



**Brunswick  
County**

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR  
ENDED JUNE 30, 2025**

910.253.2070



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**COUNTY OF BRUNSWICK  
NORTH CAROLINA**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**For the Fiscal Year Ended  
June 30, 2025**

Prepared by Brunswick County Finance

**COUNTY OF BRUNSWICK, NORTH CAROLINA  
Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2025**

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## BRUNSWICK COUNTY

December 1, 2025

Honorable Members of the Brunswick County Board of Commissioners and Residents of Brunswick County, North Carolina:

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

This report consists of management's representations concerning the finances of Brunswick County (the "County"). Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, the management of Brunswick 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 Brunswick County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Brunswick County's comprehensive internal controls framework 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.

Thompson, Price, Scott, Adams & Co., P.A., a firm of licensed certified public accountants, has independently audited Brunswick County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of Brunswick 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. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that Brunswick County's financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of the report.

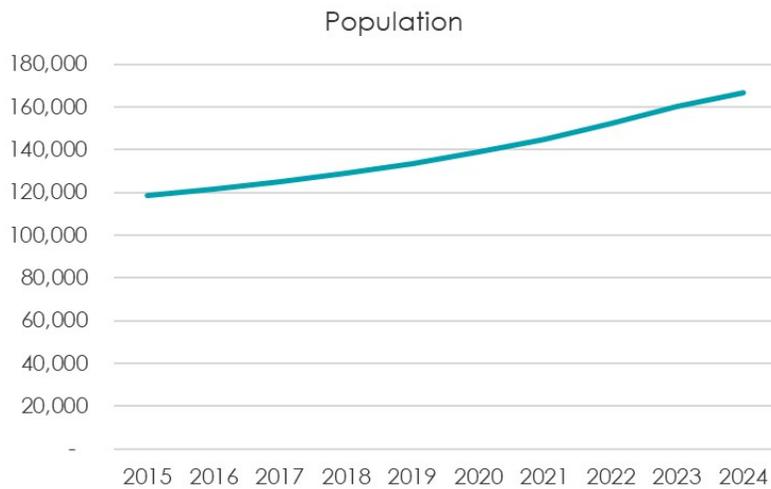
The independent audit of Brunswick County's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the 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. These reports are contained in the compliance section of the report.

GAAP requires 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 the MD&A and should be read in conjunction with it. Brunswick County’s MD&A can be found immediately following the independent auditor’s report.

## PROFILE OF THE GOVERNMENT

Brunswick County, founded in 1764 by the North Carolina General Assembly, is located in the southeastern corner of the State in the coastal plains region. As is typical of coastal plains, the topography is characterized by flatlands with sand and sand loam soil composition. Forming a natural boundary on the southeast, the Atlantic Ocean gives the County approximately 47 miles of beachfront. It has an estimated population of 175,047, an increase of approximately 44% since 2016. It is the sixth-largest county in the State, having a land area of 846 square miles.



Though historically rural, the County has become increasingly more developed in recent years, mainly as a tourism and retirement destination. There are 19 small municipalities, two sanitary districts, and two water and sewer authorities. The County seat is located near the Town of Bolivia, in the approximate geographic center of the County.

The County is governed by a Board of Commissioners (the Board) consisting of five members elected on a partisan basis. Commissioners run from and represent districts but are elected at large for four-year staggered terms in November of even-numbered years. The Board takes office on the first Monday in December following each election. The Board elects a chairman and vice-chairman from among its members.

The board's primary duties include adopting the annual budget, setting the annual property tax rate, and appointing various officials (County Manager, County Attorney, Clerk to the Board, and members of



County boards and commissions). In addition, the Board can adopt policies concerning the county's operation, plan for County needs, and enact local ordinances. The Board also has the authority to call bond referenda, enter into contracts, and establish new programs and departments.

Like most counties in the State, Brunswick County has a Council-Manager form of government. The manager is appointed by the Board, who serves at its pleasure.

Brunswick County provides a broad range of services, including public safety, environmental protection, health and social services, cultural and recreational programs, community and economic development, and education. The County also operates a water and wastewater utility system. 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 Brunswick County Schools and Brunswick Community College.

The financial reporting entity includes all funds of the primary government (Brunswick County) and all its component units. Component units are legally separate entities for which the primary government is financially accountable. Discretely presented component units, if applicable, are reported in a separate column in the general-purpose financial statements to emphasize that they are legally separate from the primary government and to distinguish their financial positions, results of operations, and cash flows from those of the primary government. The Brunswick County Board of Alcoholic Beverage Control, the Brunswick County Tourism Development Authority, and the Brunswick County Airport Commission are reported as discretely presented component units in the financial statements. The Brunswick County Industrial Facility and Pollution Control Financing Authority and Brunswick County Leasing Corporation are also component units of Brunswick County; however, neither has financial transactions or account balances and is therefore not reported in the financial statements.

## FINANCIAL INFORMATION

**Internal Control.** The County's internal control structure is designed to ensure that the assets of the County are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met for both internal and external reporting purposes. Refining internal controls is an ongoing process that is necessary to provide these assurances.

**Annual Budget.** The annual budget is the foundation for Brunswick County's financial planning and control. Each year, all County departments must submit requests for appropriation to the County Manager, who then compiles a proposed budget and presents it to the Board of Commissioners for review. The Board must hold public hearings on the proposed budget and 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



2025 Governor's Volunteer  
Service Award Winners  
from Brunswick County

ordinance can be adopted. The annual ordinance includes appropriations for the General, the Special Revenue (excluding the grant projects), and the Enterprise funds. Note 1 to the financial statements provides additional information on budgetary data. Budget-to-actual comparisons are provided in this report for each governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented on page 22 as part of the basic financial statements for the governmental funds. This comparison is presented in this report's non-major governmental fund subsection, which starts on page 122, for annually budgeted special revenue funds. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted (i.e., capital project funds).



In addition, Brunswick County was given the GFOA’s Distinguished Budget Presentation Award for its annual budget document for the Fiscal Year 2024-2025. This is the nineteenth consecutive year the County has received this award. This program was established to encourage and assist state and local governments in preparing budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA’s best practices on budgeting and to recognize individual governments that succeed in achieving that goal.

Brunswick County’s bond ratings with S & P Global Services are AAA for general obligation bonds, AA+ for limited obligation bonds, and AA for revenue bonds. Moody’s Investor Services are Aaa for general obligation bonds, Aa1 for limited obligation bonds, and Aa2 for revenue bonds.

## FACTORS AFFECTING FINANCIAL CONDITION

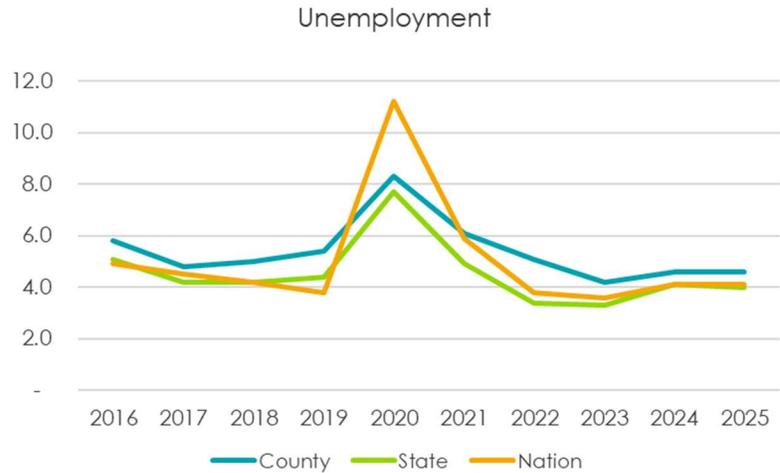
The information presented in the financial statements is perhaps best understood when considered from the broader perspective of Brunswick County's specific environment.

**Local economy.** In recent years, Brunswick County has experienced significant growth in its permanent population. The County’s population growth in 2025 is 4.7%, ranked first in the state and 19<sup>th</sup> in the country. The permanent population grew at an average rate of approximately 4.8 percent annually over the last ten years. The County’s growth rate continues to increase, primarily due to the high quality of life



in Brunswick County, which attracts many people. Residential and commercial development has shown growth annually over the last five years.

The County and State's unemployment rates in June 2025 were 4.6 and 4.0 percent, respectively. The State's seasonally adjusted unemployment rate in June 2025 is 3.7. Total employment in June 2025 increased to 66,427 jobs, representing 4,048 or a 6.8% increase from the previous year.



Brunswick County continues to see strong, consistent economic growth and development. From 2024 to 2025, Brunswick County's business investment increased by \$80,815,154, representing a 3.2 percent increase. Two new industries recently announced their decision to locate in Brunswick County. In January 2025, Akron Pharma purchased the former ITI Building located in the Leland Innovation Park. Akron plans to utilize the facility in Phase I for a distribution and call center, estimating that it will employ between 25 and 30 new hires and incur approximately \$3 million in capital investment. US MgO announced plans to purchase approximately 22 acres from Brunswick County in April 2025 for the construction of manufacturing, laboratory, and warehousing space. This property is in the Leland Innovation Park. US MgO projects a capital investment of \$5-\$10 million and the creation of 50-150 new jobs.

Brunswick County continues marketing two large industrial parks. The International Logistics Park of North Carolina (ILPNC) and the Mid Atlantic Industrial Rail Park (MAIRP) are adjacent to US Highway 74/76 at the Brunswick/Columbus County line and have over 1,000 acres of land each. The ILPNC, a State Tier 1 identified site, provides water, wastewater, and fiber optics services. Recently, the International Commerce Center, a privately developed spec building, completed a 136,000-square-foot expansion, allowing TriTech Forensics to expand its facility by 50,000 square feet. The remaining 86,000 square feet are currently available for new business growth. A second spec building is proposed on Lot 2 for the construction of a 265,000 square-foot building with expansion possibilities of up to 44,000 square feet. The MAIRP also has sewer and water service and can provide natural gas. CSX Transportation serves the park with rail and has recognized the Mid Atlantic Industrial Park as one of twenty-three sites designated as a "CSXSelect Site" in their system. In 2023, the Brunswick County Board of Commissioners agreed to purchase 567.32 acres at the Mid-Atlantic Industrial Rail Park for economic development purposes. Approximately 155 acres will be utilized by Epsilon Advanced Materials, and Brunswick County will have



Social Services Earns  
NC-PAL Certificate of  
Recognition

control over the remaining 412 for future industrial projects. With the announcement of Epsilon Advanced Materials, Golden LEAF Foundation has committed \$3 million to assist with the construction of a 1-million-gallon water storage tank on-site, including the extension of a 16-inch main water line under US Highways 74/76. An application has also been submitted to the US Economic Development Agency (EDA) for potential \$2 million in funding to help close the gap for this upgrade. Brunswick County received “Notice of Further Consideration” from EDA signifying a positive response. We are still waiting for a formal award from EDA. The State of North Carolina has also committed \$1 million from the State’s CDBG allocation to assist with the internal extension of water and wastewater to serve Epsilon and future users in the park. Plans are underway for the NC Department of Transportation to construct, own, and maintain an access road to serve Epsilon, including access improvements along US Highways 74/76. Preliminary plans are underway to extend rail service into the Mid-Atlantic Industrial Rail Park. Samet Corporation, a private developer of industrial properties, plans to construct a second building on Cedar Hill Road, adding 158,760 square feet of available industrial space.

Brunswick County has submitted buildings and sites to 124 potential new companies during FY 2025. This is consistent with the submissions from the previous year. There are currently 69 new companies reviewing Brunswick County, and 23 have visited a site in the county. Brunswick County has also experienced an increase in its labor force, rising from 62,177 in June 2024 to 66,458 in June 2025, representing an approximate 6.9 percent increase.

The County’s diversified economy is based primarily on tourism, manufacturing, retail, and construction. Our existing industries continue to expand, adding many new jobs to the County. Tourism contributions include permanent and secondary housing development, increased retail sales, employment opportunities, and demand for potable water and wastewater collection and treatment services. Retail development has continued to pick up, with new shopping centers completed and planned near St. James, Supply, Shallotte, and Leland and the infill of stores within centers in the southern part of the county. In the past year, residential construction has increased, with hundreds of new homes now under construction.

Retail trade is the largest employment sector in Brunswick County, accounting for 16% of employment. In comparison, accommodation and food services account for 15%, health care and social assistance for 13%, construction for 8%, government for 7%, educational services for 7%, administrative and waste services for 5%, manufacturing for 4%, arts and entertainment for 4%, professional for 4%, transportation for 3%, utilities for 3%, and real estate for 3%. Various other employment sectors make up the remaining 8%.

Novant Health Brunswick Medical Center is one of two hospitals in Brunswick County. It was a replacement hospital with 200,000 square feet and all private rooms costing more than \$100 million. The hospital opened in July 2011 and is located centrally in Brunswick County, approximately 3 miles from the prior facility on Hwy—17 near Brunswick Community College. The hospital contains 78 private rooms, five operating rooms, 1 GI endoscopy room, a pharmacy, a lab, and an emergency room.



Brunswick Community College serves the County with various unique programs suited to the needs of the area, including Aquaculture, Aquaponics, and Marine Biotechnology. Other programs include Arts & Sciences, Nursing and Allied Health, High School and Academic Support, Professional and Technical, and Continuing Education. Sustainability is also a focus of the college. It maintains a 66-plus acre site designated as an NC Birding Trail made of forests, wetlands, and walking trails. Through a partnership with the Golden LEAF Foundation and the U.S. Economic Development Administration, the Community College also participates in the Brunswick Business and Industry Incubator. It provides new and growing businesses with the tools necessary for success through various business support resources and services.

Cape Fear Regional Jetport, or *Howie Franklin Field*, is located in Oak Island, NC, drawing business and recreation planes. The ideal location with 47 miles of beach, historical seaport villages, exclusive island getaways, more than 30 golf courses, fantastic inshore and offshore fishing, world-famous seafood, and spectacular weather year-round combined with the airport itself boasting 18 businesses, including two aircraft maintenance shops, the most extensive flight school on the coast, helicopter flight school, bait and tackle shop, an avionics shop, and an aircraft charter shop to name a few. The airport is 4th in General Aviation Airport economic engines in the State of North Carolina out of 72 other airports.

Brunswick County's economic future looks bright as the new industrial parks expand, new retail shopping centers develop, new tourist attractions are completed, and new residential growth continues.

## CULTURAL AND RECREATION

**Golfing:** Brunswick County is one of the major golf hubs in the State of North Carolina. More than thirty state-of-the-art golf courses, most of which have residential/commercial development associated with them are located within the County.

**Beaches:** The county stretches from historic Wilmington to Myrtle Beach, South Carolina. It comprises 5 barrier islands: Sunset Beach, Ocean Isle Beach, Holden Beach, Oak Island, and Bald Head Island, along with many coastal towns along the intercostal waterway.

**Parks and Community:** Brunswick County provides many parks and facilities for disc golf, athletics, special populations programs, community events, and more. The Parks and Recreation Department maintains 13 parks and 4 community centers, including an amphitheater, multiple fields, and picnic shelters, 32 tennis courts, playgrounds, and ten dedicated pickleball courts. The Brunswick Nature Park is 911 acres of undeveloped wilderness with hiking and biking trails and a kayak/canoe launch site.

**Library:** The mission of the Brunswick County Library is to provide materials, services, and programs to support the community's informational, cultural, recreational, and lifelong learning interests. Five library branches across Brunswick County offer books, magazines, DVDs, audiobooks, and online resources.



Branches are in Southport, Shallotte, Leland, Oak Island, and Carolina Shores. Each offers computer access, educational and community events, e-books, public meeting rooms, and copy/fax services.

**Museums:** The county is home to many landmarks and museums that provide outstanding educational opportunities for residents and visitors alike. Locations include one of North Carolina’s state historic and working archeological sites at Brunswick Town Fort Anderson, along with the North Carolina Maritime Museum located in Southport. The county is also home to North Carolina’s oldest standing lighthouse, Old Baldy on Bald Head Island, and the last lighthouse to be built in North Carolina, the Oak Island Lighthouse. There are many other museums, landmarks, and historical sites throughout the county that are of historical and cultural significance.

## LONG-TERM FINANCIAL PLANNING

Brunswick County’s financial strength is reflected in its careful financial planning and sound management policies. The County outlines its goals and objectives as a guide, prepares a planning document to take a five-year look at a fiscally sustainable future, and maintains a Five-Year Capital Improvement Plan to meet the county's growing needs. Projects are funded based on need, meeting financial targets for fund balance and debt service, and maintaining attractive bond ratings.

**General Government.** The County’s operating general fund budget for the fiscal year ending June 30, 2026, totals \$313,077,340 with no increase in the property tax rate of 0.3420 per \$100 of assessed value, based on a total valuation of \$54.08 billion. The estimated value of one cent is \$5.34 million.

The list of projects approved for funding in FY totals \$77,396,845. The environmental protection component of the capital improvement plan is \$700,000 for landfill closure. The Culture and Recreation component includes \$120,000 for expansion of the Rourk Library Branch. The public safety component includes \$7,061,152 for the construction of an Animal Protection Services Adoption Center and \$1,035,000 for the Northeast EMS Base Station. The general government component includes \$68,480,693 for a combined Emergency Operations Center and Health and Human Services building.

The FY 2025-2026 governmental capital improvement plan funding sources, as presented, are \$60,796,152 of capital reserve that has been designated for these projects, \$16,480,693 of debt proceeds, and \$120,000 with funding still to be determined. The five-year capital improvement plan represents a living document. Some projects scheduled initially for the five-year timeframe may have been deferred to later years.

**Water.** The number of customers connected to the County’s water system continues increasing to 65,265, or 11.3%, as of June 30, 2025. This amount includes customers acquired during the merger with



the City of Southport's water system, effective June 30, 2024. Due to the growth and increased irrigation demand, additional transmission system improvements are planned for the next five years. The water fund capital improvement plan includes seven projects planned for FY 2025-2026 at a total estimated cost of \$26,292,000. These projects include the Hwy 74/76 Industrial Park Tank at \$7,889,000, partially grant-funded with additional funds needed still to be determined, a Raw Water Reservoir for the Northwest Water Treatment Plant at \$995,000 with available capital reserve funding, \$2,500,000 of paygo funds to continue the Neighborhood Water Mains Improvement Project adding to the current allocation of \$1,000,000, \$780,000 to replace asbestos concrete lines in Shallotte using available capital reserves, and the Mid-Atlantic Rail Park On-site Water Project at \$3,700,000 funded with capital reserve funds. The water fund is also planning two projects dependent on the award of grant funds: the Bolivia and Longwood Area Water projects. Currently under construction are improvements in Navassa and Southport, and the Northwest Water Plant expansion and advanced treatment through a low-pressure reverse osmosis process to provide 36 million gallons per day (MGD) of treated water.

**Wastewater.** The County currently operates six wastewater treatment plants with a combined permitted wastewater treatment capacity of 13.355 MGD. County customers connected to the system grew 20.5% as of the end of the fiscal year 2025 to 34,812 customers. This amount includes customers acquired during the merger with the City of Southport's water system, effective June 30, 2024.

The West Brunswick Regional Water Reclamation System includes a capacity of a 6.0 MGD facility and a 0.5 MGD facility that uses drip irrigation, spray irrigation, and groundwater recharge through infiltration basins for effluent disposal. The County has wastewater service agreements with the Town of Holden Beach, the Town of Oak Island, and the Town of Shallotte for a portion of the 6.5 MGD treatment capacity. The treatment capacity of the Shallotte WWTP is being increased to accept 0.75 MGD of additional sewage flow into the West Brunswick Regional Wastewater System with the completion of the Mulberry Branch project in FY 2026. The project is funded by county debt proceeds issued in October 2023 and a State Revolving Fund Loan initially awarded to the City of Southport. Due to the rapid growth in the county's northern section, the county has begun designing to expand the West Regional Wastewater System capacity by an additional 6.00 MGD.

The County operates the Northeast Brunswick Regional Water Reclamation Facility with a capacity of 4.975 MGD. This facility serves H2GO as a participant and is fully supported by user charges. Due to the rapid growth in the county's northern section, the county has begun designing to expand the Northeast Brunswick Regional Wastewater System capacity by an additional 3.75 MGD, increasing its capacity to 8.725 MGD.

The wastewater capital improvement plan for FY 2025-2026 is \$43,284,653. Other significant projects include \$17,746,916 for the West Brunswick Biosolids Processing Facility, funded with reserves and debt service partially reimbursed by the West Regional System Participants, \$12,019,011 for the construction



of the Bolivia By-Pass Transmission Force Main, and the Mid-Atlantic Rail Park On-site Sewer Project at \$3,903,463, funded with a grant and available capital reserves.

The County plans to continue the expansion of its collection system through the use of Special Assessment Districts and the Enterprise Funded Sewer Main Extension Program as funds are available.

## AWARDS AND ACKNOWLEDGEMENTS

**Awards.** The Government Finance Officers Association ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Annual Comprehensive Financial Report for the fiscal year ending June 30, 2024. This is the twenty-second (23<sup>rd</sup>) consecutive year the County has received the prestigious award. To be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized annual financial report. The report must also satisfy generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for one year only. We believe that this annual financial report continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

**Acknowledgments.** We appreciate the efforts of the entire staff of the Finance Department throughout the year, especially during the preparation of this annual financial report with the assistance of Thompson, Price, Scott, Adams & Co., P.A. We would like to recognize members of the finance staff for their dedication and ongoing efforts in the preparation of the 2025 annual report:

Eileen Callori, CPA  
Carrie Hurst  
Melissa Modafferi

Tiffany Casteen  
Jackson Jordan  
Bill Noland  
Kathryn Regan

Yvette Glenn  
Christina Kennedy  
Denise O'Donnell-Jones  
Cathy Roeder

Miles Holt  
Karen McCall, CPA  
Ventzie Penev

We commend each county department for its cooperation and assistance in carrying out the activities and services included in this report. Recognition and appreciation are also extended to the County Manager and the Board of Commissioners for their continual support in maintaining the highest standards of professionalism in the management of Brunswick County's finances.

Respectfully submitted,

**AARON C. SMITH, CPA**  
Finance Director





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**County of Brunswick  
North Carolina**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO



## BRUNSWICK COUNTY BOARD OF COMMISSIONERS



**Mike Forte**  
Chairman  
District 4



**J. Martin Cooke**  
Vice Chairman  
District 2



**Randy Thompson**  
District 1



**Pat Sykes**  
District 3



**Frank Williams**  
District 5

## COUNTY OFFICIALS

Steve Stone  
Bryan W. Batton  
Daralyn Spivey  
Aaron Smith

County Manager  
County Attorney  
Clerk to the Board  
Finance Director

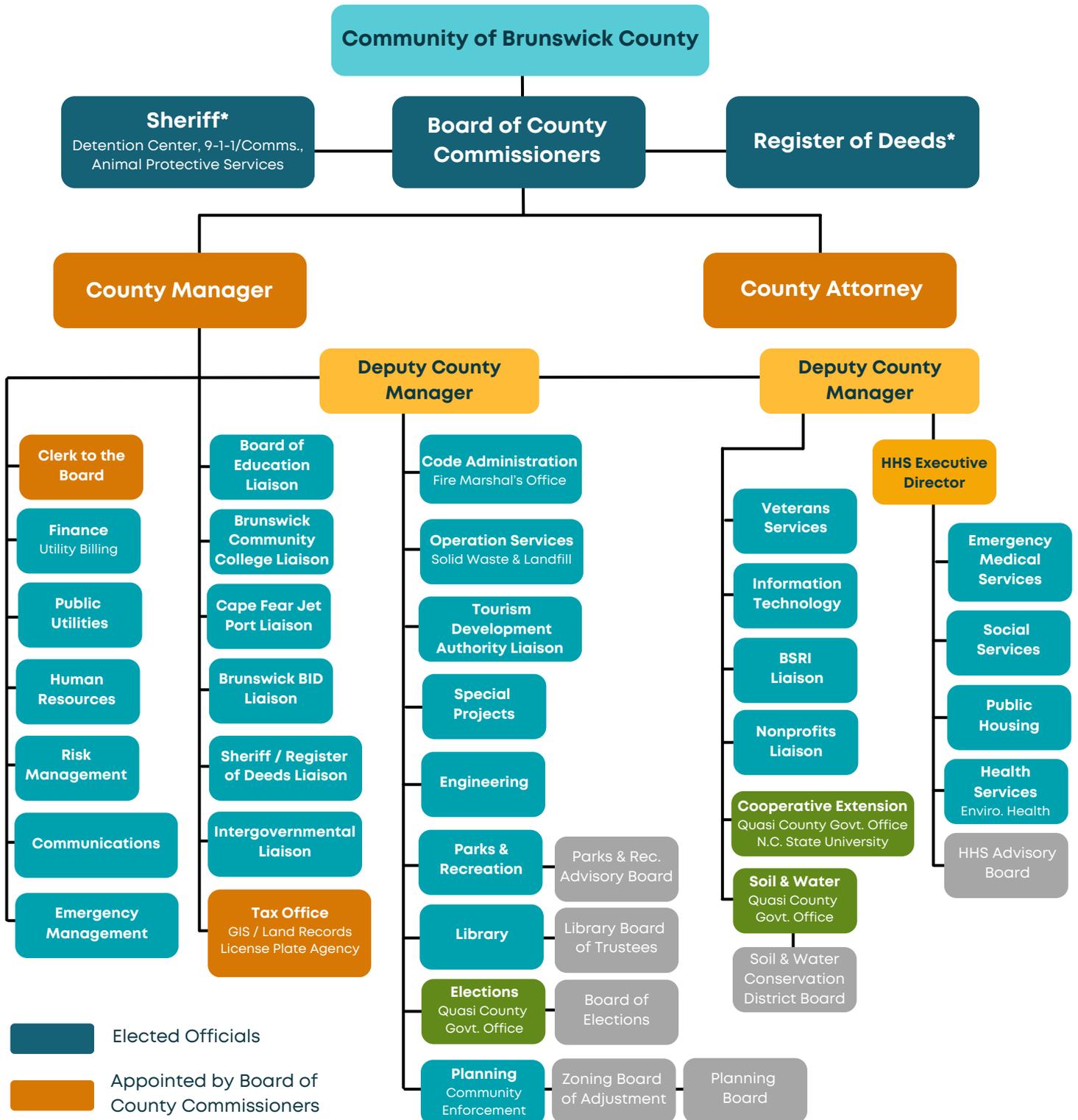
## OTHER ELECTED OFFICIALS

Dana Varnam  
Brian M. Chism

Register of Deeds  
Sheriff



# BRUNSWICK COUNTY ORGANIZATIONAL CHART



- Elected Officials
- Appointed by Board of County Commissioners
- Consultative supervision by County Manager's Office

\*County Manager has Budgetary Authority





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**INDEPENDENT AUDITORS' REPORT**

To the Board of County Commissioners  
Brunswick County  
Bolivia, North Carolina

**Report on the Financial Statements**

**Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate discretely presented component units, and the aggregate remaining fund information of Brunswick 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 Brunswick County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Brunswick County, North Carolina as of June 30, 2025, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

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

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

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

**Members**

**American Institute of CPAs - N.C. Association of CPAs - AICPA's Private Companies Practice Section**

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

### ***Auditors' Responsibility for the Audit of the Financial Statements***

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

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

- exercised professional judgement and maintained 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 responsible 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 Brunswick 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, the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Employee Payroll, the Detention Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Employee Payroll, the Other Post-Employment Benefits schedules of Changes in the Total OPEB Liability and Related Ratios, the Local Government Employees' Retirement System schedules of the County's Proportionate Share of Net Pension Liability and County Contributions, and the Register of Deed's Supplemental Pension Fund schedules of the County's Proportionate Share of the Net Pension Asset and County Contributions to be presented to supplement the basic financial statements. Such information is the responsibility of management, 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 consists 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 Brunswick County's basic financial statements. The combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Financial Data Schedule is presented for purposes of additional analysis as required by the U.S. Department of Housing and Urban Development 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual fund financial statements, budgetary schedules, other schedules, Financial Data Schedule, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory information and the 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 on 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 statement, 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 1, 2025 on our consideration of Brunswick 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 the report is 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 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 Brunswick County's internal control over financial reporting and compliance.

*Thompson, Price, Scott, Adams & Co., P.A.*

Thompson, Price, Scott, Adams & Co., P.A.  
Whiteville, NC  
December 1, 2025



## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Brunswick County, we offer readers of Brunswick County's financial statements this narrative overview and analysis of the financial activities of Brunswick County for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented herein in conjunction with additional information furnished in the County's financial statements, which follow this narrative.

