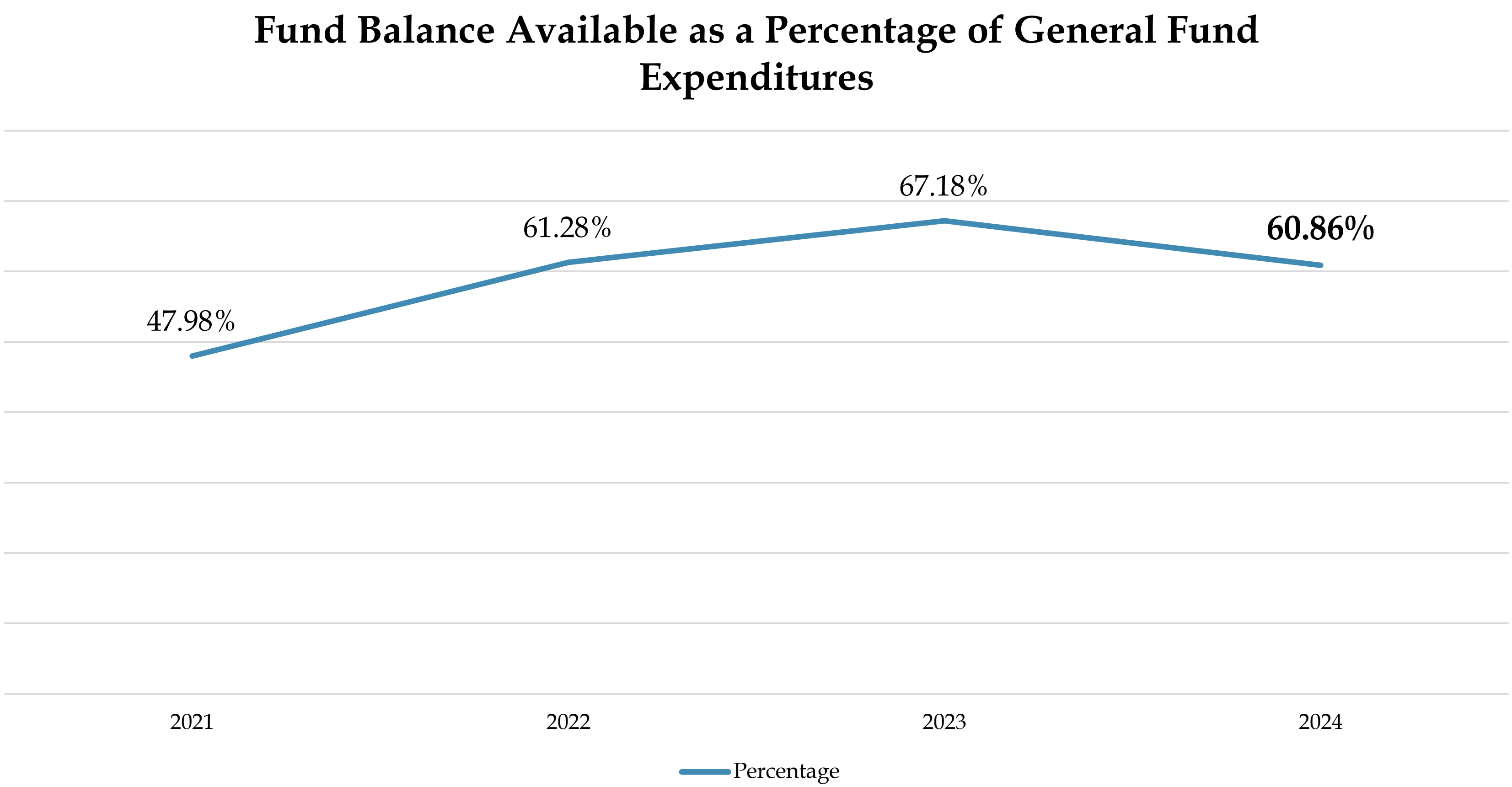
TOP 3 EXPENDITURES: GENERAL FUND - OPERATING



GENERAL FUND
ANALYSIS OF FUND BALANCE



CHOWAN COUNTY



CHOWAN COUNTY
DEBT SERVICE FUND

Dear Board Members:		
Below is a summarization of some of the key items in the audit report.		2024
Total Revenues and Other Financing Sources (Uses)	$	2,170,741
Total Expenditures and Other Financing Sources (Uses)	$	1,588,477
Net Change	**$**	**582,264**
Net Position, Beginning	$	1,134,867
Net Position, Ending	$	1,717,131

