

**HERTFORD COUNTY BOARD OF COMMISSIONERS  
REGULAR MEETING  
COMMISSIONER'S CHAMBERS/MULTI-PURPOSE ROOM – JUDICIAL CENTER**

**Minutes December 4, 2023 – 9:00 AM**

**Present:** Com. Andre` M. Lassiter, Sr., Chairman, Com. William F. Mitchell, Jr., Vice-Chair, Com. Leroy Douglas, Com. Ronald J. Gatling and Com. John D. Horton

**Also Present with the Board:** Mr. Kevin Patterson, Interim County Manager, Dr. Renee Tyler, Clerk to the Board, Attorney Charles L Revelle, III, County Attorney  
Attorney Maria Jones, Revelle & Lee

The following employees attended the meeting: Director Kimberly Turner, Director Leslie Edwards, Director Brenda Brown, Director Felicia Gaskins, Demarcus Thompson, Director Dilan Lilley, Ms. Vickie Wiggins, Qu`Asia Wilson and KaWania Parker, Public Information Officer.

Attorney Charles Revelle, III called the meeting to order at 9:00 AM. and Pastor Paul Moore, Senior Pastor – The Rock Church, Ahoskie & St. Mark Missionary Baptist Church, Colerain provided the invocation.

**DESIGNATION OF CHAIRMAN AND VICE-CHAIRMAN OF THE HERTFORD COUNTY BOARD OF COMMISSIONERS**

Attorney Revelle opened the floor for nominations for Chairman of the Board of Commissioners. Com. Leroy Douglas nominated Com. Andre` M. Lassiter, Sr. which was seconded by Com. Ronald J. Gatling.

Attorney Jones called for the vote for Com. Lassiter as Chairman which was as follows:

Com. Douglas	Yay
Com. Gatling	Yay
Com. Horton	Yay
Chairman Lassiter	Yay
Com. Mitchell	Yay

Attorney Revelle announced that by vote, Com. Lassiter was declared Chairman.

Chairman Lassiter opened the floor for Vice-Chair. Com. Gatling nominated Com. John D. Horton seconded by Com. Leroy Douglas.

Chairman Lassiter called for a vote as follows:

Com. Douglas	Yay
Com. Gatling	Yay
Com. Horton	Yay
Chairman Lassiter	Yay
Com. Mitchell	Yay

Com. Horton was declared Vice-Chairman.

#### **Consent Agenda**

On a motion by Com. Douglas, seconded by Vice-Chair Horton, the Board approved the following:

- Approval of November 20, 2023 Minutes
- Approval of Taxpayer Refund to NC Local Government Credit Union/SECU & SECU

\$1,562.70- NC Local Government Cr Union/SECU: Vendor#14447 Refund for overpayment on mortgage payment taxpayer paid taxes.

\$8,460.64-SECU Vendor#14447 Refund for overpayment on mortgage payments, taxpayers paid taxes.

Chairman Lassiter called for the Pledge of Allegiance lead by Hertford County High School students followed by HCPS Teacher, Mr. Orrin Gatling leading the students with the African American Studies Class presentation to the Board.

Chairman Lassiter and the Board congratulated Mr. Gatling and the students for the presentation.

#### **REQUEST APPROVAL OF: AMENDMENT TO HERTFORD COUNTY BUDGET ORDINANCE FY 2023-2024 BUDGET AMENDMENT #10, OCTOBER MONTHLY FINANCIAL REPORT, AND LGC RESPONSE LETTER**

On a motion by Com. William F. Mitchell, Jr. seconded by Com. Douglas, the Board approved the Amendment To Hertford County Budget Ordinance FY 2023-2024 Budget Amendment #10 in the amount of \$142,212 as follows:

## AMENDMENT TO HERTFORD COUNTY BUDGET ORDINANCE FISCAL YEAR 2023-2024

BE IT ORDAINED by the Governing Board of the County of Hertford, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

### REVENUE:

Department	Account Number	Account Description	Amount Increase	Amount Decrease
General Fund	100112-448500	Fund Balance Appropriation	\$ 142,212	
		Total Changes in Revenue	\$ 142,212	\$ -

Net Change in Revenue	\$142,212
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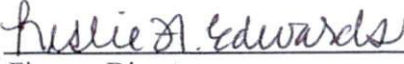
### EXPENDITURE:

Department	Account Number	Account Description	Amount Increase	Amount Decrease
Jail	104190-569022	Contracted Services Detention	\$ 32,670	
Administration	104120-517000	Board Members Expense	\$ 3,000	
Veterans	104270-517000	Board Members Expense	\$ 1,600	
Aging	104380-517000	Board Members Expense	\$ 1,600	
Jail	104190-519300	Professional Services Medical	\$ 103,342	
		Total Changes in Expenditures	\$ 142,212	\$ -

Net Change in Expenditures	\$142,212
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### Explanation:

Jail - Juvenile Detention Subsidy May 2023 invoice received late past AP deadline for it to be charged back to prior year Boards & Commissions - Veterans, Aging, and Parks & Rec. Board 1,600.00, 1,600.00, and 3,000.00, respectively.  
Jail - Southern Health Partners overage of 30,000 cost pool for medical coverage for inmates. 103,342.

  
Finance Director

11.28.23

Date

Amendment #

10

Approved:

Posted:

Ms. Edwards presented the October 2023 Monthly Financial Report as attached:



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County of Hertford  
Monthly Financial Report

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October 2023



Leslie H. Edwards, Finance Director



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## Letter of Transmittal

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December 4, 2023

County Administration and the Finance Department are pleased to present the October 31, 2023, Monthly Financial Report (MFR) to the Board of County Commissioners and the Citizens of Hertford County.