### FINANCIAL HIGHLIGHTS

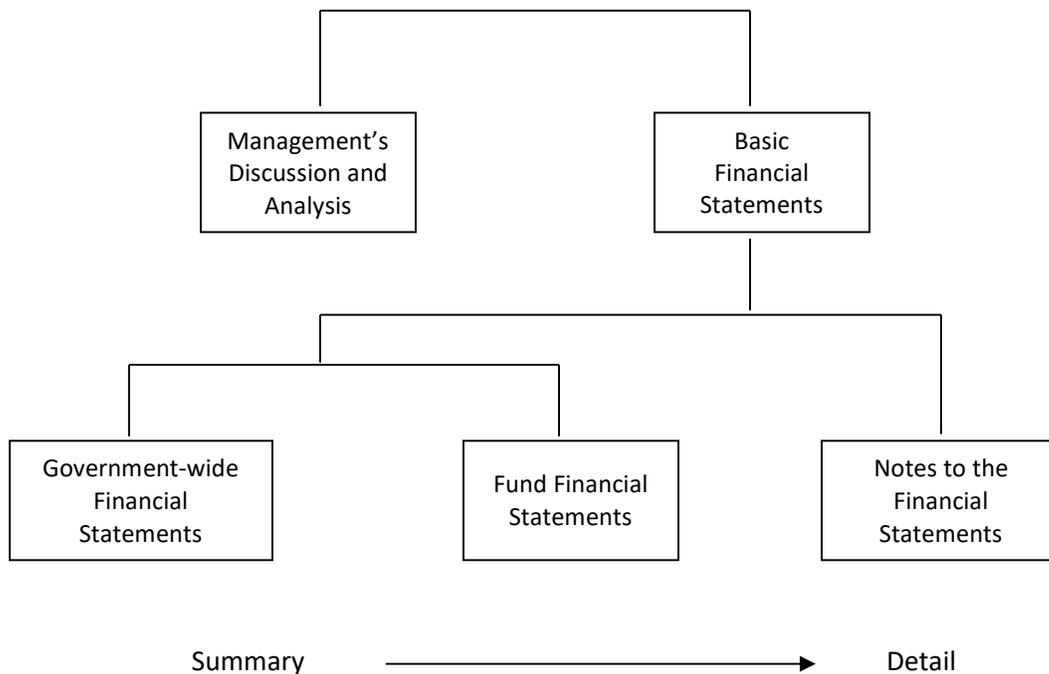
- The assets and deferred outflows of resources of Brunswick County's governmental activities exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$137.3 million (*net position*). The County's net position is impacted considerably by the general obligation debt the County has issued on behalf of the school system to fund capital outlay. Under North Carolina law, the County is responsible for providing capital funding for the school system and college. The County has chosen to meet its legal obligation to provide education capital funding by using a mixture of sales taxes, NC Education Lottery, and general obligation debt. A portion of the assets funded by the county-issued debt is owned, utilized, and maintained by the school system; therefore, the County acquires no capital assets and incurs liability without a corresponding increase in assets. At the end of the fiscal year, the outstanding balance of the education general obligation debt is approximately \$121.1 million. Furthermore, the entire amount of education general obligation debt is collateralized by the full faith, credit, and taxing power of the County. The County is authorized and required by state law to levy Ad Valorem taxes, without limit as to rate or amount, as may be necessary to pay the debt service on its general obligation bonds. Principal and interest requirements will be provided by an appropriation in the year in which they become due. Note 7I on page 63 further explains the effect of education debt on net position.
- The county's net position of governmental activities decreased by \$17.3 million from the restated Fiscal Year 2024 net position of \$120.0 million. Note 17 Change in Accounting Principle on page 90 explains the restatement resulting from the implementation of GASB Statement No. 101, Compensated Absences. This increase is mainly due to management's focus on monitoring spending and increased revenue collections in the General Fund, such as an increase in Ad Valorem tax collections of \$8.7 million and Local Option Sales Tax of \$1.7 million due to growth in the County, and an increase in Charges for Services of \$3.3 million due to the higher demand for services.
- As of the close of the 2025 fiscal year, the County's general fund reported amounts restricted for Stabilization by State statute of \$17.1 million. Additionally, \$1.3 million was restricted for the Interlocal Agreement with Holden Beach, \$2.7 million was restricted for inspection revenues collected to support the administration and activities of the inspections department, \$0.1 million was restricted for health and wellness programs, and \$0.6 million was restricted for seized funds held by the Sheriff. The unrestricted fund balance totals \$126.5 million, of which \$0.2 million is committed for revaluation purposes, \$0.3 million is nonspendable for prepaid and leases, \$5.9 million is assigned as designated for future projects, \$0.1 million is assigned for opioid abatement and remediation activities, and \$8.3 million is assigned for carryover expenditures into the next fiscal year leaving \$111.7 million available for spending.
- Moody's Investor Services ratings are Aaa for general obligation bonds, Aa1 for limited obligation bonds, and Aa2 for revenue bonds. S & P Global Services ratings are AAA for general obligation bonds, AA+ for limited obligation bonds, and the rating for revenue bonds remains AA. The County bond ratings with Fitch are AAA for general obligation bonds, AA+ for limited obligation bonds, and AA- for revenue bonds.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

### Required Components of Annual Financial Report

Figure 1



## BASIC FINANCIAL STATEMENTS

The first two statements in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information concerning the County's financial status.

The next statements are the **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government, providing more details than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental fund's statements, 2) the budgetary comparison statements for major governmental funds, 3) the proprietary fund statements, and 4) the fiduciary fund statements.

The final section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. Following the notes, **supplemental**

**information** provides details of the County's non-major governmental funds, which are combined in one column on the basic financial statements. Budgetary information required by the North Carolina General Statutes can also be found in this part of the statements.

## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide financial statements are designed to provide readers with a broad overview of Brunswick County's finances, in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the County'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 the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user charges (business-type activities). The governmental activities of Brunswick County include general government services, public safety, public education, human services, economic development, and cultural services. The business-type activities of Brunswick County are water and wastewater services offered to customers.

The government-wide financial statements include not only Brunswick County itself (known as the primary government) but also the Brunswick County ABC Board, Airport Commission, and Tourism Development Authority. Although legally separate from the County, these boards, commissions, and authorities are important to the County because the County exercises control over its members by appointing them. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 15-17 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 used to maintain control over resources that have been segregated for specific activities or objectives. The 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 County's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds** - Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* 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 government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

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

**Proprietary Funds** - The 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. The County uses enterprise funds to account for its water and wastewater activities. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

**Fiduciary Funds** – Custodial funds are used to report fiduciary activities for assets held by the County on behalf of others that meet certain criteria. The County has three custodial funds.

**Notes to the Basic 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 can be found on pages 29-90 of this report.

**Other Information** - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension and other post-employment health benefits to employees. Required supplemental information can be found on pages 91-106 of this report.

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

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 345,486,312	\$ 334,648,184	\$ 252,720,069	\$ 229,376,051	\$ 598,206,381	\$ 564,024,235
Capital asset (net)	<u>158,176,532</u>	<u>158,917,737</u>	<u>745,378,314</u>	<u>681,812,750</u>	<u>903,554,846</u>	<u>840,730,487</u>
Total assets	<u>503,662,844</u>	<u>493,565,921</u>	<u>998,098,383</u>	<u>911,188,801</u>	<u>1,501,761,227</u>	<u>1,404,754,722</u>
Deferred Outflows of						
Resources	<u>49,682,553</u>	<u>53,285,126</u>	<u>7,090,048</u>	<u>7,087,648</u>	<u>56,772,601</u>	<u>60,372,774</u>
Noncurrent liabilities	334,909,695	336,353,997	332,390,918	324,895,709	667,300,613	661,249,706
Other liabilities	<u>51,177,878</u>	<u>50,388,704</u>	<u>38,526,104</u>	<u>38,389,936</u>	<u>89,703,982</u>	<u>88,778,640</u>
Total Liabilities	<u>386,087,573</u>	<u>386,742,701</u>	<u>370,917,022</u>	<u>363,285,645</u>	<u>757,004,595</u>	<u>750,028,346</u>
Deferred Inflows of						
Resources	<u>29,930,035</u>	<u>36,979,070</u>	<u>6,724,775</u>	<u>7,644,546</u>	<u>36,654,810</u>	<u>44,623,616</u>
Net position:						
Net investment in						
capital assets	143,997,138	143,461,084	469,245,054	425,495,806	613,242,192	568,956,890
Restricted	31,413,432	27,682,997	-	-	31,413,432	27,682,997
Unrestricted	<u>(38,082,781)</u>	<u>(48,014,805)</u>	<u>158,301,580</u>	<u>121,850,452</u>	<u>120,218,799</u>	<u>73,835,647</u>
Total net position	<u>\$137,327,789</u>	<u>\$123,129,276</u>	<u>\$627,546,634</u>	<u>\$547,346,258</u>	<u>\$764,874,423</u>	<u>\$670,475,534</u>

The County's finances continue to be strong. The property tax collection rate is high, with an overall collection percentage of 99.21%. Revenues and expenditures are planned and managed using financial models for the capital, debt service, and various operating budgets. The low cost of our bonded debt is a direct result of the County's triple-A bond rating by the three major rating agencies.

The assets and deferred outflows of resources of Brunswick County governmental activities exceeded its liabilities and deferred inflows of resources by \$137.3 million as of June 30, 2025. Total assets and deferred outflows of resources exceeded its liabilities and deferred inflows by \$764.9 million.

Total current and other assets increased by \$34.2 million from the prior year. A significant contributing factor to the increase was the receivable from the North Carolina Department of Environmental Quality for a State Revolving Loan related to the Mulberry Branch Wastewater System. This increase, along with higher unrestricted cash and cash equivalents from operations, was partially offset by a decrease in debt proceeds, which were restricted for ongoing projects related to the November 2016 \$152 million school bond referendum.

Long-term liabilities, which include bonds, leases, IT subscriptions, compensated absences, post-employment benefits, and landfill closure and post-closure obligations of the primary government, increased by \$6.4 million. The leading causes of the increase were the issuance of state revolving loan funds of \$23.6 million and an increase of \$12.2 million for the County's other post-employment benefit liability. The overall increase in long-term liabilities was partially offset by the reduction in bonds payable resulting from debt service principal payments made during the current year.

Net position is reported as follows: net investment in capital assets of \$613.2 million, restricted for stabilization by State statute of \$17.3 million, restricted for other purposes of \$14.1 million, and unrestricted net position of \$120.0 million.

The net investment in capital assets is defined as the County’s investments in County-owned capital assets (e.g., land, buildings, machinery, and equipment), less related debt used to acquire those assets. Brunswick County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to repay these liabilities.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	Amount (in millions)			
Total capital assets	\$	158.2	\$	745.4
Less non-debt capital related liabilities		(3.5)		(9.8)
Education non-debt capital related liabilities		2.0		-
Less long-term debt		(127.4)		(300.5)
Less current maturities of long-term debt		(18.3)		(17.2)
Landfill closure included in long-term debt		9.0		-
Current portion of compensated absences		3.1		0.3
Education general obligation debt payable		120.9		-
Restricted cash from unexpended debt proceeds		-		51.0
Total net investment in capital assets	<u>\$</u>	<u>144.0</u>	<u>\$</u>	<u>469.2</u>

The final category of net position is unrestricted resources. This balance may be used to meet the government’s ongoing obligations to citizens and creditors. At June 30, 2025, the unrestricted resources were \$(38.1) million for governmental activities and \$158.3 million for business-type activities. Even though the debt has been issued to finance capital outlay, construction, and renovation for the school system, the Governmental Accounting Standards Board has determined that it is not capital debt for the County since it is not financing assets owned by the County. As a result, the education debt is reportable within the unrestricted category of the net position rather than as part of the category net investment in capital assets. The impact of the inclusion of the education debt without the corresponding assets was offset by the continued low cost of debt due to Brunswick County’s excellent bond ratings.

**Brunswick County Changes in Net Position**  
**Figure 3**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenues:						
Program revenues:						
Charges for services	\$ 37,798,714	\$ 34,512,177	\$ 116,983,350	\$ 103,947,729	\$ 154,782,064	\$ 138,459,906
Operating grants and contributions	31,144,725	29,901,063	-	-	31,144,725	29,901,063
Capital grants and contributions	5,249,015	4,611,511	27,162,551	56,895,111	32,411,566	61,506,622
General revenues:						
Ad valorem taxes	183,032,986	174,348,859	-	-	183,032,986	174,348,859
Local option sales taxes	49,484,098	47,800,383	-	-	49,484,098	47,800,383
Other taxes	12,372,526	11,840,196	-	-	12,372,526	11,840,196
Investment earnings	<u>11,003,922</u>	<u>11,284,059</u>	<u>6,805,197</u>	<u>7,062,170</u>	<u>17,809,119</u>	<u>18,346,229</u>
Total revenues	<u>330,085,986</u>	<u>314,298,248</u>	<u>150,951,098</u>	<u>167,905,010</u>	<u>481,037,084</u>	<u>482,203,258</u>

**Figure 3 continues on the following page**

**Figure 3 (continued)**

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Expenses:						
General government	20,433,922	20,384,692	-	-	20,433,922	20,384,692
Public safety	79,087,469	71,775,691	-	-	79,087,469	71,775,691
Central services	27,461,810	23,488,148	-	-	27,461,810	23,488,148
Human services	36,150,304	31,477,908	-	-	36,150,304	31,477,908
Transportation	2,075,584	750,683	-	-	2,075,584	750,683
Environmental protection	26,904,746	25,606,324	-	-	26,904,746	25,606,324
Cultural and recreation	10,298,495	13,402,147	-	-	10,298,495	13,402,147
Economic and physical development	10,292,964	29,900,624	-	-	10,292,964	29,900,624
Education	94,526,864	104,347,082	-	-	94,526,864	104,347,082
Interest on long-term debt	4,621,200	5,042,280	-	-	4,621,200	5,042,280
Water and wastewater	-	-	71,263,564	65,879,857	71,263,564	65,879,857
Total expenses	<u>311,853,358</u>	<u>326,175,579</u>	<u>71,263,564</u>	<u>65,879,857</u>	<u>383,116,922</u>	<u>392,055,436</u>
Increase (decrease) in net position before transfers	<u>18,232,628</u>	<u>(11,877,331)</u>	<u>79,687,534</u>	<u>102,025,153</u>	<u>97,920,162</u>	<u>90,147,822</u>
Transfers	<u>(905,271)</u>	<u>-</u>	<u>905,271</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	<u>17,327,357</u>	<u>(11,877,331)</u>	<u>80,592,805</u>	<u>102,025,153</u>	<u>97,920,162</u>	<u>90,147,822</u>
Net position, July 1	<u>123,129,276</u>	<u>117,163,991</u>	<u>547,346,258</u>	<u>445,321,105</u>	<u>670,475,534</u>	<u>562,485,096</u>
Net position, restated	<u>120,000,432</u>	<u>135,006,607</u>	<u>546,953,829</u>	<u>445,321,105</u>	<u>666,954,261</u>	<u>580,327,712</u>
Net position, June 30	<u>\$ 137,327,789</u>	<u>\$ 123,129,276</u>	<u>\$ 627,546,634</u>	<u>\$ 547,346,258</u>	<u>\$ 764,874,423</u>	<u>\$ 670,475,534</u>

**Governmental activities.** Governmental activities accounted for \$137.3 million, 18.0 percent of the total net position. Governmental revenues increased mainly due to increases in ad valorem tax collections, local option sales taxes, and charges for services. Property and sales taxes continued to be a strong revenue source for the governmental activities, coming in at \$183.0 million and \$49.5 million, respectively. Charges for services funded \$37.8 million of the county’s governmental activities. Governmental expenses decreased by \$14.3 million due to a one-time investment in land for economic development purposes in the prior year, along with fewer education project expenses, offset by operational increases in public safety, central services, and human services. The governmental net position increased by \$17.3 million due to the previously described revenues and expenditures changes, controlled spending, and principal debt retirements associated with education facilities for which the county does not own the underlying assets.

**Business-type activities.** Business-type activities increased the County’s net position by \$80.6 million. Business-type revenues increased mainly due to customer growth, including the prior year’s merger with the City of Southport’s utility system, resulting in increases in user charges, as well as continued diligence in water and sewer revenue collection. Business-type expenses increased primarily due to operational increases. This increase is also the result of the completion of capital projects and capital contributions.

## FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

**Governmental Funds.** The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is helpful in assessing the County's financing requirements. In particular, the fund balance available for appropriation may serve as a valuable measure of a County's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$299.2 million, which is an increase of \$13.8 million compared to the prior year. Approximately \$37.5 million of the total fund balance is restricted by state stabilization or other restrictions, and approximately \$261.6 million is unrestricted. Of the unrestricted fund balance at June 30, 2025, \$0.2 million was committed for a legally budgeted tax revaluation, \$135.3 million, or approximately 51.7 percent, was committed for education and county capital projects, \$0.3 million was nonspendable for prepaid expenditures and lease receivables, \$6.0 million was assigned as designated for future projects and opioid abatement and remediation activities, and \$8.3 million was assigned for subsequent year expenditures leaving \$111.5 million of unassigned fund balance. The unassigned fund balance at approximately 37.3 percent of the total fund balance is available for spending at the County's discretion.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, the unassigned fund balance in the general fund was \$111.7 million, while the total fund balance for the general fund decreased from \$151.1 million to \$148.3 million, mainly due to the funding of future capital projects identified on the County's capital improvement plan based on the results of the June 30, 2024, fiscal year end. Amounts in the General Fund balance assigned for subsequent year's expenditures totaled \$8.3 million, and assigned for future projects and opioid abatement and remediation activities totaled \$6.0 million. The restricted general fund balance was \$17.1 million for stabilization by state statute and \$4.6 million for other restrictions related to inspections, health and wellness, public safety, education, and the Municipal Interlocal Agreement for Special Obligation Bonds. As a measure of the general fund's liquidity, it is useful to compare the unassigned fund balance to total general fund expenditures. The unassigned general fund balance represents 39.8% of total general fund expenditures before transfers for capital projects, while the total general fund balance represents 52.9% of that same amount.

The County Capital Project Fund balance increased by \$24.5 million due to the funding of future capital projects identified on the County's capital improvement plan from the General Fund based on the results of the June 30, 2024, fiscal year end, offset by planned capital project expenditures. The Education Capital Project Fund balance decreased by \$15.0 million, primarily due to planned project expenditures associated with the \$152 million bond referendum debt and the use of capital reserves. The Non-Major Governmental Funds balance increased by \$4.2 million due to American Rescue Plan Act funds earned and the receipt of National Opioid Settlement funds.

**Enterprise Funds.** The Water Fund's net position increased by \$30.1 million to \$280.5 million. The Wastewater Fund's net position increased by \$50.2 million to \$346.8 million. The increases in the net position of the enterprise funds are from growth in the customer base, a prior merger with the City of Southport's utility system, the completion of capital projects, and capital contributions.

**General Fund Budgetary Highlights.** During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into three categories: 1) amendments made to adjust estimates that are used to prepare the original budget ordinance once exact information is available, 2) amendments made to recognize new funding amounts from external sources, such as federal and state grants, and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by \$13.7 million. Most of the increase was comprised of a \$4.4 million increase in ad valorem taxes, \$0.4 million in local option sales taxes, a \$3.8 million increase in intergovernmental revenues, and \$2.9 million for other taxes and licenses. Total actual revenues exceeded amended budgeted amounts by \$14.1 million. Total actual expenditures were \$27.5 million less than amended budgeted amounts, most of which relate to expenditures lower than budgeted in public safety, central services, and human services.

**Proprietary Funds.** Brunswick County’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The unrestricted net position of the Water and Wastewater Funds at the end of the year totaled \$158.3 million. The primary factor affecting this was a net increase of \$63.6 million in the County’s capital assets, which included capital contributions of \$27.2 million.

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets.** Brunswick County’s investment in capital assets for its governmental and business-type activities as of June 30, 2025, amounts to \$903.6 million (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings, systems, improvements, machinery, and equipment.

**Brunswick County’s Capital Assets**  
**Figure 4**

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 17,198,908	\$ 17,198,908	\$ 5,759,296	\$ 5,759,296	\$ 22,958,204	\$ 22,958,204
Construction in progress	1,846,241	4,675,948	196,814,539	156,521,048	198,660,780	161,196,996
Operating plants, buildings & improvements	118,089,313	117,417,203	113,655,306	120,225,594	231,744,619	237,642,797
Equipment and vehicles	19,082,096	17,435,552	45,342,979	32,925,474	64,425,075	50,361,026
Distribution and collection systems	-	-	381,853,055	364,255,024	381,853,055	364,255,024
RTU leased operating plants & buildings	187,020	212,199	1,928,513	2,075,287	2,115,533	2,287,486
RTU leased equipment	525,627	234,603	16,239	30,258	541,866	264,861
RTU SBITA	<u>1,247,327</u>	<u>1,743,324</u>	<u>8,387</u>	<u>20,769</u>	<u>1,255,714</u>	<u>1,764,093</u>
Total capital assets, net	<u>\$158,176,532</u>	<u>\$158,917,737</u>	<u>\$745,378,314</u>	<u>\$681,812,750</u>	<u>\$903,554,846</u>	<u>\$840,730,487</u>

Significant capital asset transactions for governmental activities during the fiscal year include construction in progress for the planning phase of the Human Services building, as well as public safety equipment and vehicles.

Significant capital asset transactions for Business-type activities during the fiscal year include the construction in progress for the Northwest water plant expansion with low-pressure reverse osmosis treatment, water mains projects, the expansion of the West Brunswick wastewater system, transmission expansion, and other water and sewer main construction projects.

Additional information on Brunswick County’s capital assets including the County’s intangible right to use assets (RTUs) and subscription based information technology arrangements (SBITAs) can be found in Note 4 on pages 51-53 of this report. Leases and SBITAs are also discussed in the related subsections of the Long-term Obligations section.

**Long-term Debt.** At the end of the current fiscal year, Brunswick County had a total general obligation bonded debt outstanding of \$111.2 million, which is backed by the full faith and credit of the County.

**Brunswick County’s Long-term Debt**  
**Figure 5**

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds	\$109,620,000	\$116,505,000	\$ 1,535,000	\$ 1,760,000	\$111,155,000	\$118,265,000
Limited obligation bonds	10,245,000	12,515,000	-	-	10,245,000	12,515,000
Bond premiums	11,972,570	12,932,242	23,058,496	25,158,173	35,031,066	38,090,415
Installment purchases & revolving loans	-	-	26,885,813	5,215,940	26,885,813	5,215,940
Revenue bonds	-	-	263,710,000	278,075,000	263,710,000	278,075,000
Leases	703,524	458,301	2,123,532	2,188,736	2,827,056	2,647,037
SBITA	1,075,046	1,749,160	7,240	53,140	1,082,286	1,802,300
Other	<u>219,644,089</u>	<u>210,265,843</u>	<u>32,416,953</u>	<u>28,597,825</u>	<u>252,061,042</u>	<u>238,863,668</u>
Total long-term debt	<u>\$353,260,229</u>	<u>\$354,425,546</u>	<u>\$349,737,034</u>	<u>\$341,048,814</u>	<u>\$702,997,263</u>	<u>\$695,474,360</u>

The Municipal Finance Law of North Carolina determines this legal debt limit, which limits the amount of net bonded debt a County may have outstanding to 8 percent of the appraised value subject to taxation. The legal debt limit is \$4.26 billion. The legal debt margin on June 30, 2025, was \$4.14 billion.

The ratio of debt service expenditures to total governmental expenditures is 4.9%, and to total general fund expenditures is 5.6%. The County's general obligation debt per capita is \$635 as of June 30, 2025. The County’s governmental activities’ gross debt per capita is \$694. It is comprised of \$635 per capita in general obligation debt and \$59 per capita in outstanding limited obligation bonds for the construction and renovation of various county and educational buildings.

The County’s debt had a net decrease of \$1.2 million in governmental and a net increase of \$8.7 million in enterprise funds, for a net total increase of \$7.5 million during the current fiscal year. The key factor in this increase was the addition of the state revolving fund loan issued in the enterprise fund. Additional information on Brunswick County’s long-term debt can be found in Note 7 on pages 55-64 of this report.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The unemployment rate for Brunswick County is currently 4.6 percent and was 4.6 percent at June 30, 2025, compared to the state's seasonally adjusted unemployment rate of 3.7 percent currently and 3.7 percent at June 30, 2025. Inflationary trends in the region are similar to national indices. The population estimation of 175,047 has grown by 47.9 percent in the last 10 years. All of these factors were considered in preparing Brunswick County's budget for the fiscal year 2025-2026.

Over the past ten years, Brunswick County has experienced significant development and population growth. This growth was due to tourism and people relocating to the County.

## **BUDGET HIGHLIGHTS FOR THE FISCAL YEAR 2025-2026**

**Governmental activities.** The county maintained a tax rate of \$0.3420. The last revaluation was for the 2023 levy. Budgeted operating expenditures in the General Fund are expected to increase 5.7 percent to \$313.1 million.

Budgeted expenditures for education are expected to increase by 6.6 percent or approximately \$5.1 million. Education funding includes a current expense appropriation to the Brunswick County School System, representing 36.5 percent of the Ad Valorem tax base, excluding any amount needed for annual general government debt service. The School System funds most of its local capital outlay needs from sales tax allocations, bond proceeds, lottery funds, and ad valorem taxes. The County also includes an appropriation to the Brunswick Community College in its educational funding for current expense and capital outlay needs.

The fiscal year 2026 budget includes a fund balance appropriation in the general fund of \$6.7 million net of the \$1.3 million in escrow funds held for the Holden Beach sound nourishment project. The fiscal year 2024 included a fund balance appropriation in the general fund of the same amount, net of the Holden Beach sound nourishment project. The County appropriates fund balance each year to assist in meeting the capital outlay needs but strives to save the appropriated amount to lower the burden on property tax owners.

**Business-type activities.** The water and wastewater enterprise funds are anticipated to increase by 6.9 percent due to commercial and residential growth in new services and to cover increased costs associated with personnel, operation, capital outlay, and debt service. The planned funding of capital projects is also a significant factor in this increase.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of Brunswick County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Post Office Box 249, Bolivia, North Carolina 28422. You can also visit our website:

<http://www.brunswickcountync.gov/finance/>



## COUNTY OF BRUNSWICK, NORTH CAROLINA

STATEMENT OF NET POSITION  
JUNE 30, 2025

	Primary Government			Component
	Governmental	Business-type	Total	Units
	Activities	Activities	Total	Total
<b>Assets:</b>				
Cash and cash equivalents/investments	\$ 296,692,172	\$ 162,263,996	\$ 458,956,168	\$ 4,974,844
Receivables, net	6,010,066	13,487,408	19,497,474	1,791,368
Other governmental agencies	13,574,700	14,748,366	28,323,066	-
Inventories	-	6,645,290	6,645,290	983,057
Prepaid items	240,000	-	240,000	92,111
Restricted assets:				
Restricted cash and investments	15,929,737	55,575,009	71,504,746	22,565
Restricted opioid receivables, net	12,751,656	-	12,751,656	-
Restricted net pension asset	287,981	-	287,981	-
Capital assets:				
Non-depreciable capital assets	19,045,149	202,573,835	221,618,984	-
Depreciable capital assets, net	137,171,409	540,851,340	678,022,749	37,245,921
Right to use assets, net of amortization	1,959,974	1,953,139	3,913,113	-
Total capital assets	158,176,532	745,378,314	903,554,846	37,245,921
Total assets	503,662,844	998,098,383	1,501,761,227	45,109,866
<b>Deferred Outflows of Resources:</b>	49,682,553	7,090,048	56,772,601	365,124
<b>Liabilities:</b>				
Accounts payable and other liabilities	\$ 14,091,473	\$ 14,826,278	\$ 28,917,751	\$ 1,238,475
Advance from grantor	16,955,550	-	16,955,550	-
Accrued interest payable	1,780,321	3,168,826	4,949,147	-
Liabilities to be paid from restricted assets	-	3,184,884	3,184,884	22,565
Long-term liabilities:				
Due within one year	18,350,534	17,346,116	35,696,650	990,173
Due beyond one year	334,909,695	332,390,918	667,300,613	1,675,912
Total liabilities	386,087,573	370,917,022	757,004,595	3,927,125
<b>Deferred Inflows of Resources:</b>	29,930,035	6,724,775	36,654,810	1,104,634
<b>Net Position:</b>				
Net investment in capital assets	143,997,138	469,245,054	613,242,192	35,300,233
Restricted for:				
Stabilization by State Statute	17,272,118	-	17,272,118	704,758
General Government	1,265,400	-	1,265,400	-
Public Safety	3,908,635	-	3,908,635	-
Public Housing	22,345	-	22,345	-
Human Services	7,286,234	-	7,286,234	-
Education	33,772	-	33,772	-
Register of Deeds Automation	1,336,947	-	1,336,947	-
Register of Deeds Pension Plan	287,981	-	287,981	-
Tourism Promotion	-	-	-	1,824,196
Working Capital	-	-	-	195,936
Unrestricted	(38,082,781)	158,301,580	120,218,799	2,418,108
Total net position	\$ 137,327,789	\$ 627,546,634	\$ 764,874,423	\$ 40,443,231

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

COUNTY OF BRUNSWICK, NORTH CAROLINA

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025

Function/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
<b>Government Activities:</b>				
General government	\$ 20,433,922	\$ 2,573,100	\$ 8,554,574	\$ 3,321,924
Public safety	79,087,469	24,702,476	1,361,247	-
Central services	27,461,810	-	110,143	-
Human services	36,150,304	1,067,724	19,647,812	-
Transportation	2,075,584	-	61,200	1,927,091
Environmental protection	26,904,746	7,907,877	33,414	-
Cultural and recreation	10,298,495	324,251	209,441	-
Economic and physical development	10,292,964	1,223,286	1,166,894	-
Education	94,526,864	-	-	-
Interest on long-term debt	4,621,200	-	-	-
Total governmental activities	<u>311,853,358</u>	<u>37,798,714</u>	<u>31,144,725</u>	<u>5,249,015</u>
<b>Business-type Activities:</b>				
Water	42,184,702	56,437,211	-	10,250,920
Wastewater	<u>29,078,862</u>	<u>60,546,139</u>	<u>-</u>	<u>16,911,631</u>
Total business-type activities	<u>71,263,564</u>	<u>116,983,350</u>	<u>-</u>	<u>27,162,551</u>
Total primary government	<u>\$ 383,116,922</u>	<u>\$ 154,782,064</u>	<u>\$ 31,144,725</u>	<u>\$ 32,411,566</u>
Discretely presented component units	<u>\$ 12,337,652</u>	<u>\$ 9,370,376</u>	<u>\$ -</u>	<u>\$ 2,126,944</u>