CHOWAN COUNTY
AMERICAN RESCUE PLAN ACT FUND

Dear Board Members:		
Below is a summarization of some of the key items in the audit report.		**2024**
Total Revenues and Other Financing Sources (Uses)	$	1,167,222
Total Expenditures and Other Financing Sources (Uses)	$	1,104,714
Net Change	**$**	**62,508**
Net Position, Beginning	$	22,122
Net Position, Ending	$	84,630

CHOWAN COUNTY
JAHHS RENOVATION PROJECT

Dear Board Members:		
Below is a summarization of some of the key items in the audit report.		**<u>2024</u>**
Total Revenues and Other Financing Sources (Uses)	$	42,927,992
Total Expenditures and Other Financing Sources (Uses)	$	7,216,534
Net Change	**$**	**35,711,458**
Net Position, Beginning	$	-
Net Position, Ending	$	35,711,458

CHOWAN COUNTY
NON-MAJOR GOVERNMENTAL FUNDS

Dear Board Members:		
Below is a summarization of some of the key items in the audit report.		**2024**
Total Revenues and Other Financing Sources (Uses)	$	3,648,453
Total Expenditures and Other Financing Sources (Uses)	$	3,853,584
Net Change	**$**	**(205,131)**
Net Position, Beginning	$	1,295,202
Net Position, restatement	$	94,936
Net Position, beginning, as restated	$	1,390,138
Net Position, Ending	$	1,185,007

CHOWAN COUNTY WATER FUND

Dear Board Members:		
Below is a summarization of some of the key items in the audit report.		**2024**
Operating and Nonoperating Revenues	$	2,303,864
Operating and Nonoperating Expenses	$	1,931,430
Capital contributions	$	47,803
Transfers in (out)	$	710,295
Net Change	**$**	1,130,532
Net Position, Beginning	$	6,031,775
Net Position, Ending	$	**7,162,307**