The MFR is intended to provide informative and relevant financial data to the Board of County Commissioners and the Citizens of Hertford County. The MFR includes highlights of the County's financial position and relative stability as of October 31, 2023. The financial information, which is unaudited, includes a comparative analysis of the General Fund as well as the Enterprise Fund(s) revenues and expenditures to date for the periods ending October 31, 2022, and 2023.

Interpretative Note: the figures, amounts, data points and percentages contained in the MFR will be impacted by timing differences in receipts and payments from the comparative fiscal years. These timing anomalies are most pronounced early in the Fiscal Year due to the ad valorem tax receipt deadline and the quarterly disbursement cycle of sales tax revenues. Further, all funds except the Enterprise Funds are accounted for on a modified accrual basis of accounting as required by the North Carolina General Statute § 159-26(c). Under modified accrual accounting, revenues are reported when they are both measurable and available. Expenditures are recorded in the period in which the liability is incurred, except for interest on long-term debt and accrued compensated absences. The Enterprise Funds use full accrual accounting, recording revenues when earned and expenditures when incurred.

**Exhibit 1** indicates that as of October 31, 2023, General Fund revenues totaled \$5.8 million, which equates to 18.9% of the budgeted annual revenues (does not include transfers).

**Exhibit 2** provides an overview of the delinquent tax figures.

**Exhibit 3** indicates that as of October 31, 2023, General Fund expenditures totaled \$8.8 million, which equates to 28.8% of the budgeted annual expenditures.

**Exhibit 4** indicates that as of October 31, 2023, Southern Rural Water District Fund revenues totaled \$422 thousand, which equates to 31.8% of the budgeted annual revenue and the expenditures totaled \$251 thousand, which equates to 18.9% of the budgeted annual expenditures (these do not include transfers).

**Exhibit 5** indicates that as of October 31, 2023, Northern Rural Water District Fund revenues totaled \$174 thousand, which equates to 30.8% of the budgeted annual revenue and the expenditures totaled \$97 thousand, which equates to 17.3% of the budgeted annual expenditures (these do not include transfers).

**Exhibit 6** indicates that as of October 31, 2023, Tunis Sewer District Fund revenues totaled \$10 thousand, which equates to 21.5% of the budgeted annual revenue as well as expenditures totaled at \$5 thousand which equates to 11.8% of the budgeted annual expenditures (this does not include transfers).

**Exhibit 7** indicates that as of October 31, 2023, Sanitation (Solid Waste) Fund revenues totaled \$480 thousand, which equates to 25.6% of the budgeted annual revenue (this does not include transfers) & Sanitation (Solid Waste) Fund expenditures totaled \$576 thousand, which equates to 30.7% of the budgeted annual expenditures (this does not include transfers).

**Exhibit 8** is a descriptive illustration of the County's outstanding long-term debt as of October 31<sup>st</sup> for Fiscal Years 2021 to 2024, as well as the debt related activity for the period ending October 31, 2023.

Respectfully Submitted,

Leslie H. Edwards  
Finance Director



## Comparative Statement General Fund Revenues

As a point of comparison, the County's total General Fund revenue collection is not noticeably different from the same reporting period in Fiscal Year 2022-2023. County staff continues to monitor Federal and State legislative trends, which may impact our local economy. Lastly, County staff will analyze revenue collection statistics and offer recommendations to the Board of County Commissioners to ensure that the County maintains fiscal prudence and financial solvency.

As of October 31, 2023, General Fund revenues totaled \$5.8 million, which equates to 18.9% percent of the budgeted revenues that have been collected by the County.

Revenues may not track consistently with the calendar since many revenue sources have due dates that do not occur consistently throughout the Fiscal Year. Large revenue sources, such as ad valorem and personal property tax revenues are remitted throughout the year with a single deadline occurring in January of each year.

### Exhibit 1

Description	Fiscal Year 2022-2023			Fiscal Year 2023-2024		
	Budgeted	Year to Date Actuals	Percentage of Actuals to Budgeted	Budgeted	Year to Date Actuals	Percentage of Actuals to Budgeted
Ad Valorem Taxes	\$ 13,078,001	\$ 3,314,506	25.3%	\$ 13,404,491	\$ 3,120,970	23.3%
Vehicle Taxes	23,500	2,631	11.2%	8,400	2,102	25.0%
NC New Vehicle Taxes	1,507,750	445,152	29.5%	1,883,300	450,243	23.9%
Sales Taxes	5,739,595	531,996	9.3%	6,504,225	555,328	8.5%
Other Taxes & Licenses	82,600	14,054	17.0%	70,000	23,786	34.0%
Unrestricted Intergovernmental	61,500	-	0.0%	57,000	561	1.0%
Restricted Intergovernmental	630,063	177,728	28.2%	346,000	167,555	48.4%
Restricted Intergovernmental- Aging	351,769	156,178	44.4%	351,944	84,592	24.0%
Restricted Intergovernmental- DSS	2,697,908	529,830	19.6%	3,279,804	629,465	19.2%
Permits and Fees	185,600	60,586	32.6%	173,900	50,766	29.2%
Sales and Services	1,511,100	382,985	25.3%	1,190,540	475,086	39.9%
Investment Earnings	17,000	35,736	210.2%	40,000	46,910	117.3%
Miscellaneous	22,363	28,310	126.6%	15,435	29,426	190.6%
Transfer Funds	47,243	-	0.0%	217,087	39,202	18.1%
DSS Donation	-	1,460	100.0%	-	-	100.0%
COVID Relief Funds/FEMA Reimb.	-	18,122	0.0%	-	-	0.0%
Fund Balance Appropriation	2,686,290	-	0.0%	3,164,224	119,400	3.8%
<b>Totals</b>	<b>\$ 28,642,282</b>	<b>\$ 5,699,274</b>	<b>19.9%</b>	<b>\$ 30,706,350</b>	<b>\$ 5,795,392</b>	<b>18.9%</b>