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

COUNTY OF BRUNSWICK, NORTH CAROLINA

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025

Function/Programs	Net (Expense) Revenue and Changes in Net Position			Component Units	
	Primary Government		Total		Total
	Governmental Activities	Business-type Activities			
<b>Primary Government:</b>					
<b>Government Activities:</b>					
General government	\$ (5,984,324)	\$ -	\$ (5,984,324)		
Public safety	(53,023,746)	-	(53,023,746)		
Central services	(27,351,667)	-	(27,351,667)		
Human services	(15,434,768)	-	(15,434,768)		
Transportation	(87,293)	-	(87,293)		
Environmental protection	(18,963,455)	-	(18,963,455)		
Cultural and recreation	(9,764,803)	-	(9,764,803)		
Economic and physical development	(7,902,784)	-	(7,902,784)		
Education	(94,526,864)	-	(94,526,864)		
Interest on long-term debt	(4,621,200)	-	(4,621,200)		
Total governmental activities	<u>(237,660,904)</u>	<u>-</u>	<u>(237,660,904)</u>		
<b>Business-type Activities:</b>					
Water	-	24,503,429	24,503,429		
Wastewater	-	48,378,908	48,378,908		
Total business-type activities	<u>-</u>	<u>72,882,337</u>	<u>72,882,337</u>		
Total primary government	<u>(237,660,904)</u>	<u>72,882,337</u>	<u>(164,778,567)</u>		
Discretely presented component units				<u>\$ (840,332)</u>	
<b>General Revenues:</b>					
Ad valorem taxes	183,032,986	-	183,032,986	-	
Local option sales taxes	49,484,098	-	49,484,098	-	
Deed stamp excise and other taxes	12,372,526	-	12,372,526	3,305,054	
Investment earnings	11,003,922	6,805,197	17,809,119	94,982	
Total general revenues	<u>255,893,532</u>	<u>6,805,197</u>	<u>262,698,729</u>	<u>3,496,871</u>	
Transfers	<u>(905,271)</u>	<u>905,271</u>	<u>-</u>	<u>-</u>	
Total general revenues and transfers	<u>254,988,261</u>	<u>7,710,468</u>	<u>262,698,729</u>	<u>3,496,871</u>	
Change in net position	<u>17,327,357</u>	<u>80,592,805</u>	<u>97,920,162</u>	<u>2,656,539</u>	
<b>Net position, beginning of year</b>	<u>123,129,276</u>	<u>547,346,258</u>	<u>670,475,534</u>	<u>37,837,982</u>	
<b>Restatement</b>	<u>(3,128,844)</u>	<u>(392,429)</u>	<u>(3,521,273)</u>	<u>(51,290)</u>	
<b>Net position, beginning, as restated</b>	<u>120,000,432</u>	<u>546,953,829</u>	<u>666,954,261</u>	<u>37,786,692</u>	
<b>Net position, end of year</b>	<u>\$ 137,327,789</u>	<u>\$ 627,546,634</u>	<u>\$ 764,874,423</u>	<u>\$ 40,443,231</u>	

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

## COUNTY OF BRUNSWICK, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2025

	Major Funds				
	General	County Capital Project	Education Capital Project	Non Major Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents/investments	\$ 142,173,524	\$ 105,310,784	\$ 47,068,748	\$ 2,139,116	\$ 296,692,172
Restricted cash and investments	1,536,083	-	6,407,856	7,985,798	15,929,737
Interest receivable	76,504	41,082	17,473	3,797	138,856
Taxes receivable - net	1,278,689	-	-	-	1,278,689
Receivables - net	4,561,890	-	-	2,341	4,564,231
Restricted opioid receivables, net	-	-	-	12,751,656	12,751,656
Other governmental agencies	13,043,048	85,399	327,673	118,580	13,574,700
Due from other funds	39,414	-	2,002,615	-	2,042,029
Lease receivable	28,290	-	-	-	28,290
Prepaid expenditures	240,000	-	-	-	240,000
Total assets	<u>\$ 162,977,442</u>	<u>\$ 105,437,265</u>	<u>\$ 55,824,365</u>	<u>\$ 23,001,288</u>	<u>\$ 347,240,360</u>
<b>Liabilities:</b>					
Accounts payable and other liabilities	\$ 10,449,080	\$ 1,465,682	\$ 2,029,409	\$ 147,302	\$ 14,091,473
Due to other funds	2,002,615	39,414	-	-	2,042,029
Advance from grantor	-	15,985,961	-	969,589	16,955,550
Total liabilities	<u>12,451,695</u>	<u>17,491,057</u>	<u>2,029,409</u>	<u>1,116,891</u>	<u>33,089,052</u>
<b>Deferred Inflows of Resources:</b>	<u>2,244,164</u>	<u>-</u>	<u>-</u>	<u>12,751,656</u>	<u>14,995,820</u>
<b>Fund Balances:</b>					
Nonspendable	268,290	-	-	-	268,290
Restricted:					
Restricted - Stabilization by State Statute	17,147,400	-	-	124,718	17,272,118
Restricted - other	4,632,386	-	6,407,856	9,220,947	20,261,189
Committed	214,566	87,946,208	47,387,100	-	135,547,874
Assigned	14,303,135	-	-	-	14,303,135
Unassigned	111,715,806	-	-	(212,924)	111,502,882
Total fund balances	<u>148,281,583</u>	<u>87,946,208</u>	<u>53,794,956</u>	<u>9,132,741</u>	<u>299,155,488</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 162,977,442</u>	<u>\$ 105,437,265</u>	<u>\$ 55,824,365</u>	<u>\$ 23,001,288</u>	<u>\$ 347,240,360</u>

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

COUNTY OF BRUNSWICK, NORTH CAROLINA

RECONCILIATION OF FUND BALANCE AS REPORTED IN THE BALANCE SHEET -  
GOVERNMENTAL FUNDS WITH NET POSITION - GOVERNMENTAL ACTIVITIES  
JUNE 30, 2025

Reconciliation of Fund Balance as Reported in the Balance Sheet -  
Governmental Funds with Net Position - Governmental Activities:

Fund balance as reported in the balance sheet - governmental funds (Exhibit C1)	\$ 299,155,488
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds	156,216,558
Right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds.	712,647
SBITA assets used in governmental activities are not financial resources and therefore are not reported in the funds.	1,247,327
Net pension asset	287,981
LGERS and ROD deferrals are deferred outflows of resources on the Statement of Net Position	28,025,381
LEOSSA deferrals are deferred outflows of resources on the Statement of Net Position	1,714,305
DOSSA deferrals are deferred outflows of resources on the Statement of Net Position	35,697
OPEB deferrals are deferred outflows of resources on the Statement of Net Position	19,907,170
Accrual of interest payable for debt does not require the use of current financial resources and, therefore, is not reported in the funds	(1,780,321)
Net pension liability - LGERS	(53,326,152)
Total pension liability - LEOSSA	(9,515,988)
Total pension liability - DOSSA	(233,720)
Total OPEB liability	(138,212,779)
Other assets are not available to pay for current period expenditures and, therefore, are deferred inflows	14,575,891
LGERS and ROD pension related deferrals	(895,329)
LEOSSA pension related deferrals	(1,284,359)
DOSSA pension related deferrals	(15,678)
OPEB related deferrals	(27,314,740)
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds	<u>(151,971,590)</u>
Net position reported as governmental activities	<u>\$ 137,327,789</u>

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

## COUNTY OF BRUNSWICK, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025

	Major Funds				Total Governmental Funds
	General	County Capital Project	Education Capital Project	Non Major Governmental Funds	
<b>Revenues:</b>					
Ad valorem taxes	\$ 182,924,569	\$ -	\$ -	\$ -	\$ 182,924,569
Local option sales taxes	49,484,098	-	-	-	49,484,098
Other taxes and licenses	12,372,526	-	-	-	12,372,526
Unrestricted intergovernmental revenues	8,312,633	-	-	-	8,312,633
Restricted intergovernmental revenues	20,597,677	1,927,091	-	4,655,782	27,180,550
Permits and fees	10,321,828	-	-	192,968	10,514,796
Sales and services	22,357,000	-	-	-	22,357,000
Opioid settlement funds	-	-	-	2,088,734	2,088,734
Investment earnings	5,376,141	3,215,519	2,070,520	341,742	11,003,922
Other	4,330,469	-	-	940	4,331,409
Total revenues	<u>316,076,941</u>	<u>5,142,610</u>	<u>2,070,520</u>	<u>7,280,166</u>	<u>330,570,237</u>
<b>Expenditures:</b>					
General government	18,254,723	-	-	547,647	18,802,370
Public safety	73,513,435	-	-	1,047,304	74,560,739
Central services	28,189,175	-	-	-	28,189,175
Human services	36,119,005	972,520	-	815,657	37,907,182
Transportation	222,200	1,853,384	-	-	2,075,584
Environmental protection	26,350,826	-	-	-	26,350,826
Culture and recreation	7,315,221	2,185,874	-	-	9,501,095
Economic and physical development	10,177,928	-	-	-	10,177,928
Education	64,805,929	-	29,197,926	-	94,003,855
<b>Debt Service:</b>					
Principal retirement	10,843,323	-	-	32,722	10,876,045
Interest and fiscal charges	4,772,146	-	-	850	4,772,996
Total expenditures	<u>280,563,911</u>	<u>5,011,778</u>	<u>29,197,926</u>	<u>2,444,180</u>	<u>317,217,795</u>
<b>Revenues over (under) expenditures</b>	<u>35,513,030</u>	<u>130,832</u>	<u>(27,127,406)</u>	<u>4,835,986</u>	<u>13,352,442</u>
<b>Other Financing Sources (Uses):</b>					
Lease liabilities issued	604,129	-	-	-	604,129
SBITA liabilities issued	667,530	-	-	43,858	711,388
Transfers from other funds	750,000	25,169,872	14,984,241	184,000	41,088,113
Transfers to other funds	<u>(40,338,113)</u>	<u>(750,000)</u>	<u>-</u>	<u>(905,271)</u>	<u>(41,993,384)</u>
Total other financing sources (uses)	<u>(38,316,454)</u>	<u>24,419,872</u>	<u>14,984,241</u>	<u>(677,413)</u>	<u>410,246</u>
<b>Net change in fund balance</b>	(2,803,424)	24,550,704	(12,143,165)	4,158,573	13,762,688
<b>Fund balance, beginning of year</b>	<u>151,085,007</u>	<u>63,395,504</u>	<u>65,938,121</u>	<u>4,974,168</u>	<u>285,392,800</u>
<b>Fund balance, end of year</b>	<u>\$ 148,281,583</u>	<u>\$ 87,946,208</u>	<u>\$ 53,794,956</u>	<u>\$ 9,132,741</u>	<u>\$ 299,155,488</u>

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

COUNTY OF BRUNSWICK, NORTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025

Net change in fund balances - total governmental funds (Exhibit D1)	\$ 13,762,688
Exhibit D1 reports revenues using a current financial resources basis, which generally means revenue is recognized when collected or is expected to be collected within 60 days of year end. Exhibit B reports revenues when the earning process is complete, regardless of when it is collected. This measurement difference causes timing of revenue recognition differences for the following revenue types:	
Property taxes	108,417
Emergency services revenues	119,052
National Opioid Settlement revenues receivable	(707,338)
Public Health revenues	(4,382)
Expenses related to other post-employment benefits, compensated absences, law enforcement officers separation allowance, and pension expense that do not require current financial resources are not reported as expenditures in the governmental fund statement.	(21,414,604)
Capital outlays are reported as expenditures in the governmental fund statements. However, in the statement of activities, capital outlay is not an expense, rather it is an increase in capital assets.	12,527,486
Contributions to the pension plan in the current fiscal year are not included on the statement of activities.	11,048,131
Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the statement of net position	180,577
Contributions and pension administration costs for OPEB are deferred outflows of resources on the statement of net position	4,488,814
The gain (loss) on disposal of capital assets is reported as a revenue in the statement of activities and not recorded in the fund statements.	(148,243)
The gain or loss due to the early termination of a lease is reported as a revenue or expense in the statement of activities and not recorded in the fund statements.	16,333
Depreciation expense allocates the costs of capital assets over their useful lives. Amortization expense allocates the costs of right to use assets over their useful lives. These are not reported as expenditures in the governmental fund statements.	(13,113,418)
Amortization of bond premium.	959,672
Principal repayments are reported as expenditures in the governmental fund statement. However, in the statement of activities, these transactions are not an expense, rather they are a decrease in liabilities.	10,876,045
Change in closure/post closure liability estimate. Expenses are reported as incurred in the funds.	(208,152)
Change in interest payable for governmental activity long-term debt. Interest expense is recorded as incurred in the fund statements.	151,796
Proceeds from issuance of debt are reported as revenues in the governmental fund statement. However, in the statement of activities, it is not a revenue, rather it is an increase in liabilities.	<u>(1,315,517)</u>
Change in net position of governmental activities per Exhibit B	<u>\$ 17,327,357</u>

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

## COUNTY OF BRUNSWICK, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Final Budget	Actual	Variance
<b>Revenues:</b>				
Ad valorem taxes	\$ 174,173,891	\$ 178,589,716	\$ 182,924,569	\$ 4,334,853
Local option sales taxes	47,796,402	48,238,720	49,484,098	1,245,378
Other taxes and licenses	8,455,000	11,353,500	12,372,526	1,019,026
Unrestricted intergovernmental revenues	3,590,702	3,720,264	8,312,633	4,592,369
Restricted intergovernmental revenues	18,996,931	22,674,122	20,597,677	(2,076,445)
Permits and fees	10,058,349	10,136,195	10,321,828	185,633
Sales and services	18,787,919	19,402,450	22,357,000	2,954,550
Investment earnings	5,002,200	5,023,831	5,376,141	352,310
Other	1,359,374	2,799,985	4,330,469	1,530,484
Total revenues	<u>288,220,768</u>	<u>301,938,783</u>	<u>316,076,941</u>	<u>14,138,158</u>
<b>Expenditures:</b>				
General government	19,054,698	20,794,221	18,254,723	2,539,498
Central services	27,110,487	33,547,609	28,189,175	5,358,434
Public safety	75,782,319	82,083,154	73,513,435	8,569,719
Transportation	161,000	283,014	222,200	60,814
Environmental protection	26,382,469	26,995,423	26,350,826	644,597
Economic and physical development	10,808,495	13,298,835	10,177,928	3,120,907
Human services	38,959,786	40,964,367	36,119,005	4,845,362
Education	64,133,934	64,893,455	64,805,929	87,526
Culture and recreation	6,906,841	9,552,970	7,315,221	2,237,749
<b>Debt Service:</b>				
Principal retirement	11,080,000	10,843,352	10,843,323	29
Interest and fiscal charges	6,461,399	4,776,819	4,772,146	4,673
Total expenditures	<u>286,841,428</u>	<u>308,033,219</u>	<u>280,563,911</u>	<u>27,469,308</u>
Revenues over (under) expenditures	<u>1,379,340</u>	<u>(6,094,436)</u>	<u>35,513,030</u>	<u>41,607,466</u>
<b>Other Financing Sources (Uses):</b>				
Lease liabilities issued	-	604,142	604,129	(13)
SBITA liabilities issued	-	731,916	667,530	(64,386)
Transfers from other funds	750,000	750,000	750,000	-
Transfers to other funds	(10,126,097)	(40,338,113)	(40,338,113)	-
Appropriated fund balance	7,996,757	44,346,491	-	(44,346,491)
Total other financing sources (uses)	<u>(1,379,340)</u>	<u>6,094,436</u>	<u>(38,316,454)</u>	<u>(44,410,890)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(2,803,424)</u>	<u>\$ (2,803,424)</u>
<b>Fund balance, beginning of year</b>			<u>151,085,007</u>	
<b>Fund balance, end of year</b>			<u>\$ 148,281,583</u>	

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

## COUNTY OF BRUNSWICK, NORTH CAROLINA

STATEMENT OF FUND NET POSITION-  
PROPRIETARY FUNDS  
JUNE 30, 2025

	Business-type Activities		
	Major Enterprise Funds		
	Water	Wastewater	Total
<b>Assets:</b>			
<b>Current Assets:</b>			
Cash and cash equivalents/investments	\$ 85,004,251	\$ 77,259,745	\$ 162,263,996
Restricted cash and investments	38,077,623	17,497,386	55,575,009
Interest receivable	37,466	26,732	64,198
Receivables and special assessments, net	6,397,247	5,383,863	11,781,110
Current portion of lease receivable	209,734	-	209,734
Other governmental agencies	989,685	13,758,681	14,748,366
Inventories	6,332,606	312,684	6,645,290
Total current assets	<u>137,048,612</u>	<u>114,239,091</u>	<u>251,287,703</u>
<b>Non-Current Assets:</b>			
Lease receivable	1,432,366	-	1,432,366
Non-depreciable capital assets	149,803,311	52,770,524	202,573,835
Depreciable capital assets, net	221,784,206	319,067,134	540,851,340
Right to use lease assets, net of amortization	1,944,752	-	1,944,752
Right to use SBITA assets, net of amortization	8,387	-	8,387
Total non-current assets	<u>374,973,022</u>	<u>371,837,658</u>	<u>746,810,680</u>
Total assets	<u>512,021,634</u>	<u>486,076,749</u>	<u>998,098,383</u>
<b>Deferred Outflows of Resources:</b>	<u>4,569,610</u>	<u>2,520,438</u>	<u>7,090,048</u>
<b>Liabilities:</b>			
<b>Current Liabilities:</b>			
Accounts payable and accrued liabilities	9,446,678	5,379,600	14,826,278
Accrued interest payable	1,716,878	1,451,948	3,168,826
Current portion of long-term liabilities	6,588,474	10,757,642	17,346,116
<b>Payable From Restricted Assets:</b>			
Customer Deposits	3,184,884	-	3,184,884
Total current liabilities	<u>20,936,914</u>	<u>17,589,190</u>	<u>38,526,104</u>
<b>Noncurrent Liabilities:</b>			
Net pension liability	4,234,894	2,321,752	6,556,646
Compensated absences	598,393	287,727	886,120
Total other post employment liability	15,802,611	8,658,945	24,461,556
Long-term debt	190,450,695	110,035,901	300,486,596
Total noncurrent liabilities	<u>211,086,593</u>	<u>121,304,325</u>	<u>332,390,918</u>
Total liabilities	<u>232,023,507</u>	<u>138,893,515</u>	<u>370,917,022</u>
<b>Deferred Inflows of Resources:</b>	<u>4,857,727</u>	<u>1,867,048</u>	<u>6,724,775</u>
<b>Net Position:</b>			
Net investment in capital assets	205,216,015	264,029,039	469,245,054
Unrestricted	74,493,995	83,807,585	158,301,580
Total net position	<u>\$ 279,710,010</u>	<u>\$ 347,836,624</u>	<u>\$ 627,546,634</u>

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



## COUNTY OF BRUNSWICK, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025

	Business-type Activities		
	Major Enterprise Funds		
	Water	Wastewater	Total
<b>Operating Revenues:</b>			
User charges	\$ 52,660,193	\$ 55,637,038	\$ 108,297,231
Intergovernmental revenue	1,967,308	480,467	2,447,775
Other	1,809,710	4,428,634	6,238,344
Total operating revenues	<u>56,437,211</u>	<u>60,546,139</u>	<u>116,983,350</u>
<b>Operating Expenses:</b>			
Salaries and employee benefits	15,084,862	7,989,171	23,074,033
Operating expenses	9,077,543	6,953,358	16,030,901
Repairs and maintenance	3,480,826	2,521,659	6,002,485
Depreciation and amortization	8,857,278	7,372,532	16,229,810
Total operating expenses	<u>36,500,509</u>	<u>24,836,720</u>	<u>61,337,229</u>
Operating income (loss)	<u>19,936,702</u>	<u>35,709,419</u>	<u>55,646,121</u>
<b>Non-operating Revenues (Expenses):</b>			
Investment earnings	3,871,302	2,933,895	6,805,197
Interest expense	(6,572,102)	(4,242,142)	(10,814,244)
Claims settlement	887,909	-	887,909
Total nonoperating revenues (expenses)	<u>(1,812,891)</u>	<u>(1,308,247)</u>	<u>(3,121,138)</u>
Income before capital contributions	18,123,811	34,401,172	52,524,983
Transfers in (out)	905,271	-	905,271
Dedicated service lines	10,250,920	16,911,631	27,162,551
Total transfers and capital contributions	<u>11,156,191</u>	<u>16,911,631</u>	<u>28,067,822</u>
Increase (decrease) in net position	29,280,002	51,312,803	80,592,805
Net position, beginning of year	<u>250,698,344</u>	<u>296,647,914</u>	<u>547,346,258</u>
Restatement	<u>(268,336)</u>	<u>(124,093)</u>	<u>(392,429)</u>
Net position, beginning of year, restated	<u>250,430,008</u>	<u>296,523,821</u>	<u>546,953,829</u>
Net position, end of year	<u>\$ 279,710,010</u>	<u>\$ 347,836,624</u>	<u>\$ 627,546,634</u>

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

COUNTY OF BRUNSWICK, NORTH CAROLINA

STATEMENT OF CASH FLOWS -  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025

	Business-type Activities		
	Major Enterprise Funds		
	Water	Wastewater	Total
<b>Cash Flows From Operating Activities:</b>			
Receipts from customers	\$ 57,319,797	\$ 62,022,702	\$ 119,342,499
Payments to suppliers for goods and services	(13,797,482)	(22,743,048)	(36,540,530)
Payments to or on behalf of employees	(12,968,921)	(6,990,514)	(19,959,435)
Net cash provided by (used in) operating activities	<u>30,553,394</u>	<u>32,289,140</u>	<u>62,842,534</u>
<b>Cash Flows From Noncapital Financing Activities:</b>			
Transfers in (out)	905,271	-	905,271
Intergovernmental revenues	(1,945,485)	-	(1,945,485)
Net cash provided (used) by noncapital financing activities	<u>(1,040,214)</u>	<u>-</u>	<u>(1,040,214)</u>
<b>Net Cash From Capital and Related Financing Activities:</b>			
Acquisition and construction of capital assets	(19,793,620)	(37,867,182)	(57,660,802)
Interest paid	(6,525,434)	(4,223,853)	(10,749,287)
Proceeds from issuance of long-term debt	9,711,913	43,758,617	53,470,530
Premium	1,132,012	1,796,290	2,928,302
Retirement of long-term debt	(10,795,702)	(21,844,298)	(32,640,000)
Principal payments on long-term debt	(5,286,004)	(8,575,757)	(13,861,761)
Net cash provided (used) in capital and related financing activities	<u>(31,556,835)</u>	<u>(26,956,183)</u>	<u>(58,513,018)</u>
<b>Cash Flows From Investing Activities:</b>			
Interest on investments	<u>3,869,961</u>	<u>2,934,067</u>	<u>6,804,028</u>
Net increase (decrease) in cash and cash equivalents	1,826,306	8,267,024	10,093,330
Cash and cash equivalents, beginning of year	<u>121,255,568</u>	<u>86,490,107</u>	<u>207,745,675</u>
Cash and cash equivalents, end of year	<u>\$ 123,081,874</u>	<u>\$ 94,757,131</u>	<u>\$ 217,839,005</u>
<b>Reconciliation of Operating Income (Loss) to</b>			
<b>Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 19,936,702	\$ 35,709,419	\$ 55,646,121
<b>Adjustment to reconcile operating income (loss)</b>			
<b>to net cash provided (used) by operating activities:</b>			
Depreciation and amortization	8,857,278	7,372,532	16,229,810
Loss on disposal of capital assets	28,916	(28,916)	-
Claims settlement	887,909	-	887,909
<b>Changes in Assets and Liabilities:</b>			
(Increase) decrease in accounts receivable	631,884	1,476,563	2,108,447
(Increase) decrease in sales tax refund receivable	(188,148)	(12,436,164)	(12,624,312)

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

COUNTY OF BRUNSWICK, NORTH CAROLINA

STATEMENT OF CASH FLOWS -  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025

	Business-type Activities		
	Major Enterprise Funds		
	Water	Wastewater	Total
<b>Changes in Assets and Liabilities (continued):</b>			
(Increase) decrease in inventories	(2,980,986)	38,185	(2,942,801)
(Increase) decrease in lease receivables	209,148	-	209,148
(Increase) decrease in deferred outflows of resources for pensions	313,383	172,901	486,284
(Increase) decrease in deferred outflows of resources - OPEB	(330,578)	(158,106)	(488,684)
Increase (decrease) in accounts payable/accrued expenses	1,088,725	(784,474)	304,251
Increase (decrease) in customer deposits	259,196	-	259,196
Increase (decrease) in pension liability	8,027	4,429	12,456
Increase (decrease) in net OPEB liability	2,475,708	1,198,773	3,674,481
Increase (decrease) in deferred inflows of resources for pensions	60,694	33,487	94,181
Increase (decrease) in deferred inflows of resources - OPEB	(486,823)	(309,489)	(796,312)
Increase (decrease) in deferred inflows of resources - leases	(217,641)	-	(217,641)
	<u>\$ 30,553,394</u>	<u>\$ 32,289,140</u>	<u>\$ 62,842,534</u>
<b>Net cash provided by (used in) operating activities</b>			
	<u>\$ 30,553,394</u>	<u>\$ 32,289,140</u>	<u>\$ 62,842,534</u>
<b>Supplemental Disclosures of Noncash Transactions</b>			
Dedicated service lines	<u>\$ 10,250,920</u>	<u>\$ 16,911,631</u>	<u>\$ 27,162,551</u>

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

COUNTY OF BRUNSWICK, NORTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 JUNE 30, 2025

	<u>Custodial Funds</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 413,344
Interest receivable for other governments	612
Receivable for other governments, net	<u>1,080,354</u>
Total assets	<u>1,494,310</u>
<b>Liabilities:</b>	
Accounts payable and accrued liabilities	1,004,332
Due to other governments	<u>371,340</u>
Total liabilities	<u>1,375,672</u>
<b>Net position:</b>	
Restricted for:	
Indiviudals, organization, and other governments	<u>118,638</u>
Total net position	<u>\$ 118,638</u>

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

## COUNTY OF BRUNSWICK, NORTH CAROLINA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025

	<u>Custodial Funds</u>
<b>Additions:</b>	
Collections for other governments	\$ 89,888,029
Collections on behalf of inmates	<u>464,928</u>
Total additions	<u>90,352,957</u>
<b>Deductions:</b>	
Distributions to other governments	90,104,495
Payments on behalf of inmates	<u>460,444</u>
Total deductions	<u>90,564,939</u>
Net increase (decrease) in fiduciary net position	<u>(211,982)</u>
Net position, beginning of year	<u>330,620</u>
Net position, end of year	<u>\$ 118,638</u>

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



**COUNTY OF BRUNSWICK, NORTH CAROLINA**  
**Annual Comprehensive Financial Report**  
**For the Fiscal Year Ended June 30, 2025**

**Notes to Financial Statements - Contents**

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# COUNTY OF BRUNSWICK, NORTH CAROLINA

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

### 1. Description of the Unit

#### A. Reporting Entity

Brunswick County is one of 21 coastal counties in North Carolina. A political subdivision of the State, it is one of 100 counties established under General Statute 153A-10. The County, which has a population of approximately 175,047, operates under a Council-Manager form of government.

The County is responsible for and maintains services inherent to the operation of a county government, including general government, public safety, human services, education, environmental protection, cultural and recreational, economic and physical development, and debt service. The County also operates a water and wastewater utility system.

#### B. Component Units

As required by generally accepted accounting principles, these financial statements present the County and its component units as legally separate entities for which the County is financially accountable. Discretely presented component units are reported in a separate column in the County's government-wide financial statements in order to emphasize that they are legally separate from the County.

##### **Discretely Presented Component Units**

##### **Brunswick County Alcoholic Beverage Control Board**

The County appoints all the members of the Brunswick County Board of Alcoholic Control ("ABC Board") governing board. In addition, the ABC Board is required by State statute to distribute its surpluses to the county's General Fund. The ABC Board has a June 30 year-end and is presented as a proprietary fund.

Complete Brunswick County ABC Board financial statements may be obtained at their administrative offices at 2839 Holden Beach Road, SW, Supply, North Carolina 28462.

##### **Brunswick County Tourism Development Authority**

The County, in conjunction with the Southport-Oak Island Chamber of Commerce and the South Brunswick Islands Chamber of Commerce, established the Brunswick County Tourism Development Authority ("TDA"). The County appoints five members of the TDA's ten-member governing board. The other five members are nominated jointly by the two chamber of commerce organizations and then appointed by the County. The TDA, which provides a financial benefit to the County, was established to receive the proceeds of the room occupancy tax levied pursuant to Session Law 1997-364. The TDA is authorized to spend these proceeds to promote travel, tourism, and conventions within the County. The TDA, which has a June 30 year-end, is presented as a governmental-type fund.

Complete Brunswick County Tourism Development Authority financial statements may be obtained at their administrative offices at 712 Village Rd SW, Shallotte, North Carolina 28470.

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

#### **Brunswick County Airport Commission**

The County participates in the Brunswick County Airport Commission (“Airport”) with the municipalities adjoining the airport. The County appoints four members of the seven-member board. Appropriations to the Airport totaled \$111,000 for the fiscal year ended June 30, 2025. The Airport, which has a June 30 year-end, is presented as a business-type fund.

Complete Brunswick County Airport Commission financial statements may be obtained at their administrative offices at 380 Long Beach Road, Southport, North Carolina 28461.

#### **Other Component Units**

##### **Brunswick County Economic Development Commission**

On July 20, 2015, the Economic Development Commission ceased operations to create efficiencies and avoid the duplication of services provided by the County’s Economic Development Department and transferred all assets and liabilities to the County. In the fiscal year ended June 30, 2025, there were no appropriations made by the Economic Development Commission.

##### **Brunswick County Industrial Facility and Pollution Control Financing Authority**

Brunswick County Industrial Facility and Pollution Control Financing Authority exist to issue revenue bond debt of private businesses for economic development purposes. A seven-member board, all appointed by the County, governs the Authority. The County can remove any commissioner of the Authority with or without cause. The Authority has no financial transactions or account balances and does not issue financial statements; therefore, it is not presented in the government-wide financial statements.

##### **Brunswick County Leasing Corporation**

The Brunswick County Leasing Corporation’s (“Corporation”) governing board members are appointed by the County and include the County Manager. The Corporation exists to issue and service limited obligation bonds to finance the acquisition and construction of general government facilities, education facilities, and proprietary fund construction. The limited obligation bonds are accounted for in the applicable governmental activities, business type activities, or proprietary fund type statements of net position in the County’s financial statements. The Corporation has no financial transactions or account balances and does not issue financial statements; therefore, it is not presented in the government-wide financial statements.