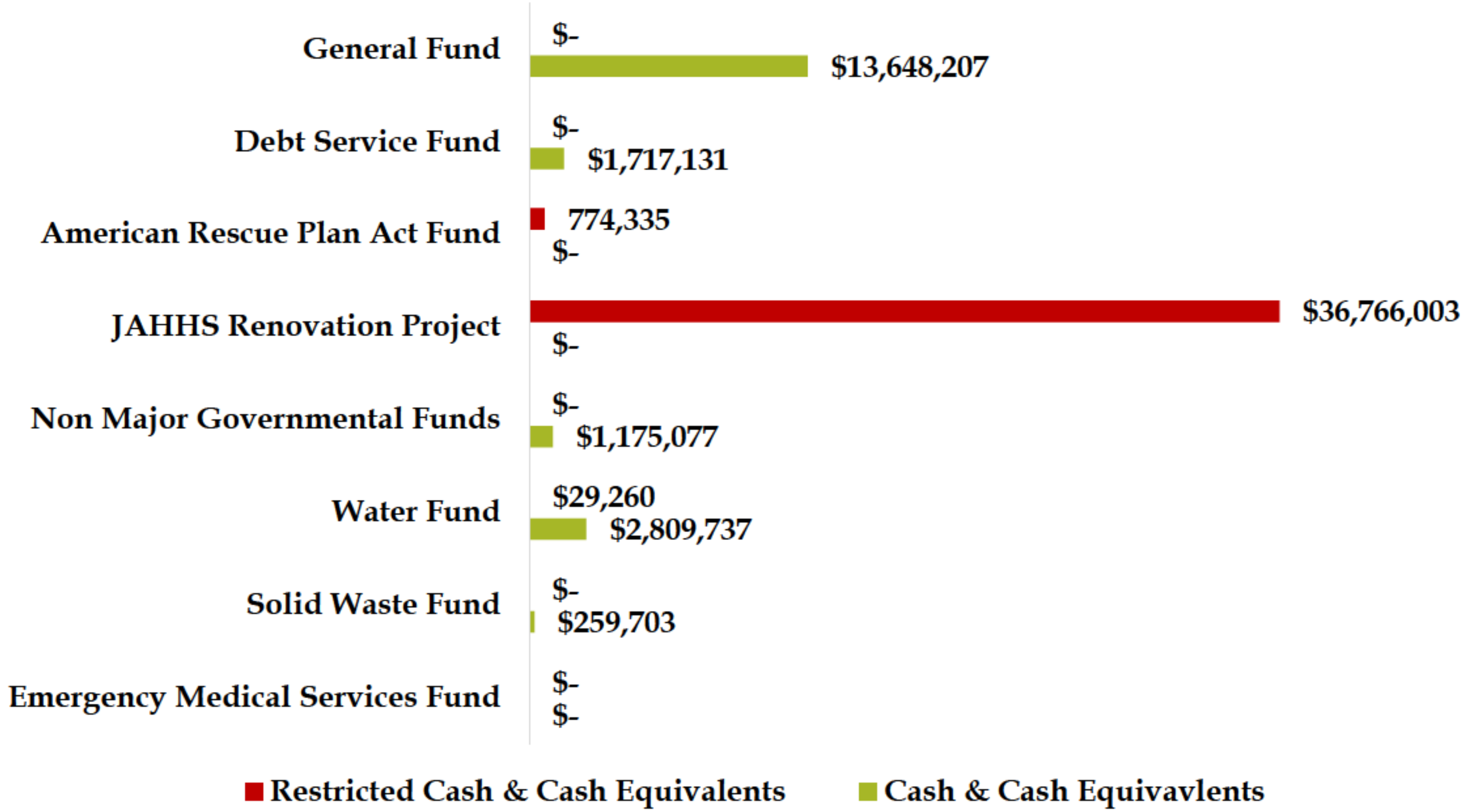
CHOWAN COUNTY
SOLID WASTE FUND

Dear Board Members:		
Below is a summarization of some of the key items in the audit report.		**2024**
Operating and Nonoperating Revenues	$	1,486,169
Operating and Nonoperating Expenses	$	1,395,246
Transfers in (out)	$	(25,000)
Net Change	**$**	**65,923**
Net Position, Beginning	$	137,357
Net Position, Ending	$	203,280

CHOWAN COUNTY
EMERGENCY MEDICAL SERVICES FUND

Dear Board Members:		
Below is a summarization of some of the key items in the audit report.		**2024**
Operating and Nonoperating Revenues	$	932,625
Operating and Nonoperating Expenses	$	2,086,598
Transfers in	$	1,146,467
Net Change	**$**	**(7,506)**
Net Position, Beginning	$	(1,007,181)
Net Position, Ending	$	(1,014,687)

Chowan County
Analysis of Cash



Chowan County

Federal Award Finding

US Department of Health and Human Services
Passed through the NC Dept. of Health and Human Services
Program Name: Medical Assistance Program (Medicaid; Title XIX)
Assistance Listing Number: 93.778
Finding: 2024 – 001
Significant Deficiency/Noncompliance
Eligibility

Criteria: Medicaid for Aged, Blind and Disabled case records should contain documentation that verifications were done in preparation of the application and these items will agree to reports in the NC FAST system. In this process, documentation should be present and agree back to the records in the NC FAST system. Any items discovered in the process should be considered resources and explained within the documentation.

Condition: There were seven (7) technical errors discovered during our procedures that resources in the county documentation and those same resources contained in NC FAST were not the same amounts or files containing resources were not properly documented to be considered countable or non-countable. The errors were as follows: Three (3) cases lacked substantiating documentation and/or inaccurate resource calculations, three (3) cases were improperly forced, and one (1) case lacked proper verification of facts..

Questioned Costs: There was no affect to eligibility and there were no questioned costs.

Chowan County

Federal Award Finding

Context: We examined 60 Medicaid transactions out of 170,787 to re-determine eligibility Medicaid claims from the Medicaid beneficiary report provided by the NC Department of Health and Human Services. These findings were disclosed in a separately issued spreadsheet to the North Carolina Department of Health and Human Services and are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST which affect countable resource and a participant could have been approved for benefits that they were not eligible.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2023-001.

Cause: Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.

Recommendation: Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST.

Views of responsible officials and planned corrective actions: The County agrees with the finding. Supervisors will perform second party reviews to ensure proper documentation is contained in files to support eligibility determinations. Workers will be retrained on what information should be maintained in case files, the importance of complete and accurate record keeping, and reserve calculations.

Chowan County

Federal Award Finding

US Department of Health and Human Services
Passed through the NC Dept. of Health and Human Services
Program Name: Medical Assistance Program (Medicaid; Title XIX)
Assistance Listing Number: 93.778
Finding: 2024 – 002
Significant Deficiency/Noncompliance
Eligibility

Criteria: In accordance with 42 CFR 435, documentation must be obtained as needed to determine if a recipient meets specific standards, and documentation must be maintained to support eligibility determinations. In accordance with 2 CFR 200, management should have an adequate system of internal controls procedures in place to ensure an applicant is properly determined or redetermined for benefits.

Condition: There was one error discovered during our procedures that lacked appropriate ex parte review. One applicant/beneficiary received assistance for which the recipient was not eligible.

Questioned Costs: The amount of claim paid on behalf of the above ineligibility error resulted in a questioned costs of $282.