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## Delinquent Taxes

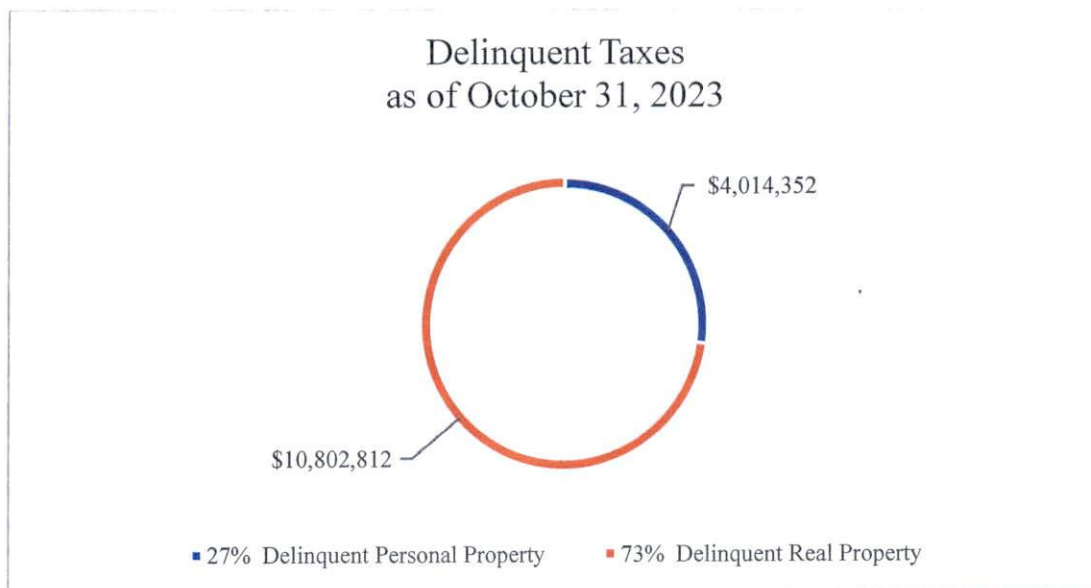
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The Board of County Commissioners recognizes the significance and equity of collecting Delinquent Taxes. As such, the Board directed County staff to develop and implement a plan to ultimately increase the collection rate to 99% percent. As of the Fiscal Year 2021-2022 Audit, the County's collection rate is 96.58%. The collection remedies for collecting delinquent taxes are provided in North Carolina General Statute § 105-366 through North Carolina General Statute § 105-375. The appointed Tax Collector may utilize attachment and garnishment, levy and sale of personal property, foreclosure, etc. to collect delinquent taxes. Based on the guidance from the Commissioners and the collection remedies available, County staff have devised a comprehensive plan to achieve the Board's goal.

As of October 31, 2023, the delinquent taxes balance was \$14.8 million which equates to 78.54% percent of the total tax levy. As a point of reference, one (0.01¢) penny on the tax rate generates approximately \$171,348 in tax revenue. The delinquent taxes balance equates to approximately ten (0.10¢) cents on the tax rate.

\*Assumes collection rate of 100%

### Exhibit 2



## Comparative Statement General Fund Expenditures

As of October 31, 2023, the General Fund expenditures for Fiscal Year 2023-2024 totaled \$8.8 million, at 28.8% of the annual budgeted amounts.

General Fund expenditures are monitored and appropriation recommendations are submitted to the Commissioners throughout the Fiscal Year in accordance with the Board's guidance, statutory requirements, external economic variables as well as General Fund revenue receipts.

### Exhibit 3

Description	Fiscal Year 2022-2023			Fiscal Year 2023-2024		
	Budgeted	Year to Date Actuals	Percentage of Actuals to Budgeted	Budgeted	Year to Date Actuals	Percentage of Actuals to Budgeted
Governing Body	\$ 258,290	\$ 74,723	28.9%	\$ 252,555	\$ 83,838	33.2%
Fees For Taxes	50,000	17,939	35.9%	92,500	17,492	18.9%
Administration	575,633	239,324	41.6%	781,408	374,716	48.0%
Hr & Risk Services	477,035	143,654	30.1%	681,585	246,435	36.2%
Finance	466,465	169,931	36.4%	508,185	132,743	26.1%
Tax Assessor	313,595	60,568	19.3%	360,205	85,122	23.6%
Tax Collector	248,990	72,705	29.2%	294,949	79,449	26.9%
Elections	202,949	58,871	29.0%	224,232	47,788	21.3%
Register Of Deeds	213,528	60,147	28.2%	266,824	83,207	31.2%
Land Records	265,458	71,087	26.8%	280,588	75,405	26.9%
Sheriff	2,822,557	717,140	25.4%	2,728,758	865,616	31.7%
Jail	2,019,624	505,655	25.0%	2,151,546	618,936	28.8%
Emergency Management	291,397	86,806	29.8%	328,577	139,270	42.4%
Emergency Services	1,590,204	412,680	26.0%	1,594,242	452,779	28.4%
E911 Central Communications	771,456	222,982	28.9%	787,618	197,088	25.0%
Animal Control	123,606	35,330	28.6%	155,885	41,667	26.7%
Medical Examiner	16,800	400	2.4%	16,000	-	0.0%
Building Inspections	159,742	53,101	33.2%	174,374	57,709	33.1%
Economic Development	131,057	30,710	23.4%	153,647	39,654	25.8%
Public Buildings	1,225,700	446,711	36.4%	1,618,440	528,653	32.7%
Veterans Service	70,936	24,086	34.0%	84,108	25,088	29.8%
Soil Conservation	143,697	30,459	21.2%	133,112	28,738	21.6%
Coop Extension	160,249	31,744	19.8%	170,812	42,201	24.7%