#### **C. Summary of Significant Account Policies**

##### **Basis of Reporting**

The accounting policies of Brunswick County and its component units, as reflected in the financial statements for the year ended June 30, 2025, conform to generally accepted accounting principles applicable to governments.

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

#### Basis of Presentation – Government-wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which program revenues offset the direct expenses of a given function. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational requirements of a particular program, or (c) capital grants and contributions that are program-specific. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues, which also include multipurpose grants that do not provide for the specific identification of a program.

**Fund Financial Statements** - The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements are presented for each fund category, *governmental, proprietary, and fiduciary*, even though the fiduciary funds are excluded from the government-wide financial statements. Fund financial statements emphasize major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

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

The County reports the following major governmental funds:

**General Fund** – This is the County's general operating fund. It accounts for all financial resources except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, sales taxes, and federal and State grants. The primary expenditures are for general government services, public safety, human services, central services, transportation, environmental protection, cultural and recreation, economic and physical development, and education.

**Education Capital Project Fund** – This fund accounts for the additions and improvements to Brunswick County Public Schools and Brunswick Community College, financed by general fund transfers, bond proceeds, and financing agreements.

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

**County Capital Project Fund** – This fund accounts for the additions and improvements of major County facilities, financed by general fund transfers, bond proceeds, and financing agreements.

The County reports the following major enterprise funds:

**Water Fund** – This fund accounts for the County’s water operations and includes activity from the Water Capital Project Fund. The Water Capital Project Fund accounts for additions and improvements to major water enterprise facilities, which are financed through transfers from the water fund, bond proceeds, and financing agreements.

**Wastewater Fund** – This fund accounts for the County’s wastewater operations and includes activity from the Wastewater Capital Project Fund. The Wastewater Capital Project Fund accounts for additions and improvements to major wastewater facilities, which are financed through transfers from the wastewater fund, bond proceeds, and financing agreements.

The County reports the following other fund types:

**Custodial Funds** - Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private purpose trust funds. Custodial funds account for assets the County holds on behalf of others that meet certain criteria.

The County maintains the following three Custodial Funds: the Smithville Township Collections Fund, which accounts for the Township hospital district ad Valorem taxes collected, payment of bond debt service, and payments to Doshier Hospital; the Municipal Collections Fund, which accounts for the proceeds of the motor vehicle and other ad Valorem taxes the County collects on behalf of the municipalities within the County and fire fee collections remitted to district fire departments to furnish fire protection services in their district but are not revenues to the County; and the Inmate Fund which accounts for personal funds of the inmates in the detention center.

**Non-Major Funds** – The County maintains five legally budgeted funds. The Emergency Telephone System Fund, the Grant Project Fund, the Register of Deeds-Technology Enhancement Fund, the American Rescue Plan Act Fund, and the National Opioid Settlement Fund are reported as non-major special revenue funds.

**Measurement Focus and 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 when liabilities are incurred, regardless of when the related cash flows occur. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Property tax revenue is recognized in the fiscal year for which the taxes are levied.

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

Revenue from grants, entitlements, donations, and similar items is recognized in the fiscal year when all eligibility requirements are satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, special assessments, or privileges provided, 2) operating grants and contributions, and 3) 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 non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods connected to a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital and right-to-use assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

Expenditures are generally recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, lease liabilities, subscription-based information technology arrangement liabilities (SBITA), accrued compensated absences, pension benefit obligations, and accrued landfill closures and post-closure costs, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions, including entering into contracts giving the County the intangible right to use assets, are reported as expenditures in governmental funds. The issuance of general long-term debt and financing through leases and SBITAs is reported as other financing sources.

The County recognizes assets of non-exchange transactions in the period when the underlying transactions occur, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Revenues are recognized on the modified accrual basis of accounting when they are measurable and available. Non-exchange transactions occur when one government provides (or receives) value to (from) another party without receiving (or giving) equal or nearly equal value in return. State shared revenues, sales tax, property taxes, federal grants funding federal mandates, and most donations are examples of non-exchange transactions.

The County considers all revenues available if collected within 60 days after the end of the year, except for property taxes. Ad Valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. As of June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the current year's operations. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with the change in the law, the State of North Carolina is responsible for billing and collecting property taxes on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes apply to the fiscal year in

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013, and for limited registration plates are shown as receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues, sales, and services are not susceptible to accrual because, generally, they are not measurable until received in cash. All taxes, including those dedicated to specific purposes, are reported as general revenues rather than program revenues. Expenditure-driven grants are recognized as revenue if cash is received within 60 days of the end of the year. 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 first to apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

#### **Budgetary Data**

The County's budgets are adopted as required by North Carolina General Statutes. An annual budget is adopted for the General, the Special Revenue (excluding the grant and ARPA projects), and the Enterprise funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for all capital project funds. All budgets are prepared using the modified accrual basis of accounting, consistent with the accounting system used to record transactions. The budget ordinance must be adopted by July 1 of the fiscal year, or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

Expenditures may not legally exceed appropriations at the departmental level for the General Fund, Special Revenue, Enterprise Funds, and Capital Projects Funds. The budget ordinance authorizes the County budget officer to transfer appropriations between departmental areas within a fund up to \$30,000. However, any revisions that alter the total expenditures of any fund or that change departmental appropriations by more than \$30,000 must be approved by the governing board. During the year, several amendments to the original budget were necessary, resulting in an increase of \$36,349,734 in the appropriated fund balance in the General Fund. This was primarily the result of prior-year commitments being rolled into the current fiscal year, as well as ARP-enabled county-funded projects and the funding of planned projects identified in the Five-Year Capital Improvement Plan.

#### **Deposits and Investments**

All deposits of the County and each of its discretely presented component units are made in board-designated official depositories and are secured as required by G.S. 159-31. Any bank or savings association whose principal office is located in North Carolina may be designated as an official depository. Also, the County and its discretely presented component units may establish time deposit accounts such as NOW and SuperNOW accounts, money market deposit accounts, and certificates of deposit.

State law [G.S. 159-30(c)(8)] authorizes the County and each of its discretely presented component units 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

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

agencies, certain high-quality issues of commercial paper and bankers' acceptances, and the North Carolina Capital Management Trust ("NCCMT"), an SEC-registered (2a-7) government money market mutual fund.

The investments of the County and its discretely presented component units that have 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.

The North Carolina Capital Management Trust (NCCMT) Government Portfolio is an SEC-registered money market mutual fund certified by the Local Government Commission under the provisions of G.S. 159-30(c)(8) and the North Carolina Administrative Code. It is a 2a7 fund that invests in treasuries, government agencies, and repurchase agreements collateralized by treasuries. It is rated AAAM by S&P and AAA-mf by Moody's Investor Services and reported at fair value.

#### **Cash and Cash Equivalents**

The County pools money from several funds to facilitate disbursement and investment and to maximize investment income. Cash and investments are essentially demand deposits and are considered cash and cash equivalents by the County.

#### **Restricted Assets**

The unexpended proceeds of general obligation bonds, revenue bonds, and certificates of participation issued by the County are classified as restricted assets because their use is restricted to the purpose for which the bonds and certificates were originally issued. Funds in debt service accounts are classified as restricted assets because their use is restricted to future payments of principal and interest as designated by the trustee in the General Trust and Series Indentures. A reserve for debt service amount is held as a restricted asset to meet the requirements of the Interlocal Agreement with Holden Beach. It is to be used for the sole purpose of making an appropriation and any actual payment for the Holden Beach Special Obligation Bonds. The U.S. Department of Housing and Urban Development restricts Housing Assistance Payments Net Restricted Assets held by the County. Funds received in advance for the Federal American Rescue Plan (ARP) are classified as restricted assets because their use is restricted to COVID-19 relief and economic recovery. The amount of unspent resources obtained from the Opioid Settlement are restricted to use for specific purposes (i.e., opioid remediation). Accordingly, the assets from the settlement that remain on hand are reported as restricted assets. In addition to the restricted cash shown below, opioid receivables, net, of \$12,751,656 related to the settlement, are also reported as restricted assets. Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. The amount budgeted by the Board of Commissioners for revaluation included in the General Fund Balance-Committed is restricted assets per North Carolina General Statute 153A-150.

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Brunswick County Restricted Cash			
Governmental Activities			
General Fund	Tax Revaluation	\$	214,566
	Section 8 Expenditures		22,345
	Reserve for Debt Service		1,299,172
Education Capital Project Fund	Unexpended Debt Proceeds		6,407,856
Special Revenue Funds	American Rescue Plan Proceeds		779,957
	Opioid Settlement Proceeds		7,205,841
	Total Governmental Activities	\$	15,929,737
Business-Type Activities			
Water Fund	Unexpended Debt Proceeds	\$	34,384,670
	Reserve for Debt Service		508,069
	Customer Deposits		3,184,884
Sewer Fund	Unexpended Debt Proceeds		16,574,658
	Reserve for Debt Service		922,728
	Total Business-type Activities	\$	55,575,009
Total Restricted Cash		\$	71,504,746

**Ad Valorem Taxes Receivable**

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad Valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1; however, penalties and interest do not accrue until the following January 6. The taxes are based on the assessed values as of January 1.

**Allowances for Doubtful Accounts**

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables written off in prior years. While this is the first year that the County reports a receivable for the amount to be received related to 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. Considering the factors of each settlement, the initial allowance estimate has been established as 30% of the outstanding receivable balance.

**Leases Receivable**

Lease receivables are measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for leases. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Due To/From Other Funds and Internal Balances**

Amounts reported at June 30, 2025 as due to/from other funds generally represent short-term advances between funds. Such amounts reported at year-end are not available for appropriation and are not an expendable available financial resource.

**Inventory**

The County, ABC Board, and Airport Commission inventories are valued at cost (first-in, first-out), which approximates the market value. The inventory of the County's Enterprise Funds, as well as those of the ABC Board and Airport Commission, consists of materials and supplies held for consumption. The inventory cost carried in the County's Enterprise Funds, as well as that of the ABC Board and the Airport Commission, is recorded as an expense as it is consumed.

**Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when they are consumed, rather than when they are purchased.

**Capital Assets**

Capital assets, which include land, buildings, operating plants, land improvements, water tanks, water and wastewater lines, wells, taps, pumping stations, equipment, and vehicles, are reported in the County's government-wide and proprietary financial statements. The County's capitalization threshold for capital outlay items is \$5,000.

Capital assets of the County are recorded at the original cost at the time of acquisition. Certain items acquired before July 1, 1970, are recorded at an estimated original cost. Donated assets received prior to June 30, 2015, are recorded at their estimated fair value at the date of donation. Donated capital assets, donated works of art and similar assets, and capital assets received in a service concession arrangement after June 30, 2015, should be reported at acquisition value rather than fair value.

The County has elected not to capitalize interest costs incurred during the construction period of capital assets used in governmental funds. Any interest incurred during the construction phase of business-type assets is reflected in the capitalized value of the asset constructed.

Capital assets are depreciated using the straight-line method over their estimated useful lives. The county reports these assets net of accumulated depreciation in its basic financial statements.

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

Building, Operating Plants, and Improvements	20-40 years
Enterprise Distribution and Collection Systems	40-60 years
Equipment and Vehicles	4-15 years

**Right-to-Use Assets**

Capital assets also include certain right-to-use assets. These right-to-use assets arise in association with agreements where the County reports a lease (only applies when the County is

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

the lessee) or agreements where the County reports an Information Technology Subscription in accordance with the requirements of GASB 87 and GASB 96, respectively.

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

The right-to-use IT subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any subscription payments made at the start of the subscription term, if applicable, plus capitalizable initial implementation costs at the start of the subscription term, less any incentives received from the IT subscription vendor at the start of the subscription term. Subscription payments, as well as payments for capitalizable implementation costs made before the start of the subscription term, are reported as a prepayment (asset). Such prepayments should be reduced by any incentives received from the same vendor before the start of the subscription term if a right of offset exists. The net amount of the prepayments and incentives are reported as an asset or liability, as appropriate, before the start of the subscription term, at which time the amount is included in the initial measurement of the subscription asset. The right-to-use subscription assets are amortized on a straight-line basis over the subscription term.

#### **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents an acquisition 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 deferred costs from pension-related deferrals and contributions made to the OPEB or pension plan in the current fiscal year. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as revenue until then. The County has prepaid taxes, receivables, unavailable revenues (reported only on the Balance Sheet of the Governmental Funds), leases, and other OPEB and pension-related deferrals in the governmental funds, and leases, other OPEB, and pension-related deferrals in the water and wastewater fund.

#### **Long-Term Debt**

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Material bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

For governmental fund types, bond issuance costs, bond premiums, and discounts are recognized during 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 on

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

debt issuances are reported as other financing uses. Issuance costs, whether withheld from the actual debt proceeds received, are reported as debt service expenditures.

The County's long-term debt for water and wastewater purposes is carried in the Water and Wastewater Funds. The debt service requirements for the water and wastewater debt are being met by water and wastewater revenues. However, the taxing power was pledged to make general obligation payments in the water fund if water revenues were not sufficient. At the end of the fiscal year, there was \$1,535,000 water general obligation debt outstanding.

#### **Compensated Absences**

The County recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example, paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition as compensated absences: vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

The County's vacation policy allows for the accumulation of up to thirty days of earned vacation leave, which is fully vested upon earning. In the event of termination, an employee shall be paid for the annual leave balance to the date of separation. All vacation pay is accrued when earned in the government-wide and proprietary fund financial statements. Compensated absences are reported in governmental funds only if matured.

The County's sick leave policy allows for the unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. All sick leave lapses when employees leave the employ of the county and, upon separation from service, no monetary obligation exists. However, a liability for the estimated value of sick leave that employees will use as time off is included in the liability for compensated absences.

#### **Opioid Settlement Funds**

In April 2022, drug manufacturer Johnson & Johnson and three drug distributors, McKesson, AmerisourceBergen, and Cardinal Health, finalized a \$26 billion nationwide settlement related to multiple opioid lawsuits. These funds will be disbursed to each participating state over an 18-year period according to an allocation agreement reached with all participating states. The majority of these funds are intended for opioid abatement, and the distribution of the funds will be front-loaded. The County received \$2,088,734 as part of this settlement in the fiscal year 2025. According to the terms of the MOA, the County established a special revenue fund to account for these funds. All funds are to be used for opioid abatement and remediation activities.

The MOA offers several options for expending the funds. Option A will allow the County to fund one or more high-impact strategies from a list of evidence-based strategies to combat the opioid epidemic. Option B will allow a wider array of strategies to address the impact of the opioid

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epidemic. Under the MOA, the County may spend opioid settlement funds on opioid remediation strategies authorized under Option A or Option B, or both. Prior to expending opioid settlement funds, authorization is required by budget or resolution. As of June 30, 2025, the County has authorized the use of Option A for opioid settlement funds. High-Impact Opioid Abatement Strategies approved include Collaborative Strategic Planning, Recovery Support Services, Recovery Housing Support, Early Intervention, Naloxone Distribution, and Post-Overdose Response Team.

Thus far, the amounts the County has received or will receive qualify as an exchange or exchange-like transaction.

In fiscal year 2025 the County applied the exchange and exchange-like transactions guidance to these transactions. Accordingly, the cash received during the year of \$2,088,734 was recognized in the Opioid Settlement Special Revenue Fund.

A reduction in revenue was recognized for Governmental Activities. This amount was calculated as follows:

<b>Accrual Basis of Accounting:</b>		<u>Governmental Activities</u>
County's share of North Carolina's unpaid aggregate settlements through fiscal year 2025	\$ 17,926,647	
Less allowance for uncollectible accounts	<u>(5,174,991)</u>	
Opioid Settlement receivable at June 30, 2025		<u>12,751,656</u>
County's share of North Carolina's unpaid aggregate settlements through fiscal year 2024	\$ 19,110,394	
Less allowance for uncollectible accounts	<u>(5,651,400)</u>	
Opioid Settlement receivable at June 30, 2024		<u>13,458,994</u>
Reduction to accrual basis revenue recognized in fiscal year 2025		<u>(707,338)</u>
Modified accrual revenue recognized in fiscal year 2025		<u>2,088,734</u>
Accrual basis revenue recognized in fiscal year 2025		<u>\$ 1,381,396</u>

**Reimbursements for Pandemic-related Expenditures**

In fiscal year 2021, the American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for eligible state, local, territorial, and tribal governments. The County was allocated \$27,741,111 of fiscal recovery funds to be paid in two equal installments. The first installment of \$13,870,556 was received in June 2021. The second installment of \$13,870,555 was received in June 2022. County staff and the Board of Commissioners elected to use \$2,369,543 of the ARPA funds for premium pay, \$1,622,232 for utility infrastructure projects, \$10,000,000 for the revenue replacement standard allowance, \$85,733 for direct administrative costs, \$12,120,319 for restoring pre-pandemic employment above the pre-pandemic baseline, \$494,729 for a lead and copper program,

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\$93,215 for automated external defibrillators (AEDs), \$55,340 for library public access computers, and \$900,000 for EMS ambulances.

ARPA funds reimbursed the appropriate General and Enterprise funds totaling \$3,076,994 were used for premium pay, the Trailwood Drive force main project, direct administrative costs, and the lead and copper program. ARPA expenditures to date also include the Ocean Isle Beach wastewater treatment plant centralization and rehabilitation project, the Southeast Area Improvements project, AEDs in county buildings, library public access computers, EMS ambulances, and Shallotte Water Meter Replacements, totaling \$1,891,298. Revenue Replacement funds of \$10,000,000 and restoring pre-pandemic employment above the pre-pandemic baseline funds of \$11,803,228 were transferred to the General Fund. Additional General Fund projects include the obligation of \$652,500 for the purchase of ambulances and \$317,091 for the restoration of pre-pandemic employment project. The remaining funds will be disbursed once the intended use of the funds has been identified and completed.

**Net Position**

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

**Fund Balances**

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

The governmental fund types classify fund balances as follows:

Non-spendable Fund Balance - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The General Fund has non-spendable fund balances for prepaid expenditures and leases receivable of \$240,000 and \$28,290, respectively, totaling \$268,290. This is the portion of fund balance that is not available because it represents the year-end balance of ending prepaids and lease receivables, net, which are not spendable resources.

Restricted Fund Balance – This classification includes amounts from sources that are restricted to specific purposes externally imposed by creditors or imposed by law. Restricted fund balance is summarized as follows:

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Total</u>
Restricted for Stabilization by State Statute- portion of fund balance that is restricted by State Statute [G.S. 159-8(a)].*	\$ 17,147,400	\$ 124,718	\$ 17,272,118

\*Restricted for Stabilization by State Statute - North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS)

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is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as “restricted by State statute”. Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget. Per GASB guidance, RSS is considered a resource upon which a restriction is “imposed by law through constitutional provisions or enabling legislation.” RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

	<u>General Fund</u>	<u>Education Capital Projects</u>	<u>Special Revenue</u>	<u>Total</u>
Restricted for General Government-portion of fund balance that is restricted for the Municipal Interlocal Agreement for Sp. Obligation Bond.	\$ 1,265,400	\$ -	\$ -	\$ 1,265,400
Restricted for Inspection Fees-portion of fund balance that is restricted by revenue source for support of the administration and activities of the inspection department.	2,667,579	-	-	2,667,579
Restricted for Public Housing-portion of fund balance that is restricted by revenue source for section 8 expenditures.	22,345	-	-	22,345
Restricted for Health Services-portion of fund balance that can only be used to benefit beneficiaries under the Social Services Representative Payee Program.	82,334	-	-	82,334
Restricted for Health Services-portion of fund balance that is restricted by revenue source for opioid abatement and remediation activities.	-	-	7,203,900	7,203,900
Restricted for Public Safety-portion of fund balance that is restricted for seized funds held by the Sheriff.	560,956	-	-	560,956
Restricted for Public Safety-portion of fund balance that is restricted by revenue source for E911 expenditures.	-	-	680,100	680,100
Restricted for Register of Deeds-portion of fund balance that is restricted by revenue source for technology for the Register of Deeds office.	-	-	1,336,947	1,336,947
Restricted for Education-portion of fund balance that is restricted for debt service issued for Public School Capital needs.	33,772	-	-	33,772

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(continued)	<u>General Fund</u>	<u>Education Capital Projects</u>	<u>Special Revenue</u>	<u>Total</u>
Restricted for Education-portion of fund balance that is restricted by revenue source or unspent debt proceeds for Public School Capital needs.**	-	6,407,856	-	6,407,856
Total restricted fund balance	<u>\$ 4,632,386</u>	<u>\$ 6,407,856</u>	<u>\$ 9,220,947</u>	<u>\$ 20,261,189</u>

\*\*Unspent debt proceeds are not included in net position for full accrual accounting and, therefore, will not be restricted on the Statement of Net Position (Exhibit A).

Committed Fund Balance – the portion of fund balance that can only be used for a specific purpose determined by a formal action of the government's highest level of decision-making authority. The Brunswick County governing body is the highest level of decision-making authority for the government that can, by the adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation. The committed fund balance is summarized as follows:

	<u>General Fund</u>	<u>County Capital Projects</u>	<u>Education Capital Projects</u>	<u>Total</u>
Committed for General Government-portion of fund balance that can only be used for general government (facilities additions and renovations).	\$ -	\$ 71,986,020	\$ -	\$ 71,986,020
Committed for General Government-portion of fund balance that is restricted for a legally budgeted Tax Revaluation.	214,566	-	-	214,566
Committed for Public Safety-portion of fund balance that can only be used for public safety	-	40,632	-	40,632
balance that can only be used for central services.	-	369,769	-	369,769
Committed for Environmental Protection-portion of fund balance that can only be used for environmental protection (Landfill Closure and Transfer Station).	-	11,329,653	-	11,329,653
Committed for Economic Development-portion of fund balance that can only be used for economic development.	-	1,500,000	-	1,500,000
Committed for Culture & Recreation-portion of fund balance that can only be used for culture and recreation (Park Renovations).	-	1,559,095	-	1,559,095

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	<u>General Fund</u>	<u>County Capital Projects</u>	<u>Education Capital Projects</u>	<u>Total</u>
(continued)				
Committed for Transportation-portion of fund balance that can only be used for transportation.	-	1,161,039	-	1,161,039
Committed for Education-portion of fund balance that can only be used for education.	-	-	47,387,100	47,387,100
Total committed fund balance	<u>\$ 214,566</u>	<u>\$ 87,946,208</u>	<u>\$ 47,387,100</u>	<u>\$ 135,547,874</u>

Assigned Fund Balance – the portion of fund balance that Brunswick County intends to use for specific purposes. The County’s governing body has the authority to assign fund balance. The Manager and Finance Director, as granted in the officially adopted budget ordinance, have been granted limited authority to assign fund balance. The General Fund has an Assigned Fund Balance of \$8,324,798 for subsequent year’s expenditures. This is the portion of fund balance that is appropriated in the next year’s budget that is not already classified in restricted or committed. The General Fund also has an Assigned Fund Balance of \$5,853,452 designated for future county and community needs projects and mandated services. Projects will be presented to the commissioners individually for formal approval and appropriation. Last, the General Fund has an Assigned Fund Balance of \$124,885 for Opioid Settlement Funds received that are not subject to the NC MOA terms and conditions, but are still assigned by revenue source for opioid abatement and remediation activities.

Unassigned Fund Balance – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The general fund should be the only fund to report a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative fund balance. The general fund is the only fund that reports a positive unassigned fund balance.

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Total</u>
Unassigned portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds	<u>\$111,715,806</u>	<u>\$ (212,924)</u>	<u>\$ 111,502,882</u>

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

	<u>General Fund</u>
Total fund balance	\$148,281,583
Less:	
Nonspendable	(268,290)
Stabilization by State Statute	(17,147,400)
Restricted	(4,632,386)
Committed	(214,566)
Assigned	<u>(14,303,135)</u>
Fund balance remaining	<u>\$111,715,806</u>

Brunswick County has a revenue spending policy that guides programs with multiple revenue sources. The Finance Director will use resources in the following hierarchy: bond proceeds, federal funds, state funds, local non-county funds, and county funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and, lastly, unassigned fund balance. The Finance Director has the authority to deviate from this policy if it's in the County's best interest. The County has not adopted a formal fund balance policy.

**Defined Benefit Cost-Sharing Plans**

The County participates in two cost-sharing, multiple-employer, defined benefit pension plans that the State administers: 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, 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 plan's 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.

**Inter-fund Transfers**

The principal purpose for inter-fund transfers is to distribute local resources between funds. Typically, the General Fund provides the basis of local resources for other funds. These transactions are recorded as "Transfers - out" in the paying fund and "Transfers - in" in the receiving fund.

**Other Resources**

The County's General Fund also provides funds to the Airport Commission to fund their annual budget. In addition, when profits are available, the ABC Board will make quarterly payments to the County's General Fund. These payments represent the County's portion of the ABC Board's surpluses, which the ABC Board is required by State statute to distribute to the County.

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**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**2. Cash, Cash Equivalents, and Investments**

Cash, cash equivalents, and investments of the County as of June 30, 2025, include the following:

	<u>Reported at Fair Value</u>
Cash on Hand	\$ 21,555
Deposits	376,602,041
Investments:	
US Treasury	14,760,731
North Carolina Capital Management Trust (NCCMT)	<u>139,489,931</u>
Total	<u>\$ 530,874,258</u>

**A. Deposits**

All of the County's deposits are either insured or collateralized using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the depositor in the depositor's name. 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 depositor, these deposits are considered to be held by their agents in each entity's names. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral, which covers uninsured deposits. The State Treasurer does not confirm this information with the County, its component units, or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County and its component units 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

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and verifying that deposits are properly secured. The County does not have a policy regarding custodial credit risk for deposits.

At June 30, 2025, the deposits of the County had a reported value of \$376,602,041 and bank balances of \$376,816,407. Of the bank balances, \$73,046,370 was covered by federal depository insurance, and \$303,770,037 was covered by collateral held under the pooling method. Cash on hand at June 30, 2025, was \$21,555.

**B. Investments**

As of June 30, 2025, the County had the following investments and maturities:

Investment Type	Valuation Measurement Method	Fair Value	Less Than 6 Months	6-12 Months	More Than 12 Months
US Treasury	Fair Value-Level 1	\$ 14,760,731	\$ 1,311,856	\$3,877,202	\$9,571,673
NC Capital Management Trust:					
Government Portfolio	Fair Value-Level 1	139,489,931	139,489,931	-	-
Total		<u>\$154,250,662</u>	<u>\$140,801,787</u>	<u>\$3,877,202</u>	<u>\$9,571,673</u>

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

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

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets.

*Interest Rate Risk.* As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits at least 75% of the County's investment portfolio to maturities of less than 12 months. Also, the County's investment policy requires purchases of securities to be laddered with staggered maturity dates and limits all securities to a final maturity of no more than three years.

*Credit Risk.* The County's investment policy limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs).

*Custodial Credit Risk.* The County's formal policy indicates that the County shall utilize a third-party custodial agent for book entry transactions, all of which shall be a trust department authorized to do trust work in North Carolina and has an account with the Federal Reserve. Certificated securities shall be in the custody of the Director of Finance.

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*Concentration of Credit Risk.* The County places a limit of \$5 million on the amount that the County may invest in any one issue of commercial paper with a maximum of 25% of the portfolio allowable to be invested in commercial paper.

The County allocates investment earnings to funds based on the balances outstanding at the end of the prior month.

**3. Accounts Receivable**

Receivables at the government-wide level at June 30, 2025, were as follows:

Governmental activities	National Opioid						
	Accounts	Taxes	Interest	Lease	Settlement	Other	Total
Receivables	\$ 4,212,340	\$ 2,188,749	\$ 138,856	\$ 28,290	\$ 17,926,647	\$ 1,871,488	\$ 26,366,370
Allowance for doubtful accounts	<u>(1,519,597)</u>	<u>(910,060)</u>	<u>-</u>	<u>-</u>	<u>(5,174,991)</u>	<u>-</u>	<u>(7,604,648)</u>
Total governmental activities	<u>\$ 2,692,743</u>	<u>\$ 1,278,689</u>	<u>\$ 138,856</u>	<u>\$ 28,290</u>	<u>\$ 12,751,656</u>	<u>\$ 1,871,488</u>	<u>\$ 18,761,722</u>
Business-type activities	Customer		Special				
	Billings	Deposits	Interest	Lease	Assessments	Other	Total
Receivables:							
Water	\$ 6,534,076	\$ 16,412	\$ 37,466	\$ 1,642,100	\$ -	\$ 23,759	\$ 8,253,813
Wastewater	<u>4,104,677</u>	<u>9,244</u>	<u>26,732</u>	<u>-</u>	<u>183,329</u>	<u>1,338,864</u>	<u>5,662,846</u>
Total receivables	10,638,753	25,656	64,198	1,642,100	183,329	1,362,623	13,916,659
Allowance for doubtful accounts:							
Water	(177,000)	-	-	-	-	-	(177,000)
Wastewater	<u>(192,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(60,251)</u>	<u>-</u>	<u>(252,251)</u>
Total allowance	(369,000)	-	-	-	(60,251)	-	(429,251)
Total business-type activities	<u>\$ 10,269,753</u>	<u>\$ 25,656</u>	<u>\$ 64,198</u>	<u>\$ 1,642,100</u>	<u>\$ 123,078</u>	<u>\$ 1,362,623</u>	<u>\$ 13,487,408</u>
Custodial Funds	Taxes	Interest	Other	Total			
Receivables	\$ 1,622,504	\$ 612	8,020	\$ 1,631,136			
Allowance for doubtful accounts	<u>(550,170)</u>	<u>-</u>	<u>-</u>	<u>(550,170)</u>			
Total custodial funds	<u>\$ 1,072,334</u>	<u>\$ 612</u>	<u>\$ 8,020</u>	<u>\$ 1,080,966</u>			

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**Lease Receivables**

As of June 30, 2025, Brunswick County, NC, had eight active leases. The leases have receipts that range from \$2,520 to \$55,068 and interest rates that range from 0.3160% to 2.3660%.