Context: We examined 60 out of 170,787 Medicaid applicants to re-determine eligibility. These findings were disclosed in a separately issued spreadsheet to the North Carolina Department of Health and Human Services and are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Chowan County

Federal Award Finding

Context: We examined 60 out of 170,787 Medicaid applicants to re-determine eligibility. These findings were disclosed in a separately issued spreadsheet to the North Carolina Department of Health and Human Services and are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST which affect countable resource and a participant could have been approved for benefits that they were not eligible.

Identification of a repeat finding: This is not a repeat finding.

Cause: Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.

Recommendation: Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST.

Views of responsible officials and planned corrective actions: The County agrees with the finding. Supervisors will perform second party reviews to ensure proper documentation is contained in files to support eligibility determinations. Workers will be retrained on what information should be maintained in case files, the importance of complete and accurate record keeping, and reserve calculations. The County finance office will also participating in the review process.

ADDITIONAL REQUIRED COMMUNICATIONS

- Changes to the Audit Process
- The Local Government Commission (LGC) will no longer initiate communications about concerns or findings (formerly considered unit letters). They have created a spreadsheet that has to be completed and submitted with the audit report. If that worksheet identifies what they consider a "Financial Performance Indicators of Concern" (FPICs), we are required to communicate those items to the Board.
- You are required to submit a response within 60 days of the Board meeting in which the financial statements are presented. The detailed audit response should be presented to the entire Board, and signed by the entire Board, Finance Officer, and Manager.
- The following FPIC's were identified on the LGC's transmittal document that we are required to notify you about:

ADDITIONAL REQUIRED COMMUNICATIONS

PERFORMANCE INDICATORS

The self-reported information from your unit's audit report was used to generate the following trends and performance indicators. We have created this Performance Indicator tab to make these indicators available to auditors and local governments when your audit is conducted. If any unit's results are shaded red, the unit must submit a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters" within 60 days from the auditor's board presentation. The response must address all performance indicators shaded in red.

Unit Name:	Chowan County	Fiscal Year 2024	Explanation of Performance Indicator
Unit Number:	5120		

In the past, units of government have been grouped by population to evaluate ratios and benchmarking (including Fund Balance Available). Beginning with fiscal year 2020, we have grouped units by General Fund expenditures for purposes of evaluating the minimum amount of fund balance a unit needs to operate. A unit's General Fund expenditures proved to be a better correlation to the amount of funds balance needed to operate, especially for units with large higher education or tourism populations. Activity from Debt Service Funds (if applicable) is included in the calculation because these funds typically originate from the General Fund and are transferred to a Debt Service Fund.
The table below lists the thresholds that are used in the analysis of your unit's fiscal health. These thresholds were determined based on an analysis of previous years general fund activity. These thresholds will be monitored and updated as applicable.

WATER SEWER FUND: As of the publication date of this workbook, prior year self-reported numbers may not been received by the LGC staff, please contact LGC staff at lgcaudit@nctreasurer.com to have the prior year's financial data populated on this worksheet. Please include in email subject "Prior Year Financial Data."WATER SEWER FUND:				Minimum Threshold	Unit Results	Note: If more than one performance indicator is identified, one proposed solution may solve all water and sewer performance indicators.
Water and Sewer Capital Assets Condition Ratio	0.22	0.19	0.17	Remaining useful life of asset greater than or equal to 0.50	0.17	This capital assets condition ratio formula calculates the remaining useful life. A remaining useful asset value less than 0.50 may signal the need to replace the assets in the near future.

Thank You for the Opportunity to Work With You!

Chowan County
MANAGEMENT BUDGET AMENDMENT

To: FYI - Board of Commissioners **MBA #: 2025-024**

From: Cathy Smith, *Finance Officer*

Date: November 13, 2024

RE: Discretionary Income

Please authorize the finance officer to amend the 2025 budget as follows:

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Register of Deeds			
11-3418-415-00	*Preservation/Automation	786.68	
11-4180-298-00	*Dept Supplies - Auto/Pres		262.23
11-4180-440-00	*Contr Svcs - Automation/Pres		262.23
11-4180-511-00	*C/O - Auto / Pres		262.22
Sheriff's Office			
11-3431-243-00	*KIDS & COPS	50.00	
11-4317-443-00	*KIDS & COPS Expense		50.00
Animal Shelter			
11-3438-894-00	*Donations - Chowan	1,046.30	
11-3438-894-02	*Donations - Perquimans	256.55	
11-3438-894-03	*Donations - Other	1,287.49	
11-4381-600-00	*Donation - Expense		2,590.34
11-3438-895-00	*Adoption - Chowan	775.00	
11-3438-895-01	*Adoption - Gates	125.00	
11-3438-895-02	*Adoption - Perquimans	470.45	
11-3438-895-03	*Adoption - Other	972.45	
11-4381-441-00	*Contr Svcs - Spay/Neuter		2,342.90
Cooperative Ext:			
11-3495-363-00	*SHIIP Grant (Senior Health Insurance Information Program)	50.00	
11-4950-600-00	*SHIIP Grant (Senior Health Insurance Information Program)		50.00
11-3495-370-00	*AG Program Fees Discretionary	2,216.16	
11-4953-440-00	*Ag Program Fees Discretionary		2,216.16
11-3495-378-00	*4-H Fees Discretionary	5,562.00	
11-4953-448-00	*4-H Fees Discretionary		5,562.00
11-3495-380-00	*ECA Discretionary (Extension Community Association)	20.00	