Exhibit 3 Continued

Steps to Health Grant	1,200	-	0.0%	1,200	-	0.0%
Health Department	532,312	186,782	35.1%	536,536	183,579	34.2%
Courts Department	91,750	47,358	51.6%	92,975	66,689	71.7%
Mental Health	86,400	27,496	31.8%	86,400	29,951	34.7%
Community Based Alternative	108,000	36,000	33.3%	115,000	38,333	33.3%
DJJ & Delinquency Prevention	137,203	43,382	31.6%	138,910	42,219	30.4%
ROAP Grant	27,412	11,751	42.9%	30,000	17,012	56.7%
Legal Department	84,000	28,000	33.3%	84,000	28,000	33.3%
Central Services	20,500	3,150	15.4%	21,500	3,802	17.7%
Central Services-Telephone	227,030	81,663	36.0%	123,500	49,424	40.0%
Central Services-Tech Support	795,445	324,129	40.7%	800,825	302,944	37.8%
Aging Administration	378,387	116,742	30.9%	503,915	174,583	34.6%
Aging - Public Assistance	367,124	90,252	24.6%	311,210	125,639	40.4%
DSS Administration	2,714,343	805,445	29.7%	3,386,063	983,746	29.1%
DSS - Public Assistance	1,002,267	317,010	31.6%	999,435	243,800	24.4%
DSS - Grants	35,000	6,048	17.3%	35,000	5,346	15.3%
Local Funds	409,200	123,926	30.3%	464,561	121,279	26.1%
Debt Service - Judicial Center	875,819	119,859	13.7%	847,069	1,320	0.2%
Debt Service - DSS Renovation	270,522	-	0.0%	265,097	-	0.0%
Debt Service - AES School	588,800	44,400	7.5%	577,700	-	0.0%
Contribution Fire/Rescue	351,542	96,459	27.4%	386,542	123,779	32.0%
Public Schools	5,477,792	1,795,626	32.8%	5,555,598	1,779,620	32.0%
Special Appropriations	177,391	86,998	49.0%	217,319	124,681	57.4%
Operating Transfers	972,555	198,083	20.4%	1,035,845	138,692	13.4%
Contingency	311,320	-	0.0%	250,000	-	0.0%
Transfers/Adjustments	-	-	0.0%	-	-	100.0%
<b>Totals</b>	<b>\$ 28,642,282</b>	<b>\$ 8,157,312</b>	<b>28.5%</b>	<b>\$ 30,706,350</b>	<b>\$ 8,848,032</b>	<b>28.8%</b>



## Comparative Statement Enterprise Fund Revenues & Expenditures

Hertford County has one kind of Proprietary Fund. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Hertford County uses Enterprise Funds to account for its water and sewer activities and for its sanitation operations. Actual revenues and expenditures for the Enterprise Funds are recorded on the full accrual accounting basis method, meaning that revenues are recorded when earned and expenditures when incurred.

Hertford County operates four (4) Enterprise Funds to include: 1) Southern Rural Water District Fund, 2) Northern Rural Water District Fund, 3) Tunis Sewer District Fund & 4) Sanitation (Solid Waste) Fund. Enterprise Funds distinguish operating revenue and expenses from non-operating items. Operating revenues and expenses generally result from providing services as well as producing and delivering goods in connection with an Enterprise Fund's principal ongoing operations.

The budgeted figures for Fiscal Year 2023-2024 were established to support the ongoing operations and anticipated capital improvements for each Enterprise Fund. The budgeted revenue figures include estimated carryover from the prior Fiscal Year. Actual carryover amounts from Fiscal Year 2022-2023 to Fiscal Year 2023-2024 are reported as a component of operating revenue.

**Exhibit 4**

Description	Fiscal Year 2022-2023			Fiscal Year 2023-2024		
	Budgeted	Year to Date Actuals	Percentage of Actuals to Budgeted	Budgeted	Year to Date Actuals	Percentage of Actuals to Budgeted
Southern Rural Water District Revenue	\$ 962,385	\$ 305,228	31.7%	\$ 1,326,710	\$ 422,304	31.8%
Southern Rural Water Expense	962,385	197,218	20.5%	1,326,710	251,015	18.9%

**Exhibit 5**

Description	Fiscal Year 2022-2023			Fiscal Year 2023-2024		
	Budgeted	Year to Date Actuals	Percentage of Actuals to Budgeted	Budgeted	Year to Date Actuals	Percentage of Actuals to Budgeted
Northern Rural Water District Revenue	\$ 459,574	\$ 134,566	29.3%	\$ 564,951	\$ 174,241	30.8%
Northern Rural Water Expense	459,574	88,740	19.3%	564,951	97,602	17.3%