Governmental Activities - As of June 30, 2025, the total combined value of the lease receivable is \$28,290, and the combined value of the deferred inflow of resources is \$27,910.

Enterprise Activities - As of June 30, 2025, the total combined value of the lease receivable is \$1,642,100, and the combined value of the deferred inflow of resources is \$1,508,654.

In the fiscal year 2025, the County recognized \$230,792 of lease revenue and \$14,168 of interest revenue under the leases.

The long-term lease receivable amounts as of June 30, 2025, including interest, are as follows:

	Governmental		Enterprise	
	Principal	Interest	Principal	Interest
2026	\$ 13,405	\$ 525	\$ 200,329	\$ 9,405
2027	13,726	204	200,028	8,357
2028	1,159	2	208,532	7,281
2029	-	-	95,307	6,294
2030	-	-	98,812	5,758
2031-2035	-	-	487,354	19,999
2036-2040	-	-	231,630	8,918
2041-2045	-	-	114,001	1,305
2046-2050	-	-	6,107	20
Totals	<u>\$ 28,290</u>	<u>\$ 731</u>	<u>\$ 1,642,100</u>	<u>\$ 67,337</u>

**Opioid Settlement Receivable**

The County has recorded a receivable of \$17,926,647 to reflect the remaining future payments expected as part of the settlement. This receivable has been offset by an allowance for uncollectible amounts estimated at \$5,174,991. Since the fund statements are recorded on the modified accrual basis of accounting, these future estimated receipts are offset as a deferred inflow on the financial statements.

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**Due From Other Governments**

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

	Governmental Activities	Business-Type Activities	Total
Local option sales tax	\$ 8,656,153	\$ -	\$ 8,656,153
Medicaid hold harmless	1,120,087	-	1,120,087
Sales tax refunds	1,393,107	1,963,459	3,356,566
North Carolina Vehicle Tax System	945,470	-	945,470
NC Department of Transportation grant reimbursements	47,114	-	47,114
NC Department of Environmental Quality State Revolving Fund Loan	-	11,985,650	11,985,650
Due from federal government for grant assistance	40,669	628,270	668,939
Due from State of North Carolina for grant assistance	1,324,986	11,398	1,336,384
Emergency telephone system	47,114	-	47,114
Lower Cape Fear Water & Sewer Authority reimbursement	-	159,589	159,589
<b>Total</b>	<u>\$ 13,574,700</u>	<u>\$ 14,748,366</u>	<u>\$ 28,323,066</u>

**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	\$ 1,950,388	\$ 463,217	\$ 2,413,605
2023	1,995,135	294,282	2,289,417
2024	2,007,293	115,419	2,122,712
2025	3,001,109	-	3,001,109
<b>Total</b>	<u>\$ 8,953,925</u>	<u>\$ 872,918</u>	<u>\$ 9,826,843</u>

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**4. Capital Assets**

Governmental capital assets at June 30, 2025, are summarized as follows:

	<u>June 30, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers/ Reclasses</u>	<u>June 30, 2025</u>
Non-Depreciable Assets:					
Land	\$ 17,198,908	\$ -	\$ -	\$ -	\$ 17,198,908
Construction in progress	<u>4,675,948</u>	<u>3,158,394</u>	<u>-</u>	<u>(5,988,101)</u>	<u>1,846,241</u>
Total non-depreciable assets	<u>21,874,856</u>	<u>3,158,394</u>	<u>-</u>	<u>(5,988,101)</u>	<u>19,045,149</u>
Depreciable and Right to Use Assets					
Buildings and improvements	210,635,044	1,222,392	452,160	5,988,101	217,393,377
Equipment and vehicles	62,277,684	6,776,807	3,693,378	95,491	65,456,604
Right to use buildings	403,051	96,439	121,473	-	378,017
Right to use equipment	439,258	507,690	97,561	-	849,387
Right to use SBITA	<u>4,007,778</u>	<u>765,764</u>	<u>2,038,368</u>	<u>-</u>	<u>2,735,174</u>
Total depreciable assets	<u>277,762,815</u>	<u>9,369,092</u>	<u>6,402,940</u>	<u>6,083,592</u>	<u>286,812,559</u>
Less accumulated depreciation and amortization					
Buildings and improvements	93,217,841	6,552,836	466,613	-	99,304,064
Equipment and vehicles	44,842,132	4,967,567	3,530,682	95,491	46,374,508
Right to use buildings	190,852	121,618	121,473	-	190,997
Right to use equipment	204,655	216,462	97,357	-	323,760
Right to use SBITA	<u>2,264,454</u>	<u>1,254,935</u>	<u>2,031,542</u>	<u>-</u>	<u>1,487,847</u>
Total accumulated depreciation and amortization	<u>140,719,934</u>	<u>13,113,418</u>	<u>6,247,667</u>	<u>95,491</u>	<u>147,681,176</u>
Total depreciable assets, net	<u>137,042,881</u>	<u>(3,744,326)</u>	<u>155,273</u>	<u>5,988,101</u>	<u>139,131,383</u>
Total Capital Assets	<u>\$ 158,917,737</u>	<u>\$ (585,932)</u>	<u>\$ 155,273</u>	<u>\$ -</u>	<u>\$ 158,176,532</u>

Depreciation and amortization were charged to functional expenses on the Statement of Activities as follows:

Function	Depreciation Expense	Amortization Expense-Leases	Amortization Expense-SBITA	Total
General government	\$ 1,091,640	\$ 41,788	\$ 306,138	\$ 1,439,566
Public safety	4,832,617	102,852	392,114	5,327,583
Central services	872,301	71,381	508,315	1,451,997
Human services	397,948	90,904	11,633	500,485
Environmental protection	466,735	-	-	466,735
Economic and physical development	107,726	9,415	24,160	141,301
Cultural and recreation	2,268,755	21,740	12,575	2,303,070
Education	<u>1,482,681</u>	<u>-</u>	<u>-</u>	<u>1,482,681</u>
Total	<u>\$ 11,520,403</u>	<u>\$ 338,080</u>	<u>\$ 1,254,935</u>	<u>\$ 13,113,418</u>

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Enterprise fund capital assets at June 30, 2025, are summarized as follows:

Water Fund:	Transfers/				
	<u>June 30, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Reclasses</u>	<u>June 30, 2025</u>
<b>Non-Depreciable Assets:</b>					
Land	\$ 760,138	\$ -	\$ -	\$ -	\$ 760,138
Construction in progress	<u>138,440,869</u>	<u>10,602,304</u>	<u>-</u>	<u>-</u>	<u>149,043,173</u>
Total non-depreciable assets	<u>139,201,007</u>	<u>10,602,304</u>	<u>-</u>	<u>-</u>	<u>149,803,311</u>
<b>Depreciable and Right to Use Assets</b>					
Operating plants,					
buildings, and improvements	58,266,496	5,155	-	-	58,271,651
Distribution system	236,330,635	10,250,920	-	-	246,581,555
Equipment and vehicles	33,052,729	9,186,161	51,348	(257,934)	41,929,608
Right to use building	508,169	-	-	-	508,169
Right to use equipment	49,913	-	-	-	49,913
Right to use					
operating plant	1,767,210	-	-	-	1,767,210
Right to use SBITA	<u>102,630</u>	<u>-</u>	<u>79,404</u>	<u>-</u>	<u>23,226</u>
Total depreciable assets	<u>330,077,782</u>	<u>19,442,236</u>	<u>130,752</u>	<u>(257,934)</u>	<u>349,131,332</u>
Less accumulated depreciation and amortization					
Operating plants,					
buildings, and improvements	32,112,091	1,966,669	-	-	34,078,760
Distribution system	65,038,989	4,818,125	-	-	69,857,114
Equipment and vehicles	18,742,079	2,601,021	51,348	(229,018)	21,062,734
Right to use building	92,394	110,874	-	-	203,268
Right to use equipment	19,655	14,019	-	-	33,674
Right to use					
operating plant	107,698	35,900	-	-	143,598
Right to use SBITA	<u>83,021</u>	<u>11,222</u>	<u>79,404</u>	<u>-</u>	<u>14,839</u>
Total accumulated depreciation and amortization	<u>116,195,927</u>	<u>9,557,830</u>	<u>130,752</u>	<u>(229,018)</u>	<u>125,393,987</u>
Total depreciable assets, net	<u>213,881,855</u>	<u>9,884,406</u>	<u>-</u>	<u>(28,916)</u>	<u>223,737,345</u>
Total Capital Assets	<u>\$ 353,082,862</u>	<u>\$ 20,486,710</u>	<u>\$ -</u>	<u>\$ (28,916)</u>	<u>\$ 373,540,656</u>

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Wastewater Fund:				Transfers/ Reclasses	
	<u>June 30, 2024</u>	<u>Increases</u>	<u>Decreases</u>		<u>June 30, 2025</u>
Non-Depreciable Assets:					
Land	\$ 4,999,158	\$ -	\$ -	\$ -	\$ 4,999,158
Construction in progress	<u>18,080,179</u>	<u>29,691,187</u>	<u>-</u>	<u>-</u>	<u>47,771,366</u>
Total non-depreciable assets	<u>23,079,337</u>	<u>29,691,187</u>	<u>-</u>	<u>-</u>	<u>52,770,524</u>
Depreciable and Right to Use Assets					
Operating plants, buildings, and improvements	161,231,676	124,161	-	-	161,355,837
Collection system	228,226,035	16,911,631	-	-	245,137,666
Equipment and vehicles	26,723,089	8,051,834	38,106	162,442	34,899,259
Right to use SBITA	<u>26,468</u>	<u>-</u>	<u>26,468</u>	<u>-</u>	<u>-</u>
Total depreciable assets	<u>416,207,268</u>	<u>25,087,626</u>	<u>64,574</u>	<u>162,442</u>	<u>441,392,762</u>
Less accumulated depreciation and amortization					
Operating plants, buildings, and improvements	67,160,487	4,732,935	-	-	71,893,422
Distribution system	35,262,657	4,746,395	-	-	40,009,052
Equipment and vehicles	8,108,265	2,219,469	38,106	133,526	10,423,154
Right to use SBITA	<u>25,308</u>	<u>1,160</u>	<u>26,468</u>	<u>-</u>	<u>-</u>
Total accumulated depreciation and amortization	<u>110,556,717</u>	<u>11,699,959</u>	<u>64,574</u>	<u>133,526</u>	<u>122,325,628</u>
Total depreciable assets, net	<u>305,650,551</u>	<u>13,387,667</u>	<u>-</u>	<u>28,916</u>	<u>319,067,134</u>
Total Capital Assets	<u>\$ 328,729,888</u>	<u>\$ 43,078,854</u>	<u>\$ -</u>	<u>\$ 28,916</u>	<u>\$ 371,837,658</u>

**5. Accounts Payable and Inter-fund Balances**

**Accounts Payable Disaggregate Information**

Type of Payable	Governmental	Business-Type	Total
	Activities	Activities	
Trade payables	\$ 4,996,152	\$ 4,408,539	\$ 9,404,691
Arbitrage payable	2,029,407	2,230,194	4,259,601
Construction costs payable	1,465,684	7,542,313	9,007,997
Accrued salaries and fringe benefits	4,076,231	640,079	4,716,310
Advances from grantors	16,955,550	-	16,955,550
Future claims for workers' compensation	36,720	-	36,720
Other payables	<u>1,487,279</u>	<u>5,153</u>	<u>1,492,432</u>
Total	<u>\$ 31,047,023</u>	<u>\$ 14,826,278</u>	<u>\$ 45,873,301</u>

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Interfund Receivables / Payables**

The County's Interfund balances as of June 30, 2025, are \$2,042,029. \$2,002,615 represents amounts due to the Education Capital Project Fund from the General Fund for local option sales tax receivable at fiscal year-end. \$39,414 represents amounts advanced by the General Fund to the County Capital Projects fund for grant project expenditures made in advance of grantor reimbursements and for local option sales tax receivable at fiscal year end.

**Interfund Transfers**

The County's General Fund made transfers during the fiscal year 2025 to fund County and education capital improvements, to fund the second of four contributions to the City of Boiling Spring Lakes for infrastructure repair work damaged during Florence, to reimburse ineligible expenditures in the Emergency Telephone System Fund, and to provide a match for grant project expenditures in the Grants Fund. The Special Revenue Funds made transfers to fund reimbursements of American Rescue Plan Act-eligible expenditures in the General and Enterprise Funds.

		County Capital Project	Education Capital Project	Non Major Governmental	Total Governmental	Enterprise
To:	<u>General Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>	<u>Funds</u>
From:						
General Fund	\$ -	\$ 25,169,872	\$ 14,984,241	\$ 184,000	\$ 40,338,113	\$ -
County Capital Projects Fund	750,000	-	-	-	750,000	-
Non Major Governmental Fund	-	-	-	-	-	905,271
Totals	<u>\$ 750,000</u>	<u>\$ 25,169,872</u>	<u>\$ 14,984,241</u>	<u>\$ 184,000</u>	<u>\$ 41,088,113</u>	<u>\$ 905,271</u>

**6. Deferred Outflows and Inflows of Resources**

The balance in deferred outflows and inflows of resources at June 30, 2025, is composed of the following elements:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience		
LGERS/ROD	\$ 10,500,057	\$ 75,702
LEOSSA	778,836	30,579
DOSSA	32,337	-
OPEB	6,787,539	8,954,800
Pensions - net difference between projected and actual investment earnings	8,252,246	-
Pensions - Change in proportion and difference between employer contributions and proportionate share of contributions	416,208	1,201,456

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Change in assumptions		
LEOSSA	\$ 754,892	\$ 1,253,780
DOSSA	3,360	15,678
OPEB	11,453,516	23,194,232
County contributions subsequent to the measurement date	12,423,652	-
Benefit payments/administration costs paid subsequent to the measurement date (LEOSSA)	180,577	-
Benefit payments/administration costs paid subsequent to the measurement date (OPEB)	5,189,381	
Prepaid Taxes, not yet earned (General Fund)	-	392,019
Leases (General Fund)	-	27,910
Leases (Water Fund)	-	1,508,654
Total reported in the government wide statements	<u>\$ 56,772,601</u>	<u>\$ 36,654,810</u>
Prepaid Taxes, not yet earned (General Fund)	\$ -	\$ 392,019
Leases (General Fund)	-	27,910
Taxes Receivable (General Fund)	-	1,278,689
Unavailable Revenues (National Opioid Settlement Fund)	-	12,751,656
EMS Receivable (General Fund)	-	536,799
Health Department Receivable (General Fund)	-	8,747
Total reported in the fund statements	<u>\$ -</u>	<u>\$ 14,995,820</u>

**7. Long-Term Obligations**

**A. General Obligation Bonds**

All general obligation bonds are collateralized by the full faith, credit, and taxing power of the County. Principal and interest requirements are appropriated when due. In the event of a default, the County agrees to pay to the Purchaser, on demand, interest on any and all amounts due and owing by the County under this Agreement. General obligation bonds issued to finance the construction of facilities utilized in the operations of the water system are reported as long-term debt in the Water Fund.

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

The County’s General Obligation Bonds consisted of the following at June 30, 2025:

Original Issue		Payment Information		Outstanding Balance	
Date	Rate	Period	Amount	Governmental Activities	Business-Type Activities
2012	2.00% - 4.00%	Annual	\$30,000 - \$285,000	\$ -	\$ 1,535,000
2018	2.85% - 5.00%	Annual	\$2,455,000 - \$2,500,000	34,955,000	-
2020	2.00% - 5.00%	Annual	\$2,085,000 - \$2,090,000	33,435,000	-
2022	4.00% - 5.00%	Annual	\$2,290,000 - \$2,295,000	41,230,000	-
Total General Obligation Bonds				<u>\$ 109,620,000</u>	<u>\$ 1,535,000</u>

The County issued General Obligation Bonds for which the County does not hold title to the capital assets. The bonds were issued for public school and community college construction and renovation projects. The amount of outstanding debt at June 30, 2025, for which the County held no collateral, totaled \$109,620,000 and was comprised of the following issues: Series 2018 (\$34,955,000), Series 2020 (\$33,435,000), and Series 2022 (\$41,230,000), which are all three phases of the approved \$152 million bond referendum. The 2018, 2020, and 2022 school series have related premiums of \$1,947,573, \$4,324,286, and \$5,010,569, respectively.

**B. Revenue Bonds**

The rate-setting authority of the Water and Wastewater Funds collateralizes revenue bonds. Principal and interest requirements are appropriated when due.

The County’s Revenue Bonds consisted of the following at June 30, 2025:

Original Issue		Payment Information		Outstanding Balance
Date	Rate	Period	Amount	Business-Type Activities
2019	3.00% - 5.00%	Annual	\$375,000 - \$4,735,000	\$ 69,570,000
2020	2.00% - 5.00%	Annual	\$3,045,000 - \$8,115,000	142,655,000
2023	4.50% - 5.00%	Annual	\$1,520,763 - \$1,525,700	21,630,000
2025	4.00% - 5.00%	Annual	\$5,388,482 - \$992,250	29,855,000
Total Revenue Bonds				<u>\$ 263,710,000</u>

The County has pledged future water and wastewater customer revenues, net of specified operating expenses, to repay \$87.6 million in water and wastewater refunding revenue bonds in 2019, \$152.1 million in water revenue bonds in 2020, \$21.8 million in wastewater revenue bonds in 2023, and \$29.9 million in water and wastewater refunding revenue bonds in 2025. Proceeds from the bonds provided financing for the West Brunswick Regional Water Reclamation Plant Phases 1 and 2 and associated transmission lines, the Sea Trail Wastewater Treatment Plant, Northwest Water Plant expansion and Reverse Osmosis Treatment, Water Transmission Main, Ocean Isle Beach Wastewater Treatment Plant improvements, Sunset Beach Wastewater Collection System, Northeast Water Plant expansion, LCFWSA Parallel Water Main and utility service lines, and the wastewater expansion at Mulberry Branch. The bonds are payable solely from water and wastewater customer net revenues and are payable through 2050. Annual

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

principal and interest payments on the bonds are expected to require less than 27 percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$415,777,185. Principal and interest paid for the current year and total operating revenues were \$21,744,848 and \$116,983,350, respectively.

The County issued combined system enterprise revenue bonds for water and wastewater system improvements pursuant to a General Trust Indenture dated May 1, 2004, as amended effective August 20, 2013, between the County and First-Citizens Bank & Trust Company, as trustee. The indentures authorize and secure all outstanding revenue bonds of the County's water and wastewater system and contain several financial and operating covenants governing such matters as rates, additional bonds, reserve funds, annual budgets, maintenance of the system, and insurance. The County was in compliance with all such covenants during the fiscal year ended June 30, 2025.

The County has covenanted that it will set rates in compliance with a Rate Covenant, as set forth in the County's General Trust Indenture. For the fiscal year ended June 30, 2025, the County's compliance with the Rate Covenant is shown below:

Operating revenues and investment earnings	\$ 123,788,547
Add: 20% surplus account (expendable net position)	<u>27,831,930</u>
Total	<u>\$ 151,620,477</u>

Operating expense excluding OPEB (net of depreciation)	\$ 42,717,934
120% of Principal and Interest Requirements on the Bonds	26,570,566
100% of Principal and Interest Requirements on Subordinate Indebtedness, General Obligation Indebtedness and Other Indebtedness	<u>2,325,149</u>
Total	<u>\$ 71,613,649</u>

Rate Covenant Compliance: \$ 151,620,477 > \$ 71,613,649

Operating revenues and investment earnings	\$ 123,788,547
Total	<u>\$ 123,788,547</u>

Operating expense excluding OPEB (net of depreciation)	\$ 42,717,934
120% of Principal and Interest Requirements on the Bonds	26,570,566
100% of Principal and Interest Requirements on Subordinate Indebtedness, General Obligation Indebtedness and Other Indebtedness	<u>2,325,149</u>
Total	<u>\$ 71,613,649</u>

Rate Covenant Compliance: \$ 123,788,547 > \$ 71,613,649

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

The County’s debt service coverage calculation for the year ended June 30, 2025, is as follows:

Operating revenues and investment earnings	\$ 123,788,547
Operating expense excluding OPEB (net of depreciation)	<u>42,717,934</u>
Net revenue available for debt service	81,070,613
Add: 20% surplus account (expendable net positon)	<u>27,831,930</u>
Adjusted net revenues	<u><u>\$ 108,902,543</u></u>
Senior debt service	\$ 22,142,138
Subordinate debt service	<u>2,325,149</u>
Total debt service	24,467,287
Add: 20% senior debt service	<u>4,428,428</u>
Adjusted debt service	<u><u>\$ 28,895,715</u></u>
Coverage Test 1	
Net revenues/total debt service	<u><u>3.31</u></u>
Coverage Test 2	
Adjusted net revenues/adjusted debt service	<u><u>3.77</u></u>

**C. Limited Obligation Bonds**

The County’s Limited Obligation Bonds consisted of the following at June 30, 2025:

Issued	Payment Information			Balance	
	Period	Amount	Rate	Governmental Activities	Purpose and Collateral
2015	Annual	\$520,000- \$1,485,000	2.00% - 5.00%	\$ 5,265,000	School Projects; Refund 2005B Schools
2022	Annual	\$65,000- \$2,240,000	1.12%	<u>4,980,000</u>	School Projects; Refund 2012 Schools
				<u><u>\$ 10,245,000</u></u>	

**D. Installment Purchases and State Revolving Fund Loans**

The County's Installment Purchase notes payable consisted of the following at June 30, 2025:

Issued	Rate	Payment Information		Outstanding Balance	
		Period	Amount	Business-Type Activities	Collateral
2010	0.00%	Annual	\$100,000	<u><u>\$ 600,000</u></u>	Wastewater System

The County’s outstanding note from direct placement related to enterprise activities of \$600,000 (Sunset Beach Collection System) is secured with collateral of the system. The note contains

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

provisions that an event of default could require the County to prepay the note in whole and have further commitment of funds withdrawn.

The County's State Revolving Fund Loans payable consisted of the following at June 30, 2025:

Issued	Rate	Payment Information		Outstanding Balance		Collateral
		Period	Amount	Business-Type Activities		
2005	2.21%	Annual	\$806,645 - \$1,220,552	\$	1,220,552	Wastewater System
2006	2.21%	Annual	\$511,525 - \$790,275		500,000	Wastewater System
2011	0.00%	Annual	\$75,000		450,000	Wastewater System
2013	2.50%	Annual	\$29,386		264,472	Wastewater System
2019	0.00%	Annual	\$47,052		235,259	Wastewater System
2025	1.16%	Annual	\$1,938,279 - \$1,506,425		23,615,530	Wastewater System
				\$	<u>26,285,813</u>	

The County's outstanding note from direct borrowings related to enterprise activities of \$1,220,552 (West Brunswick Water Reclamation Facility (WBRWRF)) is secured with collateral of the system. The note contains provisions that an event of default could require the County to prepay the note in whole and have further commitment of funds withdrawn.

The County's outstanding note from direct borrowings related to enterprise activities of \$500,000 (WBRWRF) is secured with collateral of the system. The note contains provisions that an event of default could require the County to prepay the note in whole and have further commitment of funds withdrawn.

The County's outstanding note from direct borrowings related to enterprise activities of \$450,000 (Sanitary Sewer Systems) is secured with collateral of the system. The note contains provisions that an event of default could require the County to prepay the note in whole and have further commitment of funds withdrawn.

The County's outstanding note from direct borrowings related to enterprise activities of \$264,472 (Town of Navassa Sewer System) is secured with collateral of the system. The note contains provisions that an event of default could require the County to prepay the note in whole and have further commitment of funds withdrawn.

The County's outstanding note from direct borrowings related to enterprise activities of \$235,259 (Sanitary Sewer Systems) is secured with collateral of the system. The note contains provisions that an event of default could require the County to prepay the note in whole and have further commitment of funds withdrawn.

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

The County's outstanding note from direct borrowings related to enterprise activities of \$23,615,530 (Mulberry Branch WRF) is secured with collateral of the system. The note contains provisions that an event of default could require the County to prepay the note in whole and have further commitment of funds withdrawn.

#### **E. Leases**

The County has entered into agreements to lease certain buildings, equipment, and operating plants. 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 of June 30, 2025, Brunswick County had 59 active leases. The leases have payments that range from \$190 to \$93,483 and interest rates that range from 0.3160% to 3.5290%.

Governmental Activities - As of June 30, 2025, the total combined value of the lease liability is \$703,524. The combined value of the right to use assets, as of June 30, 2025, is \$1,227,404 with accumulated amortization of \$514,757.

Enterprise Activities - As of June 30, 2025, the total combined value of the lease liability is \$2,123,532. The combined value of the right to use assets, as of June 30, 2025, is \$2,325,292 with accumulated amortization of \$380,540.

#### **F. Subscription-Based Information Technology Arrangements**

The County entered into agreements for certain Subscription-Based Information Technology Arrangements (SBITAs). The subscriptions qualify as other than short-term SBITAs under GASB 96 and, therefore, have been recorded at the present value of the future minimum subscription payments as of the date of their inception.

As of June 30, 2025, the County had thirty-five active subscriptions. The subscriptions have payments that range from \$0 to \$420,947 and interest rates that range from 1.8940% to 3.1070%.

Governmental Activities - As of June 30, 2025, the total combined value of the subscription liability is \$1,075,046. The combined value of the right to use asset, as of June 30, 2025, is \$2,735,174 with accumulated amortization of \$1,487,847.

Enterprise Activities - As of June 30, 2025, the total combined value of the subscription liability is \$7,240. The combined value of the right to use asset, as of June 30, 2025, is \$23,226 with accumulated amortization of \$14,839.

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**G. Changes in Long-Term Debt**

The following is a summary of changes in governmental long-term debt for the year ended June 30, 2025, for the County:

Governmental Activities	June 30, 2024	Additions	Retirements	June 30, 2025	Current Maturities
General obligation bonds	\$116,505,000	\$ -	\$ 6,885,000	\$109,620,000	\$ 6,885,000
Limited obligation bonds	12,515,000	-	2,270,000	10,245,000	2,230,000
Bond premiums	12,932,242	-	959,672	11,972,570	800,855
Leases	458,301	604,129	358,906	703,524	292,290
SBITAS	1,749,160	711,388	1,385,502	1,075,046	667,128
Compensated absences*	8,985,615	392,009	-	9,377,624	3,145,126
Net pension liability (LGERs)	53,674,304	-	348,152	53,326,152	-
Total pension liability (LEOSSA)	8,998,240	517,748	-	9,515,988	394,008
Total pension liability (DOSSA)	172,589	61,131	-	233,720	-
Total OPEB liability	129,665,421	14,307,901	5,760,543	138,212,779	3,051,127
Landfill closure & post-closure	8,769,674	208,152	-	8,977,826	885,000
<b>Total</b>	<b>\$354,425,546</b>	<b>\$ 16,802,458</b>	<b>\$ 17,967,775</b>	<b>\$353,260,229</b>	<b>\$ 18,350,534</b>

\* The change in compensated absences above is a net change for the year

Note: The general fund is typically used to liquidate other long-term liabilities, including OPEB liability, landfill closure, and post-closure liability, as well as the compensated absences and pension liabilities recorded in the governmental funds. The total of other debt not issued for capital is \$219,644,089, which is comprised of compensated absences of \$9,377,624, pension benefit obligation of \$63,075,860, other post-employment benefits of \$138,212,779, and landfill closure and post-closure of \$8,977,826.

The following is a summary of changes in business-type long-term debt for the year ended June 30, 2025, for the County:

Business-Type Activities	June 30, 2024	Additions	Retirements	June 30, 2025	Current Maturities
Direct placement and direct borrowing revenue bonds	\$278,075,000	\$ 29,855,000	\$ 44,220,000	\$263,710,000	\$ 11,700,000
Bond premiums	25,158,173	2,928,302	5,027,979	23,058,496	1,324,813
General obligation bonds	1,760,000	-	225,000	1,535,000	230,000
Direct placement installment purchase	700,000	-	100,000	600,000	100,000
Direct borrowing state revolving fund loans	4,515,940	23,615,530	1,845,657	26,285,813	3,052,766
Leases	2,188,736	-	65,204	2,123,532	62,180
SBITAS	53,140	-	45,900	7,240	7,240
Compensated absences*	1,266,560	132,191	-	1,398,751	512,631
Net pension liability (LGERs)	6,544,190	12,456	-	6,556,646	-
Total OPEB liability	20,787,075	4,694,009	1,019,528	24,461,556	356,486
<b>Total</b>	<b>\$341,048,814</b>	<b>\$ 61,237,488</b>	<b>\$ 52,549,268</b>	<b>\$349,737,034</b>	<b>\$ 17,346,116</b>

\* The change in compensated absences above is a net change for the year

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Note: The total of other debt not issued for capital is \$32,416,953, which is comprised of compensated absences of \$1,398,751, pension benefit obligation of \$6,556,646, and other post-employment benefits of \$24,461,556.