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
11-4953-450-00	*ECA Discretionary (Extension Community Association)		20.00
Recreation			
11-3612-487-00	*Recreation Donations	3,150.00	
11-6130-299-01	*Donations - Dept Supplies		3,150.00
11-3612-504-00	*Recreation Special Events	900.00	
11-6132-453-00	*Recreation Special Events		900.00
Senior Center			
11-3616-533-00	*Reg Fees - Trips	2,057.00	
11-4268-312-00	*TRIPS - Senior Citizens		2,057.00
11-3616-533-01	*Registration Fees Activities	335.00	
11-4268-299-01	*Activities - Dept. Supplies		335.00
11-3616-535-04	*Silver Sneakers	867.00	
11-3616-535-05	*Silver & Fit	168.00	
11-3616-535-06	*Renew Active	609.00	
11-4268-352-02	*Healthways		1,644.00
11-3616-535-01	*Donations - Fitness	189.00	
11-4268-352-01	*Donations - Fitness		189.00
DSS			
12-3531-230-14	*DSS Special Events	687.00	
12-5310-450-00	*DSS Special Events		687.00
	Balanced	22,580.08	22,580.08

Total Discretionary Income Received FYE 2025 **120,372.68**

Justification:

To amend the 2025 budget to include Discretionary income for October 2024.

Approval Date: ______________

Bd. Clerk's Init: ______________

Initials: ______________

Batch #: ______________

Date: ______________

Chowan County

BUDGET AMENDMENT

To: Board of County Commissioners **BA #: 2025-025**

From: Cathy Smith, *Finance Officer*

Date: November 13, 2024

RE: Recreation

Please authorize the finance officer to amend the 2025 budget for **Recreation** as follows:

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Fund Balance			
11-3390-990-00	Fund Balance Appropriated	32,838.00	
Recreation			
11-3612-496-01	PARTF Grant - Bennett's Millpond - Rev	131,351.00	
11-6132-441-01	PARTF Grant - Bennett's Millpond - Exp		164,189.00
	Balanced	164,189.00	164,189.00

Justification:

To amend the budget for Recreation to include the PARTF - Accessible Parks Project grant for Bennett's Millpond. Grant application (and local match) was approved by BOCC on 03/04/24.

Approval Date: ________________

Bd. Clerk's Init: ________________

Initials: ________________

Batch #: ________________

Date: ________________

John A Holmes High School Construction Project
Summary of Expenditures

Date	Description	Total Through 10/31/24
	Project Expenditures Reported 07/31/24	**10,990,612**
9/19/2024	LS3P	18,400
10/17/2024	LS3P	16,100
	Total LS3P	34,500
8/15/2024	S&ME (Testing & Inspections)	9,221
9/19/2024	S&ME (Testing & Inspections)	10,292
10/17/2024	S&ME (Testing & Inspections)	20,794
	Total S&ME	40,307
8/15/2024	MB Kahn	2,067,339
9/19/2024	MB Kahn	2,334,193
10/17/2024	MB Kahn	2,751,140
	Total MB Kahn	7,152,672
9/6/2024	PNC Bank (Debt Service - Net Interest)	38,146
	Total Current Expenditures	**7,265,625**
	Total Project Expenditures 10/31/24	**18,256,237**

Date	Revenue	
6/30/2022	Received in Grant Reimbursement	2,430,032
3/2/2023	Received in Grant Reimbursement	1,052,345
10/3/2023	Received in Grant Reimbursement	198,914
4/4/2024	Received in Grant Reimbursement	639,106
5/2/2024	Received in Grant Reimbursement	5,240,843
6/4/2024	Received in Grant Reimbursement	2,020,585
9/4/2024	Received in Grant Reimbursement	4,831,420
	Total Grant Reimbursement	**16,413,245**
	Submitted Reimbursement Request 11/12/24	**1,842,992**