**Exhibit 6**

Description	Fiscal Year 2022-2023			Fiscal Year 2023-2024		
	Budgeted	Year to Date Actuals	Percentage of Actuals to Budgeted	Budgeted	Year to Date Actuals	Percentage of Actuals to Budgeted
Tunis Sanitary Sewer District Revenue	\$ 33,543	\$ 8,884	26.5%	\$ 48,100	\$ 10,325	21.5%
Tunis Sanitary Sewer District Expense	33,543	2,904	8.7%	48,100	5,664	11.8%

**Exhibit 7**

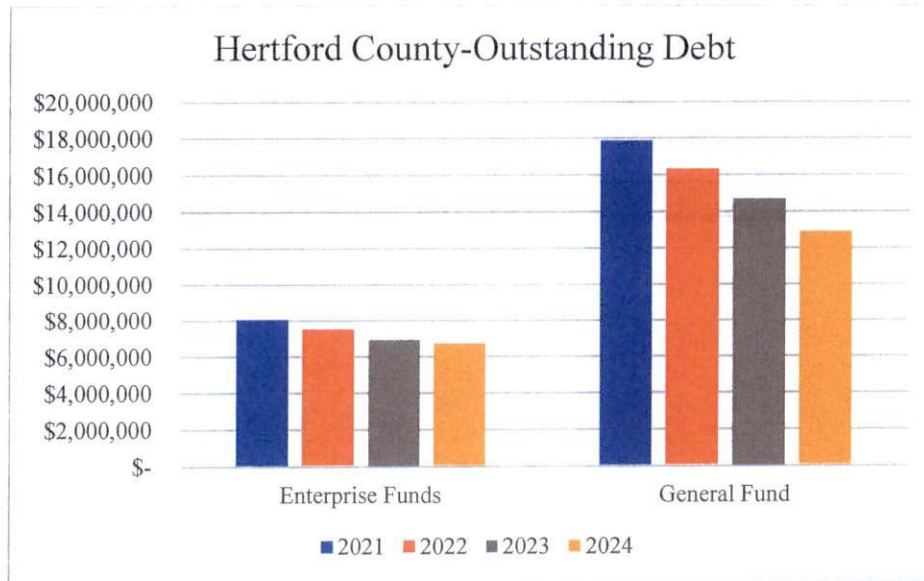
Description	Fiscal Year 2022-2023			Fiscal Year 2023-2024		
	Budgeted	Year to Date Actuals	Percentage of Actuals to Budgeted	Budgeted	Year to Date Actuals	Percentage of Actuals to Budgeted
Solid Waste Revenue	\$ 1,290,287	\$ 444,999	34.5%	\$ 1,879,662	\$ 480,946	25.6%
Solid Waste Expense	1,290,287	377,263	29.2%	1,879,662	576,495	30.7%

## Outstanding Long-Term Debt

In the Government-wide Financial Statements and Proprietary Fund (Enterprise Fund) types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position.

As part of the budget development process each Fiscal Year and in accordance with North Carolina General Statute § 159-35 & North Carolina General Statute § 159-36, Hertford County is required to appropriate adequate funding to satisfy all principal and interest payments associated with any long-term debt prior to contemplating any other expense or expenditure.

**Exhibit 8**



					FY 2024	Debt
					Annual Debt	Retirement
	Debt Outstanding	Debt Outstanding	Debt Outstanding	Debt Outstanding	Service	Date
<i>Enterprise Funds</i>	2021	2022	2023	2024	Payment	
Northern Water District	\$ 3,417,969	\$ 3,214,089	\$ 3,010,569	\$ 2,807,409	\$ 202,800	FY 59
Southern Water District	\$ 4,230,340	\$ 3,877,812	\$ 3,525,284	\$ 3,525,284	\$ 352,529	FY 59
Tunis Sanitary District	\$ 417,394	\$ 404,626	\$ 391,999	\$ 379,516	\$ 12,341	FY 54
<b>Subtotal Enterprise Funds</b>	<b>\$ 8,065,703</b>	<b>\$ 7,496,527</b>	<b>\$ 6,927,852</b>	<b>\$ 6,712,209</b>	<b>\$ 567,670</b>	
<i>General Fund</i>						
DSS Renovation	\$ 2,099,066	\$ 1,817,693	\$ 1,541,745	\$ 1,271,224	\$ 265,096	FY 28
Judicial Center	\$ 10,155,488	\$ 9,240,769	\$ 8,351,050	\$ 7,476,331	\$ 845,968	FY 33
Ahoskie Elementary School	\$ 5,625,608	\$ 4,999,500	\$ 4,399,600	\$ 3,810,800	\$ 577,700	FY 30
USDA - Ambulance, QRV, Generator	\$ -	\$ 260,030	\$ 234,027	\$ 208,024	\$ 26,003	FY 30
Southern Bank - John Deere 4WD Loader	\$ -	\$ -	\$ 160,730	\$ 119,622	\$ 40,495	FY 26
<b>Subtotal General Fund</b>	<b>\$ 17,880,162</b>	<b>\$ 16,317,992</b>	<b>\$ 14,687,153</b>	<b>\$ 12,886,001</b>	<b>\$ 1,755,262</b>	
<b>Totals</b>	<b>\$ 25,945,865</b>	<b>\$ 23,814,519</b>	<b>\$ 21,615,005</b>	<b>\$ 19,598,210</b>	<b>\$ 2,322,932</b>	