**H. Maturities of Long-Term Debt**

The annual requirements to retire all outstanding debt, other than compensated absences, pension benefit obligation, and landfill closure costs, on June 30, 2025, including interest, are as follows:

Governmental Activities

	General Obligation Bonds		Limited Obligation Bonds	
	Principal	Interest	Principal	Interest
2026	\$ 6,885,000	\$ 4,046,335	\$ 2,230,000	\$ 281,139
2027	6,885,000	3,712,535	2,190,000	235,793
2028	6,880,000	3,401,810	2,145,000	190,701
2029	6,880,000	3,103,710	530,000	146,113
2030	6,880,000	2,819,985	530,000	119,613
2031-2035	34,400,000	10,103,100	2,620,000	260,788
2036-2040	31,855,000	3,951,835	-	-
2041-2045	8,955,000	433,050	-	-
Totals	<u>\$109,620,000</u>	<u>\$ 31,572,360</u>	<u>\$ 10,245,000</u>	<u>\$ 1,234,147</u>

	Leases		Subscriptions	
	Principal	Interest	Principal	Interest
2026	\$ 292,290	\$ 16,929	\$ 667,128	\$ 26,008
2027	263,755	9,537	258,735	10,385
2028	83,212	3,235	116,911	2,929
2029	63,815	1,250	32,272	931
2030	452	3	-	-
Totals	<u>\$ 703,524</u>	<u>\$ 30,954</u>	<u>\$ 1,075,046</u>	<u>\$ 40,253</u>

Business-Type Activities

	General Obligation Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest
2026	\$ 230,000	\$ 62,750	\$ 11,700,000	\$ 10,455,804
2027	240,000	53,450	12,585,000	9,578,284
2028	250,000	43,700	12,765,000	8,997,610
2029	260,000	33,500	12,825,000	8,407,625
2030	270,000	22,850	11,355,000	7,814,213
2031-2035	285,000	11,750	50,540,000	31,407,013
2036-2040	-	-	57,155,000	21,291,513
2041-2045	-	-	44,370,000	12,314,525
2046-2050	-	-	50,415,000	4,753,350
Totals	<u>\$ 1,535,000</u>	<u>\$ 228,000</u>	<u>\$ 263,710,000</u>	<u>\$ 115,019,937</u>

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
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	State Revolving Loans		Installment Purchases	
	Principal	Interest	Principal	Interest
2026	\$ 3,052,766	\$ 400,672	\$ 100,000	\$ -
2027	1,332,214	344,194	100,000	-
2028	1,332,214	325,653	100,000	-
2029	1,332,214	237,257	100,000	-
2030	1,332,212	222,826	100,000	-
2031-2035	6,096,427	897,651	100,000	-
2036-2040	5,903,883	547,881	-	-
2041-2045	5,903,883	205,455	-	-
Totals	<u>\$ 26,285,813</u>	<u>\$ 3,181,589</u>	<u>\$ 600,000</u>	<u>\$ -</u>

	Leases		Subscriptions	
	Principal	Interest	Principal	Interest
2026	\$ 62,180	\$ 30,334	\$ 7,240	\$ 210
2027	55,153	29,232	-	-
2028	446,442	26,409	-	-
2029	27,124	16,789	-	-
2030	27,414	16,499	-	-
2031-2035	141,534	78,027	-	-
2036-2040	149,279	70,283	-	-
2041-2045	157,455	62,107	-	-
2046-2050	166,087	53,475	-	-
2051-2055	175,201	44,360	-	-
2056-2060	184,827	34,735	-	-
2061-2065	194,993	24,569	-	-
2066-2070	205,732	13,829	-	-
2071-2075	130,111	2,941	-	-
Totals	<u>\$ 2,123,532</u>	<u>\$ 503,589</u>	<u>\$ 7,240</u>	<u>\$ 210</u>

**I. Net Investment in Capital Assets**

The total Net Investment in Capital Assets at June 30, 2025, is composed of the following elements:

	Governmental	Business-Type	Total
Total capital assets (net of depreciation & amortization)	\$ 158,176,532	\$ 745,378,314	\$ 903,554,846
Non-debt capital related liabilities	3,495,091	9,772,507	13,267,598
Total debt, gross	133,774,956	317,553,739	451,328,695
Less: Education non-debt capital related liabilities	2,029,409	-	2,029,409
Less: Education debt not titled to County	121,087,117	-	121,087,117
Less: Unexpended proceeds*	-	50,959,328	50,959,328
Total capital debt	<u>14,153,521</u>	<u>276,366,918</u>	<u>290,520,439</u>
Net Investment in Capital Assets	<u>\$ 144,023,011</u>	<u>\$ 469,011,396</u>	<u>\$ 613,034,407</u>

\*Unexpended debt proceeds related to education debt in the amount of \$6,407,856 are not included in the calculation of governmental Net Investment in Capital Assets.

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

#### J. Other Debt Disclosures

At June 30, 2025, the County had a legal debt margin of \$4.14 billion.

##### **Advance Refunding**

On November 7, 2019, the County issued \$13,670,000 series 2019B enterprise revenue advance refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of providing general resources for all future debt service payments of \$14,053,750 of enterprise revenue bonds. As a result, the refunded bonds are considered to be defeased. The liabilities for the debt were removed from the governmental activities column of the statement of net position in the fiscal year ending June 30, 2020. The reacquisition price was higher than the net carrying amount of the old debt by \$1,150,000. The amount was netted against the net debt and amortized over the life of the refunded debt, which is the same as the life of the new issue. The advance refunding was undertaken to reduce total debt service payments over the next five years by \$348,361 in a net economic gain of \$389,961.

##### **Current Refunding**

On January 8, 2025, the County issued \$29,855,000 in Series 2025 enterprise revenue current refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of providing general resources for all future debt service payments of \$33,373,853 of enterprise revenue bonds. As a result, the refunded bonds are considered to be defeased. The liabilities for the debt were removed from the governmental activities column of the statement of net position in the fiscal year ending June 30, 2025. The reacquisition price was lower than the net carrying amount of the old debt by \$2,785,000. The amount was netted against the net debt and amortized over the life of the refunded debt, which is the same as the life of the new issue. The current refunding was undertaken to reduce total debt service payments over the next fifteen years by \$2,069,436 in a net economic gain of \$1,764,428.

##### **Debt Related to Capital Activities**

Of the total Governmental Activities debt listed, only \$10,245,000 relates to assets the County holds title. There is no unspent restricted cash related to this debt.

#### 8. Conduit Debt Obligations

Brunswick County Industrial Facility and Pollution Control Authority 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 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 are no industrial revenue bonds outstanding.

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

#### 9. Pension Plan and Other Postemployment Obligations

##### A. Local Governmental Employees' Retirement System

###### Plan Description

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

###### Benefits Provided

LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, 60 with 25 years of creditable service, or 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 postretirement benefit increases. Increases are contingent upon actuarial gains of the plan.

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

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Contributions**

Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County’s contractually required contribution rate for the year ended June 30, 2025, was 15.10% of compensation for law enforcement officers, 13.60% for general employees, and 13.60% for health and social services department employees. The percentages are actuarially determined so that, when combined with employee contributions, it is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$12,400,712 for the year ended June 30, 2025.

**Refunds of Contributions**

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

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

At June 30, 2025, the County reported a liability of \$59,882,798 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 .888% (measured as of June 30, 2024), which was a decrease of .021% 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 \$17,685,520. On 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
Difference between expected and actual experience	\$ 10,493,734	\$ 70,554
Net difference between projected and actual investment earnings	8,141,032	-
Change in proportion and difference between employer contributions and proportionate share of contributions	416,208	1,193,088
County contributions subsequent to the measurement date	<u>12,400,712</u>	-
	<u>\$ 31,451,686</u>	<u>\$ 1,263,642</u>

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

The \$12,400,712 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	\$ 5,547,387
2027	11,523,882
2028	1,636,580
2029	(920,517)
2030	-
Thereafter	-

#### 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	2.5 percent
Salary increase	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

The plan 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 with the exception of the discount rate were based on the results of an actuarial experience study for the period January 1, 2015, through December 31, 2019.

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

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

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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 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 Sensitive	6.0%	4.3%
Total	<u>100.0%</u>	

The information in the preceding table is based on 30-year expectations developed with an investment consulting firm. 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%. Return projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized. The long-term expected real rate of return for the Bond Index Investment Pool as of June 30, 2024 is 2.76%.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.50%. 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%, as well as what the County’s proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
County's proportionate share of the net pension liability (asset)	\$ 106,114,077	\$ 59,882,798	\$ 21,851,219

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

#### Pension plan fiduciary net position

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

#### B. Registers of Deeds' Supplemental Pension Fund

##### Plan Description

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

##### Benefits Provided

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

##### Contributions

Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$22,940 for the year ended June 30, 2025.

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

At June 30, 2025, the County reported an asset of \$287,981 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, the County's proportion was 2.499%, which was a decrease of 0.043% from its proportion measured as of June 30, 2023.

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

For the year ended June 30, 2025, the County recognized pension expense of \$64,388. 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
Difference between expected and actual experience	\$ 6,323	\$ 5,148
Net difference between projected and actual investment earnings	111,214	-
Change in proportion and difference between employer contributions and proportionate share of contributions	-	8,368
County contributions subsequent to the measurement date	22,940	-
	<u>\$ 140,477</u>	<u>\$ 13,516</u>

The \$22,940 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2026.

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

Year ended June 30:	
2026	\$ 48,136
2027	45,388
2028	10,097
2029	400
2030	-
Thereafter	-

**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	2.5 percent
Salary increase	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	3.00 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2023, valuation were based on the results of an actuarial experience study for the period January 1, 2015, through December 31, 2019.

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

The information above is based on 30-year expectations developed with an investment consulting firm as part of a study that was completed in early 2022, and is part of the asset liability and investment policy of the North Carolina Retirement Systems. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.38%. Return projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class and is 100% invested 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%.

**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 presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.00%, as well as what the County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00%) or 1-percentage-point higher (4.00%) than the current rate:

	1% Decrease <u>(2.00%)</u>	Discount Rate <u>(3.00%)</u>	1% Increase <u>(4.00%)</u>
County's proportionate share of the net pension liability (asset)	\$ (190,813)	\$ (287,981)	\$ (369,830)

**Pension Plan Fiduciary Net Position**

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

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**C. Law Enforcement Officers' Special Separation Allowance**

**Plan Description**

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

The Separation Allowance covers all full-time County law enforcement officers. At December 31, 2023, the Separation Allowance's membership consisted of:

Category	Number
Inactive members currently receiving benefits	15
Active members	199
Total	<u>214</u>

**Summary of Significant Accounting Policies**

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

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

**Actuarial Assumptions**

The entry age normal actuarial cost method was used in the December 31, 2023, valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary Increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount Rate	4.28 percent

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

The actuarial assumptions used in the December 31, 2023, valuation were based on the results of an experience study completed by the Actuary for the Local Governmental Employees' Retirement System for the five-year period ending December 31, 2019.

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

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

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

Deaths After Retirement (Survivors of Deceased Members): Mortality rates are based on the Below-median Teachers Mortality Table for Contingent Survivors. Rates for male members are Set Forward 3 years. Rates for female members are Set Forward 1 year. Because the contingent survivor tables have no rates prior to age 45, the Below-Median Teachers Mortality Table for Employees is used for ages less than 45.

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

**Contributions**

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay-as-you-go basis through appropriations made in the General Fund operating budget. There were 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. The County paid \$314,339 as benefits came due for the reporting period.

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

At June 30, 2025, the County reported a total pension liability of \$9,515,988. The total pension liability was measured as of December 31, 2024, based on a December 31, 2023 actuarial valuation. The total pension liability was rolled forward to the measurement date of December 31, 2024, utilizing updated procedures incorporating the actuarial assumptions. For the year ended June 30, 2025, the County recognized pension expense of \$1,137,613.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 778,836	\$ 30,579
Changes of assumptions	754,892	1,253,780
County benefit payments and plan administrative expense made subsequent to the measurement date	180,577	-
	<u>\$ 1,714,305</u>	<u>\$ 1,284,359</u>

The County paid \$180,577 in benefit payments and \$0 in admin expenditures subsequent to the measurement date that are reported as deferred outflows of resources related to pensions which will be recognized as a decrease of the total pension liability in the year ended June 30, 2026. Other

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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

Year ended June 30:	
2026	\$ 267,849
2027	75,788
2028	(127,496)
2029	(25,622)
2030	58,028
Thereafter	822

*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%, as well as what the County's total pension liability would be if it were calculated using a discount rate that is one percentage point lower (3.28%) or one percentage point higher (5.28%) than the current rate:

	1% Decrease (3.28%)	Discount Rate (4.28%)	1% Increase (5.28%)
Total pension liability	\$ 10,443,421	\$ 9,515,988	\$ 8,678,708

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

	2025
Beginning balance	\$ 8,998,240
Service Cost	466,618
Interest on the total pension liability	353,643
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	262,127
Changes of assumptions or other inputs	(250,301)
Benefit payments	(314,339)
Other changes	-
Ending balance of the total pension liability	<u>\$ 9,515,988</u>

*Changes of assumptions.* Changes of assumptions and other inputs reflect a change in the discount rate from 4.00 percent at December 31, 2023 (measurement date) to 4.28 percent at December 31, 2024 (measurement date).

*Changes in Benefit Terms.* Reported compensation adjusted to reflect the assumed rate of pay as of the valuation date.

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

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**D. Detention Officers' Special Separation Allowance**

**Plan Description**

The County administers a public employee retirement system (the Separation Allowance). This single-employer defined benefit pension plan provides retirement benefits to the County's qualified sworn detention officers under the age of 62 who have completed at least 30 years of creditable service or have attained 60 years of age and have completed 25 or more years of creditable service. The Separation Allowance is equal to 0.85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that the General Assembly may authorize. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. A separate report was not issued for the plan.

The Separation Allowance covers all full-time County detention officers. At December 31, 2024, the Separation Allowance's membership consisted of:

<u>Category</u>	<u>Number</u>
Inactive members currently receiving benefits	-
Active members	<u>68</u>
Total	<u><u>68</u></u>

**Summary of Significant Accounting Policies**

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

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

**Actuarial Assumptions**

The entry age normal actuarial cost method was used in the December 31, 2024, valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary Increases	3.25 to 8.25 percent, including inflation and productivity factor
Discount Rate	4.28 percent

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

The actuarial assumptions used in the December 31, 2024, valuation were based on the results of an experience study completed by the Actuary for the Local Governmental Employees' Retirement System for the five-year period ending December 31, 2019.

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

Deaths After Retirement (Healthy): Mortality rates are based on the General Mortality Table for Retirees. Rates for male members are first Set Forward 2 years, then are multiplied by 96% for ages under 81, and increase until reaching 100% at age 85 and above. Rates for female members are 100% for ages under 92 and increase until reaching 110% at age 95 and above. Because the retiree tables have no rates prior to age 50, the General Mortality Table for Employees is used for ages less than 50.

Death After Retirement (Survivors of Deceased Members): Mortality rates are based on the Below-Median Teachers Mortality Table for Contingent Survivors. Rates for male members are Set Forward 3 years. Rates for female members are Set Forward 1 year. Because the contingent survivor tables have no rates prior to age 45, the Below-Median Teachers Mortality Table for Employees is used for ages less than 45.

Deaths After Retirement (Disabled Members at Retirement): Mortality rates are based on the Non-Safety Mortality Table for Disabled Retirees. Rates for General Employee male members are Set Forward 3 years and rates for General Employee female members are Set Back 1 year.

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

**Contributions**

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay-as-you-go basis through appropriations made in the General Fund operating budget. There were 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. The County paid \$0 as benefits came due for the reporting period.

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

At June 30, 2025, the County reported a total pension liability of \$233,720. The total pension liability was measured as of December 31, 2024, based on a December 31, 2024, actuarial valuation. The Total Pension Liability (TPL) is determined utilizing the Entry Age Normal (EAN) actuarial funding method. For the year ended June 30, 2025, the County recognized pension expense of \$31,024.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 32,337	\$ -
Changes of assumptions	3,360	15,678
	<u>\$ 35,697</u>	<u>\$ 15,678</u>

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

The County paid \$0 in benefit payments and \$0 in admin expenditures subsequent to the measurement date that are reported as deferred outflows of resources related to pensions which will be recognized as a decrease of the total pension liability in the year ended June 30, 2026. Other amounts reported as deferred inflows or deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	\$ 3,523
2027	10,891
2028	5,605
2029	-
2030	-
Thereafter	-

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%)
Total pension liability	\$ 269,431	\$ 233,720	\$ 202,685

Schedule of Changes in Total Pension Liability  
Detention Officers' Special Separation Allowance

	2025
Beginning balance	\$ 172,589
Service Cost	20,134
Interest on the total pension liability	6,904
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	43,598
Changes of assumptions or other inputs	(9,505)
Benefit payments	-
Other changes	-
Ending balance of the total pension liability	<u>\$ 233,720</u>

*Changes of assumptions.* Changes of assumptions and other inputs reflect a change in the discount rate from 4.00% at December 31, 2023 (measurement date) to 4.28% at December 31, 2024 (measurement date).

*Changes in Benefit Terms.* Reported compensation adjusted to reflect the assumed rate of pay as of the valuation date.

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

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

#### E. 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 Report for the State of North Carolina. The State's Annual Report includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

##### Funding Policy

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

The County contributed \$782,575 for the reporting year. No amounts were forfeited.

#### F. Deferred Compensation Plans

The County also offers, to employees not engaged in law enforcement, a deferred compensation plan created in accordance with Internal Revenue Code Section 401(k). Employee participation is discretionary and is limited to the amount allowable under the Internal Revenue Code. For each qualified employee, the County contributes 5% of the employee's pretax annual compensation to the plan. Contributions for the year ended June 30, 2025, were \$4,995,951 which consisted of \$3,679,140 from the County and \$1,316,811 from the employees.

#### G. Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for LGERS and ROD was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that December 31, 2023. The total pension liability for LEOSSA was measured as of December 31, 2024, with an actuarial valuation date of December 31, 2023. The total pension liability for DOSSA was measured as of December 31, 2024, with an actuarial valuation date of December 31, 2024.

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contributions of all participating entities. The following is information related to the proportionate share and pension expense:

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>DOSSA</u>	<u>Total</u>
Proportionate share of the net pension liability (asset)	\$ 59,882,798	\$ (287,981)	\$ -	\$ -	\$ 59,594,817
Proportion of the net pension liability (asset)	0.88827%	2.49919%	n/a	n/a	n/a
Total pension liability	\$ -	\$ -	\$ 9,515,988	\$ 233,720	\$ 9,749,708
Pension Expense	\$ 17,685,520	\$ 64,388	\$ 1,137,613	\$ 31,024	\$ 18,918,545

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

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>DOSSA</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>					
Differences between expected and actual experience	\$ 10,493,734	\$ 6,323	\$ 778,836	\$ 32,337	\$ 11,311,230
Changes of Assumptions	-	-	754,892	3,360	758,252
Net difference between projected and actual earnings on plan investments	8,141,032	111,214	-	-	8,252,246
Changes in proportion and differences between contributions and proportionate share of contributions	416,208	-	-	-	416,208
County contributions (LGERS, ROD)/benefit payments and administrative costs (LEOSSA, DOSSA) subsequent to the measurement date	12,400,712	22,940	180,577	-	12,604,229

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

	LGERS	ROD	LEOSSA	DOSSA	Total
<b>Deferred Inflows of Resources</b>					
Differences between expected and actual experience	\$ 70,554	\$ 5,148	\$ 30,579	\$ -	\$ 106,281
Changes of assumptions	-	-	1,253,780	15,678	1,269,458
Changes in proportion and differences between contributions and proportionate share of contributions	1,193,088	8,368	-	-	1,201,456

**H. Other Employment Benefits**

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees’ Retirement System (“Death Benefit Plan”), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service, and have at least one year of contributing membership service in the System at the time of death, are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee’s 12 highest monthly salaries in a row during the 24 months before his/her death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payroll, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants.

For the fiscal year ended June 30, 2025, the County made contributions to the State for death benefits of \$66,413. The County’s required contributions for employees not engaged in law enforcement and for law enforcement officers represented 0.04% and 0.14%, respectively, of covered payroll. Additionally, the contributions for Health Department employees and Department of Social Services employees were 0.03% each.

**I. Other Post-Employment Benefits – Health Care Benefits**

**Plan Description**

In addition to providing pension benefits, the County administers a single employer-defined benefit Healthcare Benefits Plan (the HCB Plan). As of July 1, 2015, this plan provides post-employment healthcare benefits to retirees of the County, provided they retire from active service from the North Carolina Local Governmental Employees’ Retirement System (System), the North Carolina Law Enforcement Officers’ Retirement System, or are in disability retirement with five years of creditable service. Retirees hired prior to January 1, 2012, receive the same benefits as active employees after a minimum of ten years of creditable service with the retirement system through disability retirement with five years of service. The HCB Plan is available to

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

qualified retirees until the age of 65 or until Medicare eligible, whichever is sooner. The County pays the full cost of coverage for these benefits. Employees hired on or after January 1, 2012, with a minimum of 10 years of continuous service with the County or fifteen years of total creditable service with the County or who, through disability retirement, has at least five years of continuous creditable service with the County also have the option of purchasing, net of a County contribution, coverage for themselves at the cost consistent with active employee premiums. The Board of County Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

<b>Hire Date</b>	<b>Service Requirement</b>	<b>Benefits</b>
Hired on or before 12/31/2011	10 years creditable service with retirement system or, If disability retirement, 5 years creditable service with retirement system	Individual health insurance at no cost to age 65. Dependent coverage offered at cost consistent with active employee premiums. Medicare Supplement at age 65+
Hired/Rehired on or after 1/1/2012 but before 7/1/2015	At least 10 years continuous creditable service with Brunswick County or 15 years of total creditable service with Brunswick County or, If disability retirement, 5 years continuous creditable service with Brunswick County	Continue individual health insurance at cost consistent with active employee premiums. Dependent coverage offered at cost consistent with active employee premiums. Medicare Supplement at age 65+, cost share based on years of service with Brunswick County: 25+ years – 100% paid by County 15 – 24 years – 75% paid by County 10 – 14 years – 50% paid by County 5 years of service (disability retirement only) - 50% paid by County
Hired/Rehired on or after 7/1/2015	At least 10 years continuous creditable service with Brunswick County or 15 years of total creditable service with Brunswick County or, If disability retirement, 5 years continuous creditable service with Brunswick County	Continue individual health insurance to age 65 at cost consistent with active employee premiums. No dependent coverage available. Health insurance for pre-65 retirees and Medicare Supplement at age 65+, cost share based on total years of service with NC Retirement System. 25+ years – premium consistent with active employees. 15 – 24 years – 75% paid by County 10 – 14 years – 50% paid by County 5 years of service (disability retirement only) - 50% paid by County

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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

Membership Group	Number
Inactive employees or beneficiaries currently receiving benefits	431
Active employees	1,207
Total Membership	1,638

**Total OPEB Liability**

The County’s total OPEB liability of \$162,674,335 was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2024.

*Actuarial assumptions and other inputs.* The total OPEB liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50 percent
Real wage growth	0.75 percent
Wage inflation	3.25 percent
Salary increases	
General employees	3.25 - 8.41 percent, including inflation
Law enforcement officers	3.25 - 7.90 percent, including inflation
Municipal bond index rate	
Prior measurement date	3.65 percent
Measurement date	3.93 percent
Healthcare cost trend rates	
Pre-Medicare	7.00 percent for 2024, decreasing to an ultimate rate of 4.50% by 2034
Medicare	5.125 percent for 2024, decreasing to an ultimate rate of 4.50% by 2027
Dental	3.50 percent

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

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

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Changes to the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Beginning balance	\$ 150,452,496
Service cost	5,635,963
Interest	5,611,575
Changes of benefit terms	-
Differences between expected and actual experience	7,754,372
Changes in assumptions or other inputs	(2,044,287)
Benefit payments	<u>(4,735,784)</u>
Ending balance	<u>\$ 162,674,335</u>

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 through December 31, 2019, adopted by the LGERS Board.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2024, valuation were based on a review of recent plan experience done concurrently with the June 30, 2024, valuation.

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current discount rate (3.93%):

	<u>1% Decrease (2.93%)</u>	<u>Current Discount Rate (3.93%)</u>	<u>1% Increase (4.93%)</u>
Total OPEB liability	\$189,784,692	\$ 162,674,335	\$141,048,877

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

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$137,688,569	\$ 162,674,335	\$192,230,550

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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

For the year ended June 30, 2025, the County recognized OPEB expense of \$7,340,355. 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	\$ 6,787,539	\$ 8,954,800
Changes of assumptions	11,453,516	23,194,232
Benefit payments and administrative costs made subsequent to the measurement date	5,189,381	-
	<u>\$ 23,430,436</u>	<u>\$ 32,149,032</u>

The \$5,189,381 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	\$ (1,897,929)
2027	(1,867,394)
2028	(5,716,199)
2029	(5,688,113)
2030	524,073
Thereafter	737,585

**10. Landfill Closure and Post-Closure Costs**

Federal and State laws and regulations provide the closure and post-closure care requirements of the County's landfills. Although closure and post-closure care costs will be paid only near or after the date that the Construction and Demolition ("C&D") debris landfill stops accepting waste or certain portions obtain the final height, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of the balance sheet date.

**Municipal Solid Waste Landfill**

The County operated a municipal solid waste landfill until December 1997, when it stopped accepting waste at the site. As required by federal and State laws and regulations, the County placed a final cover on this landfill in 1998 and is performing certain maintenance and monitoring functions at the site for thirty years after closure.

**Construction and Demolition Debris Landfill**

The County operates a multi-phase construction and demolition debris landfill. The North Carolina Department of Environmental Quality ("NCDEQ") has issued a life-of-site permit for the landfill. The final phases of the landfill, Phases 6A, 6B, and 6C, were permitted for 588,000 cubic yards ("CY"). It is

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

estimated that approximately 93% of the total airspace for Phase 6 has been used. The total permitted capacity of the C&D debris landfill is 1,146,000 CY. As of June 30, 2025, the volume utilized has not exceeded the permitted capacity.

Using the results of the annual survey it is estimated that approximately 48,807 cubic yards of useable airspace remain in the C&D debris landfill. The tonnage of C&D debris received at the landfill during FY 2024-2025 increased approximately 3% from FY 2023-2024. The tonnage of C&D debris disposed in the landfill during FY 2024-2025 decreased approximately 80% from FY 2023-2024. The C&D debris disposed represents a decrease as the County continues to divert a portion of the C&D debris waste stream through the new MSW Transfer Station. The County diverted approximately 6% more C&D debris during FY 2024-2025 than in FY 2023-2024. It is important to note that this increase in the amount C&D debris received is not significant to the overall landfill operation.

It is anticipated that the life of the C&D debris landfill will extend to at least FY 2025-2026 based on a tonnage equal to that received in FY 2023-2024, 10% annual growth, and at least 75% diversion of C&D debris. On July 16, 2007 the County entered into an agreement for temporary hauling and disposal of C&D debris outside the County and began a sorting and recycling program as means to extend the life of the existing landfill. If temporary hauling and disposal continues, the existing landfill life may be extended.

#### **Closure and Post-Closure Care Cost**

The C&D debris landfill closure and post-closure costs have been prepared as each phase of the C&D debris landfill developed. The post-closure costs for the MSW landfill were developed at the time the MSW landfill was closed. It is important to note that the MSW landfill post-closure costs will not carry forward until the C&D debris landfill closure occurs. Previously, the NC Division of Waste Management confirmed that after the C&D debris landfill closure occurs, the 30-year post-closure period will restart for the MSW and C&D debris landfill. However, the NC Division of Waste Management (DWM) confirmed in 2022 that the MSW post-closure costs do not need to be included since the current C&D debris site is on top of the closed MSW landfill

The closure and post-closure care liability is computed based on the cumulative, estimated capacity of the landfill utilized as of June 30, 2025, which is 90% of the total airspace and 96% of the usable airspace. If the landfill continues to divert C&D waste as it has in the past two years, it is estimated that closure of the C&D debris landfill will occur sometime after FY 2028-2029. It should be noted that Phases 6A and 6B have reached the extent of the usable airspace allowed. The post-closure care cost for the C&D debris landfill is expected to be approximately \$185,000 annually after closure. It is not expected that Phases 6A and 6B will be closed until Phase 6C reaches final capacity. On June 30, 2025, the combined closure and post-closure care costs for the C&D debris landfills are expected to total \$8,977,826 based on an escalation factor of 2.4%. Of that amount, \$8,977,826 has been accrued as of June 30, 2025, and is included in the Long-Term Debt reported on the statement of net position.

Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County has elected to establish a reserve fund to accumulate resources for the payment of closure and post-closure care costs. A reserve for landfill closure and post-closure care costs is included in the County Capital Project Fund in the amount of \$8,977,826. The County expects to budget annual transfers from the General Fund to the County Capital Reserve Fund based on the projected cost of closure and post-closure care costs. Future inflation costs are expected to be paid from the interest

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

earnings on these annual contributions. However, if interest earnings are inadequate, additional costs may be covered by future user charges or tax revenues.

The last addition of closure costs occurred during the 2007 permitting action for the amendment of the C&D debris landfill permit. During this permitting action, a modified Phase 6C area was added to the C&D debris landfill closure costs. The modified Phase 6 area was associated with the final grades of Area 6C being permitted to gain additional airspace. The modified Phase 6 area has a higher closure cost per acre than the other phases. This is due to geotechnical considerations, where Area 6C will tie back to the existing grades of the existing C&D debris landfill.

#### 11. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in two self-funded risk-financing pools (Property/Liability and Worker's Compensation) administered by the North Carolina Association of County Commissioners (the Pool). Through the Pool, the County obtains property coverage equal to the replacement cost of owned property subject to total insured values, with sub-limits on coverage for specified perils: general, auto, professional, employment practices, and law enforcement liability coverage of \$2 million per occurrence, auto physical damage for owned autos at actual cash value, and crime coverage of \$250,000 per occurrence. All property coverage and some liability coverages are subject to per-occurrence deductibles, as selected by the County.

The Pool is audited annually by certified public accountants, and audited financial statements are available to the County upon request. The Pool is reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000. There is a limit of up to \$2 million for liability coverage. Through the captive, the Liability and Property Pool is reinsured for \$2 million of annual aggregate losses in excess of \$250,000 per occurrence for property, auto physical damage, and crime coverage, with additional limits of \$750 million purchased through a group of commercial carriers through the multi-state public entity captive.

The County has chosen not to purchase flood insurance based on a determination that the assets located in flood-prone areas consist mainly of underground utility piping and pump stations designed for the environment. There were no significant changes to the insurance coverage from the previous year, and settled claims have not exceeded limits in any line of coverage with the Pool during the past five fiscal years.