## HCPS School Capital Outlay Requests

**Fiscal Year 2023-2024**

Capital Outlay Request #	Date	Description	Amount
Request # 1	9/20/2023	Painting, HVAC Mini Splits, Restroom Remodel (HCMS)	\$164,088.74
Request # 2	10/2/2023	HCMS White Boards and Painting	\$181,853.75
Request # 3	11/1/2023	HCMS Doors and Hardware	\$ 22,768.93
Total			\$368,711.42

## RCCC Capital Outlay Requests

**Fiscal Year 2023-2024**

Capital Outlay Request #	Date	Description	Amount
Total			\$ -



Ms. Edwards shared the Local Government Commission (LGC) response letter with the Board as follows:



**BOARD OF COMMISSIONERS**

Mr. André Lassiter, Chairman  
Mr. William F. Mitchell, Jr., Vice-Chairman  
Mr. Leroy Douglas

Mr. Ronald J. Gatling  
Mr. John D. Horton

November 28, 2023

Secretary  
Local Government Commission  
3200 Atlantic Avenue  
Raleigh, NC 27604  
Courier #56-20-45

RE: Response to Financial Performance Indicators of Concern (FPICs) for Hertford County, North Carolina.

Dear Secretary,

This letter is in reference to the Financial Performance Indicators of Concern (FPICs) as addressed during the presentation of Hertford County's audit at the regularly scheduled Board of County Commissioners meeting on November 6, 2023. Please see the findings and responses below:

**2022-001 Budget Violation**

GASB 84 identifies criteria when fiduciary activities should be reported as a special revenue fund. G.S.159-8(a) states that all moneys received and expended by a local government or public authority should be included in the budget ordinance.

**2022-001 Response**

Hertford County Finance Office has created special revenue funds for the Representative Payee Fund and Cooperative Extension Trust. Additionally, the budgeted amounts will be reflected in the appropriate line items with each special revenue fund by way of inclusion in the Board of Commissioners' approved budget ordinance. The Finance Office staff have received training review of applicable North Carolina General Statutes (NCGS)/Governmental Accounting Standards Board (GASB) to ensure that funds are properly authorized and accounted for within the appropriate fund.

**2022-002 Timely Reconciliation of Records**

**BUILD YOUR FUTURE ON OUR FOUNDATION**

In reviewing records and testing certain account balances, we noted that several accounts were not reconciled and adjusted timely to include cash, receivables, payables, and other balance sheet accounts. Needs Based Lottery Funds were requested and received from the NC Department of Public Instruction, but not recorded in County accounting system.

#### 2022-002 Response

The Hertford County Finance Director has conducted training with Hertford County Finance Office staff and all other County Departments/Offices/Agencies personnel responsible for financial transactions. The training included reconciliation of balance sheet accounts, bank statements and reconciling accounts and governing NCGS as well as GASB Statements. The Staff Accountant will be tasked with monthly reconciliation of accounts. The finance officer reviews and approves all account reconciliations to make sure accounts are reconciled properly and any necessary adjusting journal entries are completed and to ensure internal control.

#### 2022-003 Budget Violation

The budget was overspent in the following departments in General Fund: Human Resources \$5,997, Finance \$27,213, Register of Deeds \$10,096, Sheriff \$144,653, Emergency Communications \$52,717, Inspections \$40,695, Mental Health \$1,768, Community Based Alternatives \$11,000, Veterans Services \$5,134, and Other Programs \$71,445. In addition, expenses were overspent in the Fire District by \$22,335, and the Landfill Fund by \$49,823. The majority of the expenditures were a result of not properly budgeting for GASB 87 implementation entries.

#### 2022-003 Response

The Hertford County Finance Director and County Manager will review and make any necessary adjustments to the opening balances (revenues and expenditures) for all funds at the beginning of each fiscal year. The Finance Director will review and approve each budget amendment prior to submission to the Board of Commissioners for their action. Budget amendments will be prepared to appropriate funds for the GASB 87 entries and will be budgeted in the budget ordinance.

#### 2022-004 Late Submission of Audit

The audit report is expected to be submitted within five months plus one day from the fiscal year end per the contract with the Local Government Commission. As stewards of the public's resources, the governing body is responsible for ensuring that the audited financial statements are available to the public in a timely manner.

#### 2022-004 Response

The Finance Office is currently fully staffed and Finance Office personnel have been trained on posting of revenue, reconciliation of cash, accounts payable, accounts receivable, and balance sheet accounts. Procedures have been put in place to ensure that internal controls are being met and duties are being performed in a timely manner. This will ensure for records being submitted to auditors in a more accurate and timely manner.

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#### 2022-005 Prior Period Adjustments

A prior period adjustment was recorded in the General Fund to reflect the receivable balance for EMS as of June 30, 2021 as a deferred inflow of resources, as these balances are not considered available within 60 days. This adjustment resulted in a decrease in fund balance in the General Fund of \$327,851. This adjustment is not needed on the government-wide statements, as the entire amount had already been recognized as revenues. Additionally, a prior period adjustment was recorded to adjust beginning receivable balances between the Southern Water District and Tunis Sewer Fund, which resulted in a decrease in net position for the Southern Water District Fund of \$3,419 and Tunis Sewer Fund of \$29,898.


#### 2022-005 Response

The Finance Office staff will ensure receivables are balanced on a monthly basis to guarantee balances will be available within 60 days. Monthly balancing will ensure material prior period adjustments are not needed and adjustments are made in a timely manner.

Additionally, operating expenses in Hertford County's Solid Waste Fund exceeded operating revenues by \$113,671. Hertford County finance office, administration and the governing board have closely monitored the Solid Waste Fund and have increased Solid Waste Fees as well as Southern and Northern Water districts to account for shortfalls in Enterprise Funds effective fiscal year 2023 – 2024. The action was a direct reflection of Enterprise Funds continual rise of vendor fees and increased cost of running enterprise operations.

During the period of August 2019 through December 2021, Hertford County experienced turnover in the Finance Officer position as well as multiple other positions within the finance department. The County experienced difficulty in hiring a qualified individual with the appropriate experience as finance officer. In late December 2021, the current finance officer was appointed as well as other finance positions being filled in September of 2021. The current finance officer has overseen training of all staff members in the keying of revenue and training on reconciliation of bank statements, accounts payable and receivables, and balance sheet accounts. All Finance Personnel have been cross trained. In the event that there is staff turnover in the future the finance office will be able to efficiently complete monthly accounting tasks to prevent findings as stated in the current audit.

Sincerely,



Leslie H. Edwards  
Finance Director

Signature: \_\_\_\_\_

Kevin Patterson, County Manager

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Signature: \_\_\_\_\_  
Andre' M. Lassiter, Sr., Chairman

Signature: \_\_\_\_\_  
William F. Mitchell, Jr., Vice-Chairman

Signature: \_\_\_\_\_  
Leroy Douglas, II, Commissioner

Signature: \_\_\_\_\_  
Ronald J. Gatling, Commissioner

Signature: \_\_\_\_\_  
John D. Horton, Commissioner

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115 Justice Drive ■ Suite 1 ■ Winton, North Carolina 27986  
Office 252.358.7805 ■ Facsimile 252.358.0198 ■ [www.HerfordCountyNC.gov](http://www.HerfordCountyNC.gov)

### **MEDICAID EXPANSION UPDATE**

Mrs. Brenda Brown shared the Medicaid Expansion update as follows: DSS went live on December 1, received a high volume of call, emails and Dropbox deliveries, eligibility, coverage and costs, and Medicaid expansion benefits,

### **NC COOPERATIVE EXTENSION DECEMBER DEPARTMENT REPORT AND REQUEST MEMORANDUM OF AGREEMENT BETWEEN HERTFORD COUNTY AND NORTH CAROLINA STATE UNIVERSITY**

Mr. Dylan Lilley, Hertford County Cooperative Extension Director presented the NC Cooperative Extension December Department Report along with Ms. Vickie Wiggins, Extension Agent, 4-H Youth Development and Ms. Qu'Asia Wilson, Extension Agent, Family & Consumer Sciences, sharing the 4-H Programs, Summer Time, Video Game Design, Family and Consumer Program offerings (Faithful families, CDC Diabetes Program, Agriculture Programs, 2023 On-Farm Research Trials, and Growing Season Activity (April – November).

On a motion by Com. Gatling seconded by Com. Douglas, the Board approved the Memorandum of Agreement (MOA) between Hertford County and North Carolina State University.

### **REQUEST APPROVAL OF 2024 HOLIDAY CLOSINGS FOR HERTFORD COUNTY OFFICES**

On a motion by Com. Mitchell seconded by Com. Douglas the Board approved the 2024 Holiday Closings for Hertford County Office as follows:



### **HERTFORD COUNTY OFFICES 2024 HOLIDAY CLOSINGS**

<b>New Year's Day</b>	Monday - Jan. 1 <sup>st</sup>
<b>Martin Luther King, Jr. Day</b>	Monday - Jan 15 <sup>th</sup>
<b>Good Friday</b>	Friday - March 29 <sup>th</sup>
<b>Memorial Day</b>	Monday - May 27 <sup>th</sup>
<b>Juneteenth</b>	Wednesday - June 19 <sup>th</sup>
<b>Independence Day</b>	Thursday - July 4 <sup>th</sup>



<b>Labor Day</b>	Monday - Sept. 2 <sup>nd</sup>
<b>Veterans Day</b>	Monday - Nov. 11 <sup>th</sup>
<b>Thanksgiving</b>	Thursday - Nov. 28 <sup>th</sup> & Friday - Nov. 29 <sup>th</sup>
<b>Christmas</b>	Tuesday - Dec. 24 <sup>th</sup> , Wednesday - Dec. 25 <sup>th</sup> and Thursday - Dec. 26 <sup>th</sup>

**REQUEST APPROVAL OF RESOLUTION SETTING MEETING DAY FOR BOARD OF COUNTY COMMISSIONERS' 2024 MEETING CALENDAR**

On a motion by Com. Mitchell seconded by Com. Douglas the Board approved the Resolution Setting Meeting Day for Board Of County Commissioners' 2024 Meeting Calendar as follows:



**COUNTY OF HERTFORD  
HERTFORD COUNTY BOARD OF COMMISSIONERS  
A RESOLUTION  
SETTING MEETING DAY FOR BOARD OF COUNTY COMMISSIONERS**

**WHEREAS**, the governing body of the County will, by resolution, establish a Regular Meeting date and notify the public of that day; and

**WHEREAS**, the governing body of the County, except as may be otherwise required of them, may meet at any time for the purpose of attending to County business; and

**WHEREAS**, the Board of County Commissioners of Hertford County, North Carolina has determined that the Board of Commissioners will meet on the first Monday of every month at 9:00 AM and the third Monday of every month at 7:00 PM for their Regular Meeting for the purpose of conducting its official business; and

**WHEREAS**, it was further determined that any subsequent changes to those scheduled shall be made, posted and distributed in accordance with NCGS § 153A-40 and NCGS § 143-318.12.