The County began participating in the Pool for Worker's Compensation beginning July 1, 2019, from being a County self-funded insurance, and the County is responsible for payment of claims incurred prior to July 1, 2019. Worker's compensation insurance with the Pool provides state statutory coverage, has a \$2 million dollar Employer's Liability limit, and is contracted with a third-party administrator, Sedgwick Claims Management Services, to manage cost containment.

Commercial coverage for risks associated with emergency services provided by the County is carried by VFIS of North Carolina, Inc. Brokered with Coastal Insurance, there have been no significant changes in coverage, and settled claims have not exceeded limits during the past five fiscal years.

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

The County has been a member of the North Carolina Health Insurance Pool (NCHIP) since July 1, 2018, which is a local government risk pool for employee health benefits of cities and counties. Under NCHIP, a portion of the County's claims for employee health benefits is self-funded, and a portion of the claims is pooled with other NCHIP members. NCHIP has contracted with Blue Cross and Blue Shield as a third-party administrator to adjudicate claims and manage cost containment. To safeguard against catastrophic claims, NCHIP has specific stop-loss coverage that occurs after \$200,000 in claims per member. The specific stop loss is brokered through Blue Cross and Blue Shield.

The Finance Director, Tax Administrator, Sheriff, and Register of Deeds are each individually bonded for \$1,000,000, \$500,000, \$25,000, and \$10,000, respectively. In accordance with G.S. 159-29, the County adopted a system of \$250,000 blanket faithful performance bonding as an alternative to individual bonds for all other employees who have access to funds.

The County carries commercial coverage for all other risks of loss, including property and liability for emergency service vehicles. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

#### 12. Claims and Judgments

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of management, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

#### 13. Joint Ventures

##### **Brunswick County Community College**

The County in conjunction with the State of North Carolina and the Brunswick County Board of Education participates in a joint venture to operate the Brunswick County Community College ("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 to provide financing for new and restructured facilities. As of June 30, 2025, there are no outstanding general obligation bonds issued for this purpose. Additionally, 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 \$6,462,765 to the Community College for operating and capital purposes and \$262,474 to the Foundation Grant for tuition during the fiscal year ended June 30, 2025.

The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2025. Complete financial

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

statements for the Brunswick County Community College may be obtained from the Community College's administrative offices at U.S. Hwy. 17 N., Supply, North Carolina.

#### **Trillium Health Resources**

The County participates with 26 other counties in Eastern North Carolina in a joint venture to operate Trillium Health Resources ("Center"), which is located in New Hanover County. The Trillium Health Resources Board is a political subdivision of the State of North Carolina. Brunswick County contributed \$313,054 for operating purposes during the year ended June 30, 2025. The participating counties do not have any equity interest in the joint venture. Complete financial statements for Trillium Health Resources may be obtained from the Center's administrative offices at 3809 Shipyard Boulevard, Wilmington, North Carolina 28403.

#### **14. Jointly Governed Organizations**

##### **Cape Fear Council of Governments**

The County, in conjunction with three other counties and forty-one municipalities, established the Cape Fear Council of Governments ("Council"). The participating governments established the Council to coordinate certain funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$32,309 to the Council during the fiscal year ended June 30, 2025.

##### **Lower Cape Fear Water and Sewer Authority**

The County, in conjunction with four other counties and one municipality, established the Lower Cape Fear Water and Sewer Authority ("Authority"). The Authority operates a 45 million gallons per day (MGD) raw water system, consisting of a raw water intake located above Lock & Dam #1, Cape Fear River, a 45 MGD pump station, and 13 miles of operating raw water main. The Authority is currently allowed to withdraw 96 MGD from the Cape Fear River. Under construction is a parallel raw water main project that will increase capacity to no less than 96 MGD. The County appoints four members of the Authority's 13-member Board. The Authority supplies raw water under contracts at a rate that is periodically reset to reflect the Authority's cost of production. The Authority also receives an availability charge from a municipality until the municipality needs the raw water supply. The cost of the raw water acquired by Brunswick County from the Authority for the year ended June 30, 2025, was \$2,418,355. In addition, the Authority made payments to the County during the fiscal year totaling \$480,036 pursuant to a maintenance contract.

##### **Northeast Brunswick Water Reclamation Facility**

The Facility is owned, operated, and maintained by the County. H2GO and the County have entered into wastewater service agreements for a portion of the treatment capacity in the plant. The Facility has a permitted treatment capacity of 4.975 MGD. The County is currently in the design phase of a 3+ MGD plant expansion for additional treatment capacity due to the increased needs of the participants. Each participant is charged capacity service fees based on their share of the capacity in the plant. The County's share of capacity and related debt service is funded by the retail revenue of the County's customers. The participant capacity service fees are combined with the County's retail revenue to service the debt associated with the plant. Participants are also charged treatment service fees based on the metered flow they send to the plant. The participant fees and the costs allocated to the County for their customer flow are combined so that the operating and maintenance costs of the plant are

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

recovered by County retail revenues and participant service fees on a proportional and break-even basis. The agreement and policies and regulations provide for an oversight committee to make a budget and operating recommendations to the County Commissioners.

#### **West Brunswick Regional Water Reclamation Facility**

The Facility is owned, operated, and maintained by the County. The Town of Holden Beach, the Town of Oak Island, the Town of Shallotte, and the County have entered into wastewater service agreements for a portion of the 6.0 MGD treatment capacity in the plant. As part of the West Brunswick Regional Area, the Shallotte Water Reclamation Facility was acquired from the Town of Shallotte through a Sewer Service Agreement. The Shallotte Facility has a permitted treatment capacity of 0.5 MGD, and effluent from the facility is sprayed on a 200-acre site adjacent to the plant. The County is expanding the West Brunswick Regional Wastewater System by 0.75 MGD from 6.5 to 7.25 MGD. Each participant is charged capacity service fees based on their share of the capacity in the plant. The County's share of capacity and related debt service is funded by the County's customers' retail revenue. The participant capacity service fees are combined with the County's retail revenue to service the debt associated with the plant. Participants are also charged treatment service fees based on the metered flow they send to the plant. The participant fees and the costs allocated to the County for their customer flow are combined so that the operating and maintenance costs of the plant are recovered by County retail revenues and participant service fees on a proportional and breakeven basis. The wastewater service agreement and policies and regulations provide for an oversight committee to make a budget and operating recommendations to the County Commissioners.

#### **Ocean Isle Beach Water Reclamation Facility**

The Facility was acquired from the Town of Ocean Isle Beach in 2012 through a sewer service agreement. The Facility has a permitted treatment capacity of 1.05 MGD, and effluent from the facility is sprayed on a 320-acre site adjacent to the plant. The Facility serves the Town of Ocean Isle Beach and the nearby portion of the County sewer service area, including Ocean Isle Palms and Ocean Ridge. The County has the transmission ability to transfer wastewater from the Ocean Isle Beach Wastewater Treatment Plant to the West Brunswick Water Reclamation Facility.

#### **15. Benefit Payments issued by the State**

Certain amounts were paid directly to individual recipients by the State from Federal and State monies. County personnel are involved with certain functions, primarily eligibility determination, that cause benefit payments to be issued by the State. This additional aid to County recipients does not appear in the basic financial statements because it does not represent the revenues and expenditures of the County.

#### **16. Commitments and Contingencies**

##### **Unemployment Benefits**

The County has elected to pay the direct cost of employment security benefits in lieu of employment security taxes on the payroll. A liability for benefit payments could accrue in the year following discharge of employees.

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Grants**

The County has received proceeds from several federal and state grants. Periodic audits of these grants are required, and certain costs may be questioned as not being appropriate expenditures under grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. At June 30, 2025, the County believes that any required refunds would be immaterial and therefore no provision has been made in the accompanying financial statements for the refund of grant money received.

**Construction Commitments**

The County had commitments, as shown below, for construction contracts outstanding at June 30, 2025. The projects are accounted for in the Government Capital Projects fund and Enterprise Capital Project Funds and are mainly funded by debt proceeds:

Project	Balance of Contracts
NW Plant Expansion and RO Treatment	\$ 19,504,108
Navassa Water System Rehabilitation	771,770
Smithville District Park	82,784
Southport Mulberry Branch Water Reclamation Facility	11,842,423
Navassa Wastewater System Rehabilitation	3,313,798
Total	\$ 35,514,883

**17. Change in Accounting Principle**

During the current year, the County implemented GASB Statement No. 101, Compensated Absences. In addition to the value of unused vacation time owed to employees upon separation of employment, the County now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the "Restatement - GASB 101 implementation" column in the table below.

	Net Position June 30, 2024 as previously reported	Restatement- GASB 101 Implementation	Net Position June 30, 2024 as restated
Government-wide:			
Governmental activities	\$ 123,129,276	\$ (3,128,844)	\$ 120,000,432
Business-type activities	547,346,258	(392,429)	546,953,829
Total Government Wide	670,475,534	(3,521,273)	666,954,261
Proprietary funds:			
Water	250,698,344	(268,336)	250,430,008
Wastewater	296,647,914	(124,093)	296,523,821
Total enterprise funds	\$ 547,346,258	\$ (392,429)	\$ 546,953,829



# REQUIRED SUPPLEMENTAL FINANCIAL DATA

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This section contains additional information required by the Governmental Accounting Standards Board

- Schedule of Changes in the Total Other Post Employment Benefits Liability and Related Ratios
- Notes to the Required Schedules for the Other Post Employment Benefits
- Schedule of Proportionate Share of Net Pension Liability (Asset) for the Local Governmental Employees' Retirement System
- Schedule of County Contributions for the Local Governmental Employees' Retirement System
- Schedule of Proportionate Share of Net Pension Liability (Asset) for the Register of Deeds Supplemental Pension Fund
- Schedule of County Contributions for the Register of Deeds Supplemental Pension Fund
- Schedule of Changes in Total Pension Liability for the Law Enforcement Officers' Special Separation Allowance
- Schedule of Total Pension Liability as A Percentage of Covered Payroll for the Law Enforcement Officers' Special Separation Allowance
- Schedule of Changes in Total Pension Liability for the Detention Officers' Special Separation Allowance
- Schedule of Total Pension Liability as A Percentage of Covered Payroll for the Detention Officers' Special Separation Allowance

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS  
LAST EIGHT FISCAL YEARS

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB Liability					
Service cost	\$ 5,635,963	\$ 5,626,130	\$ 8,308,037	\$ 8,583,500	\$ 6,200,725
Interest	5,611,575	5,302,517	4,170,807	4,057,967	5,018,945
Changes in benefit terms	-	-	-	-	-
Differences between expected and actual experience	7,754,372	159,373	(14,831,778)	109,415	(572,436)
Changes of assumptions	(2,044,287)	(2,589,718)	(34,325,577)	896,783	31,089,634
Benefit payments	<u>(4,735,784)</u>	<u>(4,378,527)</u>	<u>(3,528,435)</u>	<u>(4,262,559)</u>	<u>(3,529,654)</u>
Net change in total OPEB liability	12,221,839	4,119,775	(40,206,946)	9,385,106	38,207,214
Total OPEB liability - beginning	<u>150,452,496</u>	<u>146,332,721</u>	<u>186,539,667</u>	<u>177,154,561</u>	<u>138,947,347</u>
Total OPEB liability - ending	<u>\$ 162,674,335</u>	<u>\$ 150,452,496</u>	<u>\$ 146,332,721</u>	<u>\$ 186,539,667</u>	<u>\$ 177,154,561</u>
Covered employee payroll	75,918,373	61,551,536	61,551,536	51,030,251	51,030,251
Total OPEB liability as a percentage of covered employee payroll	214.28%	244.43%	237.74%	365.55%	347.16%

Notes to Schedule

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

<u>Fiscal Year</u>	<u>Rate</u>
2025	3.93%
2024	3.65%
2023	3.54%
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

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

Information is not available for years prior to 2018. It is intended to be shown for ten years and will be displayed as it becomes available.

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS  
LAST EIGHT FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	\$ 5,614,327	\$ 6,394,492	\$ 7,138,096
Interest	4,745,212	4,517,716	3,955,778
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(226,626)	(7,241,517)	(23,620)
Changes of assumptions	8,347,568	(5,504,850)	(12,728,581)
Benefit payments	<u>(3,007,333)</u>	<u>(3,159,928)</u>	<u>(2,570,121)</u>
Net change in total OPEB liability	15,473,148	(4,994,087)	(4,228,448)
Total OPEB liability - beginning	<u>123,474,199</u>	<u>128,468,286</u>	<u>132,696,734</u>
Total OPEB liability - ending	<u>\$ 138,947,347</u>	<u>\$ 123,474,199</u>	<u>\$ 128,468,286</u>
Covered employee payroll	45,375,656	45,375,656	42,403,530
Total OPEB liability as a percentage of covered employee payroll	306.22%	272.12%	302.97%

COUNTY OF BRUNSWICK, NORTH CAROLINA

COUNTY OF BRUNSWICK'S PROPORTIONATE SHARE  
OF NET PENSION LIABILITY (ASSET)  
LOCAL GOVERNMENT EMPLOYEE'S RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS\*

	2025	2024	2023	2022	2021
County of Brunswick's proportion of the net pension liability (asset) (%)	0.88827%	0.90922%	0.88936%	0.87932%	0.87116%
County of Brunswick's proportion of the net pension liability (asset) (\$)	\$ 59,882,798	\$ 60,218,494	\$ 50,172,601	\$ 13,485,215	\$ 31,130,257
County of Brunswick's covered payroll	\$ 80,140,866	\$ 72,762,621	\$ 68,125,174	\$ 59,531,252	\$ 57,671,640
County of Brunswick's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	74.72%	82.76%	73.65%	22.65%	53.98%
Plan fiduciary net position as a percentage of the total pension liability**	83.30%	82.49%	84.14%	95.51%	88.61%

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

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

COUNTY OF BRUNSWICK, NORTH CAROLINA

COUNTY OF BRUNSWICK'S PROPORTIONATE SHARE  
OF NET PENSION LIABILITY (ASSET)  
LOCAL GOVERNMENT EMPLOYEE'S RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS\*

	2020	2019	2018	2017	2016
County of Brunswick's proportion of the net pension liability (asset) (%)	0.89226%	0.82382%	0.82747%	0.60212%	0.80306%
County of Brunswick's proportion of the net pension liability (asset) (\$)	\$ 24,366,924	\$ 19,543,826	\$ 12,641,447	\$ 17,390,621	\$ 3,691,281
County of Brunswick's covered payroll	\$ 56,484,415	\$ 50,538,682	\$ 48,814,016	\$ 46,196,679	\$ 46,166,707
County of Brunswick's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	43.14%	38.67%	25.90%	37.64%	8.00%
Plan fiduciary net position as a percentage of the total pension liability**	90.86%	91.63%	94.18%	91.47%	98.09%

COUNTY OF BRUNSWICK, NORTH CAROLINA

COUNTY OF BRUNSWICK'S CONTRIBUTIONS  
LOCAL GOVERNMENT EMPLOYEE'S RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contribution	\$ 12,400,712	\$ 10,441,853	\$ 8,909,113	\$ 7,811,891	\$ 6,103,000
Contributions in relation to the contractually required contribution	<u>12,400,712</u>	<u>10,441,853</u>	<u>8,909,113</u>	<u>7,811,891</u>	<u>6,103,000</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County of Brunswick's covered payroll	\$ 89,819,697	\$ 80,140,866	\$ 72,762,621	\$ 68,125,174	\$ 59,531,252
Contributions as a percentage of covered payroll	13.81%	13.03%	12.24%	11.47%	10.25%

COUNTY OF BRUNSWICK, NORTH CAROLINA

COUNTY OF BRUNSWICK'S CONTRIBUTIONS  
LOCAL GOVERNMENT EMPLOYEE'S RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 5,250,112	\$ 4,473,650	\$ 3,875,769	\$ 3,630,728	\$ 3,147,279
Contributions in relation to the contractually required contribution	<u>5,250,112</u>	<u>4,473,650</u>	<u>3,875,769</u>	<u>3,630,728</u>	<u>3,147,279</u>
Contribution deficiency (excess)	<u>\$ -</u>				
County of Brunswick's covered payroll	\$ 57,671,640	\$ 56,484,415	\$ 50,538,682	\$ 48,814,016	\$ 46,196,679
Contributions as a percentage of covered payroll	9.10%	7.92%	7.67%	7.44%	6.81%

COUNTY OF BRUNSWICK, NORTH CAROLINA

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

	2025	2024	2023	2022	2021
County of Brunswick's proportion of the net pension liability (asset) (%)	2.49919%	2.45620%	2.40451%	2.54360%	2.28053%
County of Brunswick's proportion of the net pension liability (asset) (\$)	\$ (287,981)	\$ (295,162)	\$ (318,358)	\$ (488,701)	\$ (522,652)
County of Brunswick's covered payroll	\$ 124,547	\$ 119,524	\$ 115,874	\$ 103,447	\$ 100,079
County of Brunswick's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(2 31.22%)	(2 46.95%)	(2 74.74%)	(4 72.42%)	(5 22.24%)
Plan fiduciary net position as a percentage of the total pension liability	133.61%	135.74%	139.04%	156.53%	173.62%

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

COUNTY OF BRUNSWICK, NORTH CAROLINA

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
County of Brunswick's proportion of the net pension liability (asset) (%)	1.93967%	2.51207%	2.18960%	1.93860%	2.10041%
County of Brunswick's proportion of the net pension liability (asset) (\$)	\$ (382,930)	\$ (416,074)	\$ (373,743)	\$ (362,452)	\$ (486,760)
County of Brunswick's covered payroll	\$ 96,448	\$ 91,812	\$ 88,835	\$ 85,010	\$ 83,940
County of Brunswick's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(3 97.03%)	(4 53.18%)	(4 20.72%)	(4 26.36%)	(5 79.89%)
Plan fiduciary net position as a percentage of the total pension liability	164.11%	153.31%	153.77%	160.17%	197.29%

COUNTY OF BRUNSWICK, NORTH CAROLINA

COUNTY OF BRUNSWICK'S CONTRIBUTIONS  
REGISTER OF DEEDS SUPPLEMENTAL PENSION FUND  
LAST TEN FISCAL YEARS

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contribution	\$ 22,940	\$ 21,504	\$ 21,920	\$ 27,565	\$ 30,527
Contributions in relation to the contractually required contribution	<u>22,940</u>	<u>21,504</u>	<u>21,920</u>	<u>27,565</u>	<u>30,527</u>
Contribution deficiency (excess)	<u>\$ -</u>				
County of Brunswick's covered payroll	\$ 104,985	\$ 124,547	\$ 119,524	\$ 115,874	\$ 103,447
Contributions as a percentage of covered payroll	21.85%	17.27%	18.34%	23.79%	29.51%

COUNTY OF BRUNSWICK, NORTH CAROLINA

COUNTY OF BRUNSWICK'S CONTRIBUTIONS  
REGISTER OF DEEDS SUPPLEMENTAL PENSION FUND  
LAST TEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 21,836	\$ 18,436	\$ 19,867	\$ 19,024	\$ 17,468
Contributions in relation to the contractually required contribution	<u>21,836</u>	<u>18,436</u>	<u>19,867</u>	<u>19,024</u>	<u>17,468</u>
Contribution deficiency (excess)	<u>\$ -</u>				
County of Brunswick's covered payroll	\$ 100,079	\$ 96,448	\$ 91,812	\$ 88,835	\$ 85,010
Contributions as a percentage of covered payroll	21.82%	19.11%	21.64%	21.41%	20.55%

COUNTY OF BRUNSWICK, NORTH CAROLINA

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Beginning Balance	\$ 8,998,240	\$ 7,821,779	\$ 8,871,510	\$ 8,339,592	\$ 5,793,388
Service Cost	466,618	406,465	538,720	537,017	330,014
Interest on the total pension liability	353,643	331,645	197,112	159,051	185,870
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	262,127	447,194	153,922	312,819	(126,134)
Changes of assumptions or other inputs	(250,301)	245,144	(1,717,556)	(279,730)	2,340,181
Benefit payments	(314,339)	(253,987)	(221,929)	(197,239)	(183,727)
Other changes	-	-	-	-	-
Ending balance of the total pension liability	<u>\$ 9,515,988</u>	<u>\$ 8,998,240</u>	<u>\$ 7,821,779</u>	<u>\$ 8,871,510</u>	<u>\$ 8,339,592</u>

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

Information is not available for years prior to 2017. It is intended to be shown for ten years and will be displayed as it becomes available.

COUNTY OF BRUNSWICK, NORTH CAROLINA

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning Balance	\$ 4,716,034	\$ 4,424,953	\$ 3,807,449	\$ 3,583,212
Service Cost	329,165	309,697	245,841	265,075
Interest on the total pension liability	169,223	138,041	145,866	126,977
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	497,284	188,974	(56,959)	-
Changes of assumptions or other inputs	215,772	(232,522)	339,847	(114,970)
Benefit payments	(134,090)	(113,109)	(57,091)	(52,845)
Other changes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending balance of the total pension liability	<u>\$ 5,793,388</u>	<u>\$ 4,716,034</u>	<u>\$ 4,424,953</u>	<u>\$ 3,807,449</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability	\$ 9,515,988	\$ 8,998,240	\$ 7,821,779	\$ 8,871,510	\$ 8,339,592
Covered-employee payroll	15,002,222	13,721,712	12,684,602	11,957,518	11,215,298
Total pension liability as a percentage of covered employee payroll	63.43%	65.58%	61.66%	74.19%	74.36%

Note to the schedules:

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

Information is not available for years prior to 2017. It is intended to be shown for ten years and will be displayed as it becomes available.

COUNTY OF BRUNSWICK, NORTH CAROLINA

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 5,793,388	\$ 4,716,034	\$ 4,424,953	\$ 3,807,449
Covered-employee payroll	11,968,501	10,139,455	9,559,174	9,791,266
Total pension liability as a percentage of covered employee payroll	48.41%	46.51%	46.29%	38.89%

## COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY  
DETENTION OFFICERS' SPECIAL SEPARATION ALLOWANCE  
LAST FIVE FISCAL YEARS

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Beginning Balance	\$ 172,589	\$ 140,998	\$ 159,102	\$ 143,652	\$ -
Service Cost	20,134	18,224	19,791	20,494	114,024
Interest on the total pension liability	6,904	6,077	3,580	2,772	3,229
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	43,598	-	4,612	-	-
Changes of assumptions or other inputs	(9,505)	7,290	(46,087)	(7,816)	26,399
Benefit payments	-	-	-	-	-
Other changes	-	-	-	-	-
Ending balance of the total pension liability	<u>\$ 233,720</u>	<u>\$ 172,589</u>	<u>\$ 140,998</u>	<u>\$ 159,102</u>	<u>\$ 143,652</u>

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

The program was approved as of July 1, 2020. It is intended to be shown for ten years and will be displayed as it becomes available.

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED EMPLOYEE PAYROLL  
 DETENTION OFFICERS' SPECIAL SEPARATION ALLOWANCE  
 LAST FIVE FISCAL YEARS

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability	\$ 233,720	\$ 172,589	\$ 140,998	\$ 159,102	\$ 143,652
Covered-employee payroll	3,804,675	3,057,637	3,057,637	2,470,944	2,470,944
Total pension liability as a percentage of covered employee payroll	6.14%	5.64%	4.61%	6.44%	5.81%

Note to the schedules:

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

The program was approved as of July 1, 2020. It is intended to be shown for ten years and will be displayed as it becomes available.





# MAJOR GOVERNMENTAL FUNDS

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## GENERAL FUND

This fund is the principal fund of the County and is used to account for the receipt and expenditure of resources that are traditionally associated with local government and are not required to be accounted for in other funds.

## COUNTY CAPITAL PROJECTS FUND

This fund is used to account for additions and improvements of major county facilities which are financed by transfers from the general fund, capital reserve funds, bond proceeds, and financing agreements.

## EDUCATION CAPITAL PROJECTS FUND

This fund is used to account for the additions and improvements to Brunswick County Public Schools and Brunswick Community College which are financed by transfers from the general fund, capital reserve funds, bond proceeds, and financing agreements.

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
ACTUAL AND CHANGES IN FUND BALANCE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025		2024
	Budget	Actual	Actual
<b>Revenues:</b>			
<b>Ad Valorem Taxes:</b>			
Current year taxes		\$ 181,099,618	\$ 172,508,552
Prior year taxes		1,253,989	1,164,681
Penalties and interest		570,962	529,522
	<u>\$ 178,589,716</u>	<u>182,924,569</u>	<u>174,202,755</u>
<b>Local Option Sales Taxes:</b>			
Article 39 and 44 (1%)		20,984,716	20,739,920
Article 40 (1/2%)		14,083,971	13,149,372
Article 42 (1/2%)		14,415,411	13,911,091
	<u>48,238,720</u>	<u>49,484,098</u>	<u>47,800,383</u>
<b>Other Taxes and Licenses:</b>			
Scrap tire disposal fee		299,336	292,755
Deed stamp excise tax		8,504,545	7,982,218
Solid waste tax		78,639	75,088
White goods disposal tax		82,734	88,869
1% Occupancy Tax		3,407,272	3,401,266
	<u>11,353,500</u>	<u>12,372,526</u>	<u>11,840,196</u>
<b>Unrestricted Intergovernmental:</b>			
Medicaid hold harmless		7,774,308	7,162,667
Beer and wine tax		298,224	348,043
Jail fees		240,101	483,849
	<u>3,720,264</u>	<u>8,312,633</u>	<u>7,994,559</u>
<b>Restricted Intergovernmental:</b>			
State and federal grant		20,007,281	19,004,253
State aid to libraries		192,594	189,531
National Opioid Settlement Fund		124,885	-
State cost reimbursement		32,179	34,060
Court facility fees		172,809	166,374
Payments in lieu of taxes		5,211	5,108
ABC law enforcement services		17,786	16,634
State drug tax		44,932	22,199
	<u>22,674,122</u>	<u>20,597,677</u>	<u>19,438,159</u>
<b>Permits and Fees:</b>			
Building inspections and permits		7,477,773	7,498,085
Recording fees		915,155	858,368
Fire inspection fees		534,287	496,984
Concealed handgun permit		193,136	267,966