**NOW, THEREFORE**, be it resolved by the Board of Commissioners of Hertford County that:

1. Regular scheduled meetings of the Board of County Commissioners will be conducted the first Monday of every month at 9:00 AM and the third Monday of every month at 7:00 PM.
2. Regular scheduled meetings of the Board of County Commissioners will be held in the Multi-Purpose Room of the Hertford County Judicial Center unless otherwise noticed.

3. A copy of the meeting schedule hereby adopted shall be posted in a location at the Hertford County Judicial Center, the Hertford County Website and on file with the Clerk to the Board of Commissioners in the County Commissioners' Office.

Adopted this 4<sup>th</sup> day of December, 2023.

HERTFORD COUNTY BOARD OF COMMISSIONERS

By: \_\_\_\_\_  
Honorable \_\_\_\_\_, Chairman

ATTEST:

\_\_\_\_\_  
Dr. Renee Tyler, NCCCC Clerk to the Board



**HERTFORD COUNTY BOARD OF COMMISSIONERS  
2024 MEETING CALENDAR**

DAY & DATE	TIME	MEETING
Tuesday, Jan 2	9:00 AM	Rescheduled Meeting ( <i>Due to New Year's Day</i> )
Tuesday, Jan 16	7:00 PM	Rescheduled Meeting ( <i>Due to ML King, Jr. Holiday</i> )
Monday, February 5	9:00 AM	Regular Meeting
Monday, February 19	7:00 PM	Regular Meeting
Monday, March 4	9:00 AM	Regular Meeting
Monday, March 18	7:00 PM	Regular Meeting
Monday, April 1	9:00 AM	Regular Meeting
Monday, April 15	7:00 PM	Regular Meeting
Monday, May 6	9:00 AM	Regular Meeting
Monday, May 20	7:00 PM	Regular Meeting
Monday, June 3	9:00 AM	Regular Meeting
Tuesday, June 17	7:00 PM	Rescheduled Meeting ( <i>Due to Juneteenth Holiday</i> )
Monday, July 1	9:00 AM	Regular Meeting
Monday, July 15	7:00 PM	Regular Meeting
Monday, August 5	9:00 AM	Regular Meeting
Monday, August 19	7:00 PM	Regular Meeting
Tuesday, September 3	9:00 AM	Rescheduled Meeting ( <i>Due to Labor Day Holiday</i> )
Monday, September 16	7:00 PM	Regular Meeting
Monday, October 7	9:00 AM	Regular Meeting
Monday, October 21	7:00 PM	Regular Meeting
Monday, November 4	9:00 AM	Regular Meeting
Monday, November 18	7:00 PM	Regular Meeting
Monday, December 2	9:00 AM	Regular Meeting
Monday, December 16	7:00 PM	Regular Meeting

*It is the public policy of North Carolina and of Hertford County that the hearings, deliberations, and actions of this Board and its committees be conducted openly. Except as otherwise provided in these rules and in accordance with applicable law, each official meeting of the Hertford County Board of Commissioners shall be open to the public and any person entitled to attend such a meeting.*

HCBOCC/df



## **REQUEST FOR CANCELLATION OF THE DECEMBER 18, 2023 REGULAR BOARD MEETING**

On a motion by Com. Gatling seconded by Vice-Chair Horton, the Board approved to cancel the December 18, 2023 Regular Board Meeting.

## **REQUEST APPROVAL TO ADVERTISE BOARDS & COMMISSIONS**

On a motion by Com. Mitchell, seconded by Com. Douglas, the Board approved to advertise Boards and Commissions.

## **HERTFORD COUNTY PLANNING BOARD: CONSIDERATION FOR APPROVAL SCHEDULE DATE FOR PUBLIC HEARING FOR REZONING**

On a motion by Com. Douglas, seconded by Com. Mitchell, the Board approved to schedule the Public Hearing for Rezoning for the Hertford County Planning Board on January 2, 2024, at 9:30 AM as presented by Mrs. Sara Turner, GIS/Planning Director.

## **INTERIM COUNTY MANAGER'S REPORT: RULES OF PROCEDURE FOR HERTFORD COUNTY BOARD OF COMMISSIONERS**

Mr. Kevin Patterson, Interim County Manager, shared the following information with the Board: 1) proposed rules and procedures for Board consideration, recommended that the Board read the updated document prior to deciding to adopt the document; 2) the HC Health Department Building New Building Program; and 3) Hertford County Public Schools Building Capital Improvement Funding Summary capital needs program for the next five years was included in handouts to the Board.

## **BOARD CHAIR'S/CLERK'S REPORT**

Clerk Tyler shared the Board Chair's/Clerk report and shared the County Mission Statement.

## **COMMISSIONERS' COMMENTS**

The Board collectively expressed gratitude to everyone for attending the meeting, wished them a Merry Christmas and a Happy New Year, and thanked the employees present for all they do daily for citizens.

## **CLOSED SESSION:**

On a motion by Vice-Chair Horton, seconded by Com. Douglas, the Board unanimously approved to move to Closed Session as allowed under NCGS § 143-318.11(a)(3) to consult with the County Attorney.

Minutes of Closed Session are on file in the Office of the Clerk to the Board.

On a motion by Com. Douglas, seconded by Com. Gatling, the Board returned to Regular Session.

**ADJOURN MEETING**

On a motion by Vice-Chair Horton, seconded by Com. Mitchell, the Board approved to adjourn the meeting.

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Approved: January 2, 2024  
The Honorable Andre` M. Lassiter, Sr., Chairman

Dr. Renee Tyler, Clerk to Board