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
ACTUAL AND CHANGES IN FUND BALANCE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025			2024
	Budget	Actual	Variance	Actual
<b>Permit and Fees (continued):</b>				
Other permit and fees		1,201,477		1,123,034
	<u>10,136,195</u>	<u>10,321,828</u>	<u>185,633</u>	<u>10,244,437</u>
<b>Sales and Services:</b>				
Solid waste fees		5,517,532		5,833,252
School resource officer reimbursement		2,273,450		2,191,206
EMS Charges		9,476,957		7,456,875
Public health user fees		1,057,221		1,132,182
Sheriff animal protective services fees		121,409		120,647
Social services fees		10,503		33,575
Public housing fees		21,809		5,799
Tax collection fees		552,098		498,240
Other sales and services		2,390,345		2,220,268
Register of deeds		466,397		421,889
Marriage licenses		61,506		60,239
Recreation services		324,251		325,873
Rents		83,522		65,522
	<u>19,402,450</u>	<u>22,357,000</u>	<u>2,954,550</u>	<u>20,365,567</u>
<b>Investment earnings</b>	<u>5,023,831</u>	<u>5,376,141</u>	<u>352,310</u>	<u>5,838,755</u>
<b>Other:</b>				
ABC bottles taxes		97,713		95,924
County Board of Alcohol Control		30,000		30,000
Contributions		122,323		116,111
Other revenues		4,066,458		2,761,825
Lease and lease interest		13,975		14,281
	<u>2,799,985</u>	<u>4,330,469</u>	<u>1,530,484</u>	<u>3,018,141</u>
<b>Total revenues</b>	<u>301,938,783</u>	<u>316,076,941</u>	<u>14,138,158</u>	<u>300,742,952</u>
<b>Expenditures:</b>				
<b>General Government:</b>				
<b>Governing Body:</b>				
Salaries		258,491		248,260
Fringe benefits		83,093		80,040
Operating costs		56,283		48,074
	<u>430,604</u>	<u>397,867</u>	<u>32,737</u>	<u>376,374</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
ACTUAL AND CHANGES IN FUND BALANCE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025		2024
	Budget	Actual	Actual
<b>County Administration:</b>			
Salaries		943,601	977,712
Fringe benefits		317,378	322,307
Operating costs		40,567	61,593
Capital outlay		6,539	-
	<u>1,482,466</u>	<u>1,308,085</u>	<u>1,361,612</u>
<b>Human Resources:</b>			
Salaries		499,014	474,161
Fringe benefits		189,237	178,144
Operating costs		14,376	8,277
	<u>742,493</u>	<u>702,627</u>	<u>660,582</u>
<b>Communications:</b>			
Salaries		165,257	151,594
Fringe benefits		63,211	58,095
Operating costs		59,108	24,507
Capital outlay		158,825	-
	<u>584,351</u>	<u>446,401</u>	<u>234,196</u>
<b>Finance:</b>			
Salaries		1,293,524	1,118,199
Fringe benefits		484,812	416,976
Operating costs		425,491	400,738
Capital outlay		188,035	493,372
	<u>2,509,646</u>	<u>2,391,862</u>	<u>2,429,285</u>
<b>Tax Administration:</b>			
Salaries		2,823,298	2,973,730
Fringe benefits		1,223,054	1,214,769
Operating costs		889,097	937,854
Capital outlay		32,323	150,524
	<u>5,721,116</u>	<u>4,967,772</u>	<u>5,276,877</u>
<b>County Attorney:</b>			
Salaries		447,919	451,701
Fringe benefits		156,541	147,832
Operating costs		77,650	152,209
	<u>962,470</u>	<u>682,110</u>	<u>751,742</u>
<b>Court Facilities:</b>			
Operating costs		235,799	219,830
Capital outlay		-	12,719
	<u>535,274</u>	<u>235,799</u>	<u>232,549</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
ACTUAL AND CHANGES IN FUND BALANCE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025			2024
	Budget	Actual	Variance	Actual
<b>Board of Elections:</b>				
Salaries		986,700		917,886
Fringe benefits		212,572		174,321
Operating costs		332,314		351,549
Capital outlay		33,166		-
	<u>1,616,354</u>	<u>1,564,752</u>	<u>51,602</u>	<u>1,443,756</u>
<b>Register of Deeds:</b>				
Salaries		744,247		809,881
Fringe benefits		345,037		370,865
Operating costs		4,468,164		4,187,500
	<u>5,809,447</u>	<u>5,557,448</u>	<u>251,999</u>	<u>5,368,246</u>
<b>Contingency:</b>				
Operating costs	<u>400,000</u>	<u>-</u>	<u>400,000</u>	<u>-</u>
Total general government	<u>20,794,221</u>	<u>18,254,723</u>	<u>2,539,498</u>	<u>18,135,219</u>
<b>Central Services:</b>				
<b>Information Technology:</b>				
Salaries		2,151,325		1,699,553
Fringe benefits		793,574		617,578
Operating costs		1,633,979		1,283,963
Capital outlay		857,901		906,921
	<u>6,787,292</u>	<u>5,436,779</u>	<u>1,350,513</u>	<u>4,508,015</u>
<b>Fleet Services:</b>				
Salaries		919,220		824,243
Fringe benefits		389,776		343,464
Operating costs		326,661		341,493
Capital outlay		737,133		1,019,690
	<u>3,242,905</u>	<u>2,372,790</u>	<u>870,115</u>	<u>2,528,890</u>
<b>Engineering:</b>				
Salaries		832,102		696,032
Fringe benefits		306,025		249,503
Operating costs		28,489		33,524
Capital outlay		11,874		103,061
	<u>1,212,043</u>	<u>1,178,490</u>	<u>33,553</u>	<u>1,082,120</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
ACTUAL AND CHANGES IN FUND BALANCE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025			2024
	Budget	Actual	Variance	Actual
<b>Operation Services:</b>				
Salaries		3,106,343		2,824,837
Fringe benefits		1,373,857		1,253,505
Operating costs		5,940,892		4,055,891
Capital outlay		1,084,862		445,237
	<u>14,348,328</u>	<u>11,505,954</u>	<u>2,842,374</u>	<u>8,579,470</u>
<b>Non-departmental:</b>				
Fringe benefits		7,217,718		6,723,470
Operating costs		414,314		772,147
Capital outlay		63,130		41,023
	<u>7,957,041</u>	<u>7,695,162</u>	<u>261,879</u>	<u>7,536,640</u>
Total central services	<u>33,547,609</u>	<u>28,189,175</u>	<u>5,358,434</u>	<u>24,235,135</u>
<b>Public Safety:</b>				
<b>District Attorney:</b>				
Operating costs		5,367		8,634
	<u>13,000</u>	<u>5,367</u>	<u>7,633</u>	<u>8,634</u>
<b>Sheriff:</b>				
Salaries		15,546,158		14,313,730
Fringe benefits		5,877,624		5,368,853
Operating costs		4,110,994		3,680,773
Capital outlay		1,504,071		2,404,121
	<u>29,198,388</u>	<u>27,038,847</u>	<u>2,159,541</u>	<u>25,767,477</u>
<b>Detention Center:</b>				
Salaries		7,298,711		6,711,757
Fringe benefits		2,836,250		2,626,596
Operating costs		3,891,706		3,236,792
Capital outlay		92,591		263,528
	<u>14,998,218</u>	<u>14,119,258</u>	<u>878,960</u>	<u>12,838,673</u>
<b>Public Defender:</b>				
Operating costs		1,992		-
	<u>13,000</u>	<u>1,992</u>	<u>11,008</u>	<u>-</u>
<b>Emergency Medical:</b>				
Salaries		9,282,866		8,068,671
Fringe benefits		3,432,047		2,950,270
Operating costs		3,292,453		2,768,528
Capital outlay		1,209,690		2,158,770
	<u>21,237,270</u>	<u>17,217,056</u>	<u>4,020,214</u>	<u>15,946,239</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
ACTUAL AND CHANGES IN FUND BALANCE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025			2024
	Budget	Actual	Variance	Actual
<b>Community Paramedicine:</b>				
Salaries		41,230		-
Fringe benefits		14,799		-
Operating costs		5,867		-
Capital outlay		63,787		-
	<u>217,925</u>	<u>125,683</u>	<u>92,242</u>	<u>-</u>
<b>Emergency Management:</b>				
Salaries		600,983		467,328
Fringe benefits		218,187		171,111
Operating costs		485,265		613,272
Capital outlay		285,096		501,682
	<u>1,806,277</u>	<u>1,589,531</u>	<u>216,746</u>	<u>1,753,393</u>
<b>Other Agencies:</b>				
Rescue Squads		358,300		410,840
	<u>358,300</u>	<u>358,300</u>	<u>-</u>	<u>410,840</u>
<b>Building Inspections and Central Permitting</b>				
Salaries		3,969,945		3,360,913
Fringe benefits		1,522,547		1,240,815
Operating costs		322,641		313,241
Capital outlay		265,146		355,219
	<u>6,505,226</u>	<u>6,080,279</u>	<u>424,947</u>	<u>5,270,188</u>
<b>Fire Inspections</b>				
Salaries		803,606		704,647
Fringe benefits		273,808		231,723
Operating costs		80,640		109,533
Capital outlay		64,114		252,223
	<u>1,372,178</u>	<u>1,222,168</u>	<u>150,010</u>	<u>1,298,126</u>
<b>Central Communications:</b>				
Salaries		2,599,605		2,192,976
Fringe benefits		1,013,866		841,957
Operating costs		536,927		408,483
Capital outlay		196,374		260,692
	<u>4,754,739</u>	<u>4,346,772</u>	<u>407,967</u>	<u>3,704,108</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
ACTUAL AND CHANGES IN FUND BALANCE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025			2024
	Budget	Actual	Variance	Actual
<b>Animal Protective Services:</b>				
Salaries		767,270		690,876
Fringe benefits		316,515		283,786
Operating costs		317,292		326,335
Capital outlay		7,105		110,578
	<u>1,608,633</u>	<u>1,408,182</u>	<u>200,451</u>	<u>1,411,575</u>
Total public safety	<u>82,083,154</u>	<u>73,513,435</u>	<u>8,569,719</u>	<u>68,409,253</u>
<b>Transportation:</b>				
Cape Fear Regional Jetport		112,200		111,000
Odell Williamson Municipal Airport		50,000		50,000
Brunswick Transit System		60,000		130,581
Total transportation	<u>283,014</u>	<u>222,200</u>	<u>60,814</u>	<u>291,581</u>
<b>Environmental Protection:</b>				
<b>Solid Waste:</b>				
Salaries		525,545		472,218
Fringe benefits		224,797		198,384
Operating costs		25,177,346		23,300,736
Capital outlay		173,367		339,416
	<u>26,648,208</u>	<u>26,101,055</u>	<u>547,153</u>	<u>24,310,754</u>
<b>Other:</b>				
Forestry services	<u>347,215</u>	<u>249,771</u>	<u>97,444</u>	<u>316,974</u>
Total environmental protection	<u>26,995,423</u>	<u>26,350,826</u>	<u>644,597</u>	<u>24,627,728</u>
<b>Economic Development:</b>				
<b>Planning and Community Enforcement:</b>				
Salaries		1,046,828		932,286
Fringe benefits		405,377		352,462
Operating costs		247,418		223,101
Capital outlay		3,780		41,280
	<u>1,805,525</u>	<u>1,703,403</u>	<u>102,122</u>	<u>1,549,129</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
ACTUAL AND CHANGES IN FUND BALANCE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025		2024
	Budget	Actual	Actual
<b>Cooperative Extension:</b>			
Salaries		414,584	391,085
Fringe benefits		190,144	178,172
Operating costs		146,570	161,710
Capital outlay		102,879	-
	<u>980,947</u>	<u>854,177</u>	<u>730,967</u>
<b>Soil and Water Conservation:</b>			
Salaries		195,304	184,498
Fringe benefits		80,332	75,600
Operating costs		13,885	349,723
	<u>304,400</u>	<u>289,521</u>	<u>609,821</u>
<b>Public Housing Section 8:</b>			
Salaries		223,703	211,871
Fringe benefits		97,552	92,084
Operating costs		2,660,080	2,345,516
Capital outlay		8,157	29,566
	<u>3,104,589</u>	<u>2,989,492</u>	<u>2,679,037</u>
<b>1% Occupancy Tax:</b>			
Operating costs	<u>3,655,000</u>	<u>3,407,272</u>	<u>3,401,266</u>
<b>Other Economic Development:</b>			
Contracted services		122,938	127,025
Incentives		-	350,000
Boiling Sprink Lakes		-	750,000
Lockwood Folly & Shallotte Dredging		186,125	33,438
Brunswick Business and Industry Development		625,000	575,000
Land held for Economic Development		-	19,342,381
	<u>3,448,374</u>	<u>934,063</u>	<u>21,177,844</u>
Total economic development	<u>13,298,835</u>	<u>10,177,928</u>	<u>30,148,064</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
ACTUAL AND CHANGES IN FUND BALANCE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025		2024
	Budget	Actual	Actual
<b>Human Services:</b>			
<b>Health:</b>			
<b>Administration:</b>			
Salaries		3,244,652	2,861,719
Fringe benefits		1,614,546	1,528,368
Operating costs		372,745	878,519
Capital outlay		79,662	64,305
	<u>5,538,501</u>	<u>5,311,605</u>	<u>5,332,911</u>
<b>Communicable Diseases:</b>			
Operating costs	600,919	450,832	653,521
Capital outlay		21,477	-
	<u>625,068</u>	<u>472,309</u>	<u>653,521</u>
<b>Adult Health Maintenance:</b>			
Operating costs		444,926	526,320
Capital outlay		6,710	-
	<u>756,761</u>	<u>451,636</u>	<u>526,320</u>
<b>Senior Health:</b>			
Salaries		-	12,750
Fringe benefits		-	5,602
Operating costs		33,257	17,500
Capital outlay		2,042	-
	<u>89,569</u>	<u>35,299</u>	<u>35,852</u>
<b>Maternal and Child Health:</b>			
Salaries		565,268	496,537
Fringe benefits		245,334	213,740
Operating costs		543,571	561,924
Capital outlay		62,942	-
	<u>1,577,488</u>	<u>1,417,115</u>	<u>1,272,201</u>
<b>Environmental Health:</b>			
Salaries		1,718,679	1,649,464
Fringe benefits		676,655	633,330
Operating costs		180,987	318,168
Capital outlay		429,790	267,758
	<u>3,157,456</u>	<u>3,006,111</u>	<u>2,868,720</u>
Total health	<u>11,744,843</u>	<u>10,694,075</u>	<u>10,689,525</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
ACTUAL AND CHANGES IN FUND BALANCE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025			2024
	Budget	Actual	Variance	Actual
<b>Veterans' Services:</b>				
Salaries		336,728		294,302
Fringe benefits		140,682		119,924
Operating costs		25,390		23,115
Capital outlay		10,865		-
Total veterans' services	587,569	513,665	73,904	437,341
<b>Social Services:</b>				
<b>Administration:</b>				
Salaries		10,722,995		9,867,563
Fringe benefits		5,144,238		4,690,942
Operating costs		2,191,486		2,536,859
Capital outlay		211,710		2,139,395
	21,768,105	18,270,429	3,497,676	19,234,759
<b>Other Operating Costs:</b>				
Medical assistance		(560)		4,433
Aid to the blind		4,266		3,702
Adoption assistance		288,156		278,518
Foster care		847,005		662,337
State foster home		1,072,662		922,625
Special assistance		402,125		360,950
Day care		40		11,317
Special child adoption assistance		13,850		16,389
	2,850,554	2,627,544	223,010	2,260,271
Total social services	24,618,659	20,897,973	3,720,686	21,495,030
<b>Other Human Services:</b>				
Trillium Health Resources		313,054		187,832
Brunswick Senior Resources, Inc.		3,597,832		3,302,182
Other human services		102,406		98,466
	4,013,296	4,013,292	4	3,588,480
Total human services	40,964,367	36,119,005	4,845,362	36,210,376

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
ACTUAL AND CHANGES IN FUND BALANCE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025		2024	
	Budget	Actual	Variance	Actual
<b>Education:</b>				
Public schools		56,388,200		54,431,037
Public schools - capital outlay		1,182,969		1,141,910
Public schools - fines and forfeitures		509,521		359,149
Community college		5,585,239		5,235,589
Community college - capital outlay		1,140,000		221,300
Total education	64,893,455	64,805,929	87,526	61,388,985
<b>Culture and Recreation:</b>				
<b>Parks and Recreation:</b>				
<b>Administration:</b>				
Salaries		974,700		913,640
Fringe benefits		311,942		287,064
Operating costs		759,521		875,951
Capital outlay		739,532		122,334
	4,362,590	2,785,695	1,576,895	2,198,989
<b>Maintenance:</b>				
Salaries		1,113,869		1,045,304
Fringe benefits		447,686		415,054
Operating costs		625,248		696,009
Capital outlay		184,764		337,190
	2,507,700	2,371,567	136,133	2,493,557
Total Parks and Recreation	6,870,290	5,157,262	1,713,028	4,692,546
<b>Brunswick County Library:</b>				
Salaries		1,216,597		1,110,657
Fringe benefits		539,042		473,091
Operating costs		377,192		374,482
Capital outlay		25,128		24,963
	2,682,680	2,157,959	524,721	1,983,193
Total culture and recreation	9,552,970	7,315,221	2,237,749	6,675,739
<b>Debt Service:</b>				
Principal retirement	10,843,352	10,843,323	29	11,392,941
Interest and fees	4,776,819	4,772,146	4,673	5,190,376
Total debt service	15,620,171	15,615,469	4,702	16,583,317
Total expenditures	308,033,219	280,563,911	27,469,308	286,705,397

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
ACTUAL AND CHANGES IN FUND BALANCE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025			2024
	Budget	Actual	Variance	Actual
Revenues over (under) expenditures	(6,094,436)	35,513,030	41,607,466	14,037,555
<b>Other Financing Sources (Uses):</b>				
Lease liabilities issued	604,142	604,129	(13)	171,875
SBITA liabilities issued	731,916	667,530	(64,386)	625,061
	<u>1,336,058</u>	<u>1,271,659</u>	<u>(64,399)</u>	<u>796,936</u>
<b>Transfers From Other Funds:</b>				
Transfer from county capital project fund	750,000	750,000	-	-
Transfer from American Rescue Plan Act fund	-	-	-	487,279
	<u>750,000</u>	<u>750,000</u>	<u>-</u>	<u>487,279</u>
<b>Transfers To Other Funds:</b>				
Transfer to county capital project fund	(25,169,872)	(25,169,872)	-	(1,816,686)
Transfer to grant project funds	(149,302)	(149,302)	-	(81,490)
Transfer to emergency telephone system fund	(34,698)	(34,698)	-	(13,046)
Transfer to school capital project funds	(14,984,241)	(14,984,241)	-	(12,765,137)
	<u>(40,338,113)</u>	<u>(40,338,113)</u>	<u>-</u>	<u>(14,676,359)</u>
<b>Budgetary Financing Sources (Uses):</b>				
Appropriated fund balance	44,346,491	-	(44,346,491)	-
Total other financing sources (uses)	<u>6,094,436</u>	<u>(38,316,454)</u>	<u>(44,410,890)</u>	<u>(13,392,144)</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>(2,803,424)</u>	<u>\$ (2,803,424)</u>	645,411
<b>Fund balance, beginning of year</b>		<u>151,085,007</u>		<u>150,439,596</u>
<b>Fund balance, end of year</b>		<u>\$ 148,281,583</u>		<u>\$ 151,085,007</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES  
AND CHANGES IN FUND BALANCE

BUDGET TO ACTUAL - COUNTY CAPITAL PROJECTS FUND  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

		Actual			
	Project Budget	Prior Years	Current Year	Total to Date	Variance
<b>Revenues:</b>					
<b>Restricted Intergovernmental:</b>					
NC Department of Transportation	\$ 45,803,283	\$ 26,160,572	\$ 1,927,091	\$ 28,087,663	\$ (17,715,620)
NC Capital and Infrastructure Fund	300,000	300,000	-	300,000	-
CARES Act	151,000	151,000	-	151,000	-
	<u>46,254,283</u>	<u>26,611,572</u>	<u>1,927,091</u>	<u>28,538,663</u>	<u>(17,715,620)</u>
<b>Investment earnings</b>	<u>841,170</u>	<u>4,988,540</u>	<u>3,215,519</u>	<u>8,204,059</u>	<u>7,362,889</u>
<b>Other:</b>					
Performance bonds	<u>290,876</u>	<u>290,876</u>	<u>-</u>	<u>290,876</u>	<u>-</u>
Total revenues	<u>47,386,329</u>	<u>31,890,988</u>	<u>5,142,610</u>	<u>37,033,598</u>	<u>(10,352,731)</u>
<b>Expenditures:</b>					
<b>Capital Improvements:</b>					
<b>General Government:</b>					
Courthouse Addition Renovation	<u>15,340,270</u>	<u>15,340,270</u>	<u>-</u>	<u>15,340,270</u>	<u>-</u>
<b>Central Services:</b>					
Future capital projects	<u>369,769</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Public Safety:</b>					
Animal Adoption Center	10,000	9,368	-	9,368	632
Future capital projects	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>50,000</u>	<u>9,368</u>	<u>-</u>	<u>9,368</u>	<u>632</u>
<b>Environmental protection:</b>					
Landfill Transfer Station	6,165,353	6,165,353	-	6,165,353	-
Future capital projects	<u>11,329,653</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,329,653</u>
	<u>17,495,006</u>	<u>6,165,353</u>	<u>-</u>	<u>6,165,353</u>	<u>11,329,653</u>
<b>Economic Development:</b>					
Springlake at Maritime Shores	274,585	-	-	-	274,585
Future capital projects	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,500,000</u>
	<u>1,774,585</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,774,585</u>
<b>Human Services:</b>					
Human Services Building	3,451,366	-	972,520	972,520	2,478,846
Future capital projects	<u>43,659,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,659,075</u>
	<u>47,110,441</u>	<u>-</u>	<u>972,520</u>	<u>972,520</u>	<u>46,137,921</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL - COUNTY CAPITAL PROJECTS FUND  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

		Actual			
	Project Budget	Prior Years	Current Year	Total to Date	Variance
<b>Cultural and recreation:</b>					
Waccamaw Multiuse Building	5,988,102	4,620,930	1,367,171	5,988,101	1
Smithville Park improvements - Phase III	1,763,757	45,650	818,703	864,353	899,404
Future capital projects	504,841	-	-	-	504,841
	<u>8,256,700</u>	<u>4,666,580</u>	<u>2,185,874</u>	<u>6,852,454</u>	<u>1,404,246</u>
<b>Transportation:</b>					
Airport improvements	47,440,402	27,578,852	1,853,384	29,432,236	18,008,166
<b>Other:</b>					
Future capital projects	19,215,098	-	-	-	19,215,098
Total expenditures	<u>157,052,271</u>	<u>53,760,423</u>	<u>5,011,778</u>	<u>58,772,201</u>	<u>97,870,301</u>
<b>Revenues over (under) expenditures</b>	(109,665,942)	(21,869,435)	130,832	(21,738,603)	87,927,339
<b>Other Financing Sources (Uses):</b>					
Appropriated fund balance	4,805,618	-	-	-	(4,805,618)
Transfer from general fund	109,904,208	84,734,341	25,169,872	109,904,213	5
Transfer to general fund	(5,043,884)	(4,293,884)	(750,000)	(5,043,884)	-
Total other financing sources (uses)	<u>109,665,942</u>	<u>80,440,457</u>	<u>24,419,872</u>	<u>104,860,329</u>	<u>(4,805,613)</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>\$ 58,571,022</u>	24,550,704	<u>\$ 83,121,726</u>	<u>\$ 83,121,726</u>
<b>Fund balance, beginning of year</b>			<u>63,395,504</u>		
<b>Fund balance, end of year</b>			<u>\$ 87,946,208</u>		

## COUNTY OF BRUNSWICK, NORTH CAROLINA

## SCHEDULE OF REVENUES AND EXPENDITURES

## AND CHANGES IN FUND BALANCE

## BUDGET TO ACTUAL - EDUCATION CAPITAL PROJECTS FUND

## FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	Project Budget	Actual			Variance
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
NC Public Education Lottery Restricted	\$ 7,082,039	\$ 7,082,039	\$ -	\$ 7,082,039	\$ -
intergovernmental revenue	-	10,758	-	10,758	10,758
Investment earnings	-	2,297,491	1,210,252	3,507,743	3,507,743
Investment earnings - debt proceeds	5,269,528	4,217,078	860,268	5,077,346	(192,182)
Total revenues	<u>12,351,567</u>	<u>13,607,366</u>	<u>2,070,520</u>	<u>15,677,886</u>	<u>3,326,319</u>
<b>Expenditures:</b>					
Brunswick County Schools	<u>294,644,452</u>	<u>215,039,249</u>	<u>29,197,926</u>	<u>244,237,175</u>	<u>50,407,277</u>
<b>Revenues over (under) expenditures</b>	(282,292,885)	(201,431,883)	(27,127,406)	(228,559,289)	53,733,596
<b>Other Financing Sources (Uses):</b>					
Transfer from general fund	123,870,837	108,947,954	14,984,241	123,932,195	61,358
Transfer to general fund	(314,013)	(314,013)	-	(314,013)	-
Premium on bonds issued	14,618,648	14,618,648	-	14,618,648	-
Debt financing issued	137,565,000	137,565,000	-	137,565,000	-
Appropriated fund balance	<u>6,552,413</u>	-	-	-	<u>(6,552,413)</u>
Total other financing sources (uses)	<u>282,292,885</u>	<u>260,817,589</u>	<u>14,984,241</u>	<u>275,801,830</u>	<u>(6,491,055)</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>\$ 59,385,706</u>	(12,143,165)	<u>\$ 47,242,541</u>	<u>\$ 47,242,541</u>
<b>Fund balance, beginning of year</b>			<u>65,938,121</u>		
<b>Fund balance, end of year</b>			<u>\$ 53,794,956</u>		



# NON-MAJOR GOVERNMENTAL FUNDS

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## **EMERGENCY TELEPHONE SYSTEM FUND**

This fund accounts for the 911 revenues received by the State 911 Board to enhance the State's 911 system.

## **GRANT PROJECT FUND**

This fund accounts for Grant funds received for certain governmental projects.

## **REGISTER OF DEEDS TECHNOLOGY ENHANCEMENT FUND**

This fund accounts for the fees collected by the Register of Deeds that North Carolina law requires be set aside and placed in a non-reverting automation enhancement and preservation fund.

## **AMERICAN RESCUE PLAN ACT FUND**

This fund accounts for funds received for COVID-19 relief and economic recovery.

## **NATIONAL OPIOID SETTLEMENT FUND**

This fund accounts for funds received for opioid remediation activities.

## COUNTY OF BRUNSWICK, NORTH CAROLINA

COMBINING BALANCE SHEET - NON MAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS  
JUNE 30, 2025

	Emergency Telephone System Fund	Grant Project	ROD- Technology Enhancement Fund	American Rescue Plan Act Fund	National Opioid Settlement Fund	Total
<b>Assets:</b>						
Cash and cash equivalents	\$ 768,983	\$ 27,522	\$ 1,342,611	\$ -	\$ -	\$ 2,139,116
Restricted cash and cash equivalents/investments	-	-	-	779,957	7,205,841	7,985,798
Interest receivable	327	-	549	283	2,638	3,797
Receivables, net	-	-	-	940	1,401	2,341
Restricted opioid receivables, net	-	-	-	-	12,751,656	12,751,656
Other governmental agencies	47,114	71,466	-	-	-	118,580
Total assets	<u>\$ 816,424</u>	<u>\$ 98,988</u>	<u>\$ 1,343,160</u>	<u>\$ 781,180</u>	<u>\$19,961,536</u>	<u>\$23,001,288</u>
<b>Liabilities:</b>						
Accounts payable and other liabilities	88,883	50,814	5,664	-	1,941	147,302
Unearned revenue	-	-	-	969,589	-	969,589
Total liabilities	<u>88,883</u>	<u>50,814</u>	<u>5,664</u>	<u>969,589</u>	<u>1,941</u>	<u>1,116,891</u>
<b>Deferred Inflows of Resources:</b>						
Grant receivable	-	-	-	-	12,751,656	12,751,656
<b>Fund Balance:</b>						
Stabilization by State Statute	47,441	71,466	549	1,223	4,039	124,718
Restricted - other	680,100	-	1,336,947	-	7,203,900	9,220,947
Unassigned	-	(23,292)	-	(189,632)	-	(212,924)
Total fund balances	<u>727,541</u>	<u>48,174</u>	<u>1,337,496</u>	<u>(188,409)</u>	<u>7,207,939</u>	<u>9,132,741</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 816,424</u>	<u>\$ 98,988</u>	<u>\$ 1,343,160</u>	<u>\$ 781,180</u>	<u>\$19,961,536</u>	<u>\$23,001,288</u>

## COUNTY OF BRUNSWICK, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
NON MAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025

	Emergency Telephone System Fund	Grant Project	ROD- Technology Enhancement Fund	American Rescue Plan Act Fund	National Opioid Settlement Fund	Total
<b>Revenues:</b>						
Restricted intergovernmental	\$ 671,807	\$ 473,895	\$ -	\$ 3,510,080	\$ -	\$ 4,655,782
Permits and fees	-	-	192,968	-	-	192,968
Opioid settlement funds	-	-	-	-	2,088,734	2,088,734
Other revenue	-	-	-	940	-	940
Investment earnings	23,683	-	43,490	40,212	234,357	341,742
Total revenues	<u>695,490</u>	<u>473,895</u>	<u>236,458</u>	<u>3,551,232</u>	<u>2,323,091</u>	<u>7,280,166</u>
<b>Expenditures:</b>						
General government	-	392,171	155,476	-	-	547,647
Public safety	818,569	228,735	-	-	-	1,047,304
Human Services	-	-	-	188,156	627,501	815,657
<b>Debt Service:</b>						
Principal retirement	32,722	-	-	-	-	32,722
Interest and fiscal charges	850	-	-	-	-	850
Total expenditures	<u>852,141</u>	<u>620,906</u>	<u>155,476</u>	<u>188,156</u>	<u>627,501</u>	<u>2,444,180</u>
<b>Revenues over (under) expenditures</b>	(156,651)	(147,011)	80,982	3,363,076	1,695,590	4,835,986
<b>Other Financing Sources:</b>						
SBITA liabilities issued	43,858	-	-	-	-	43,858
Transfers from general fund	34,698	149,302	-	-	-	184,000
Transfer to water fund	-	-	-	(1,605,271)	-	(1,605,271)
Transfers to wastewater fund	-	-	-	(1,327,733)	-	(1,327,733)
Transfers to water capital project fund	-	-	-	700,000	-	700,000
Transfers to wastewater capital project fu	-	-	-	1,327,733	-	1,327,733
Total other financing sources (uses)	<u>78,556</u>	<u>149,302</u>	<u>-</u>	<u>(905,271)</u>	<u>-</u>	<u>(677,413)</u>
<b>Net change in fund balances</b>	(78,095)	2,291	80,982	2,457,805	1,695,590	4,158,573
<b>Fund balance, beginning of year</b>	<u>805,636</u>	<u>45,883</u>	<u>1,256,514</u>	<u>(2,646,214)</u>	<u>5,512,349</u>	<u>4,974,168</u>
<b>Fund balance, end of year</b>	<u>\$ 727,541</u>	<u>\$ 48,174</u>	<u>\$ 1,337,496</u>	<u>\$ (188,409)</u>	<u>\$ 7,207,939</u>	<u>\$ 9,132,741</u>



## COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
 ACTUAL AND CHANGES IN FUND BALANCE - EMERGENCY TELEPHONE SYSTEM FUND  
 FOR THE YEAR ENDED JUNE 30, 2025  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025			2024
	Budget	Actual	Variance	Actual
<b>Revenues:</b>				
<b>Restricted Intergovernmental:</b>				
NC 911 Board	\$ 632,020	\$ 671,807	\$ 39,787	\$ 498,027
NC 911 Board - 2023 PSAP Grant	-	-	-	238,722
	<u>632,020</u>	<u>671,807</u>	<u>39,787</u>	<u>736,749</u>
<b>Investment earnings</b>	-	<u>23,683</u>	<u>23,683</u>	<u>25,207</u>
Total revenues	<u>632,020</u>	<u>695,490</u>	<u>63,470</u>	<u>761,956</u>
<b>Expenditures:</b>				
<b>Public Safety:</b>				
Telephone and furniture	130,806	123,696	7,110	337,851
Computer software	242,281	162,021	80,260	44,040
Computer hardware	163,588	127,412	36,176	91,096
Staff training	22,034	11,920	10,114	11,066
Implemental functions	9,614	1,017	8,597	4,452
Capital Outlay	392,503	392,503	-	462,317
<b>Debt Service:</b>				
Principal retirement	32,722	32,722	-	40,581
Interest and fees	851	850	1	2,390
Total expenditures	<u>994,399</u>	<u>852,141</u>	<u>142,258</u>	<u>993,793</u>
<b>Revenues over (under) expenditures</b>	(362,379)	(156,651)	205,728	(231,837)
<b>Other Financing Sources (Uses):</b>				
SBITA liabilities issued	43,859	43,858	(1)	-
Transfers from general fund	34,698	34,698	-	13,046
Appropriated fund balance	283,822	-	(283,822)	-
Total other financing sources (uses)	<u>362,379</u>	<u>78,556</u>	<u>(283,823)</u>	<u>13,046</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>(78,095)</u>	<u>\$ (78,095)</u>	<u>(218,791)</u>
<b>Fund balance, beginning of year</b>		<u>805,636</u>		<u>1,024,427</u>
<b>Fund balance, end of year</b>		<u>\$ 727,541</u>		<u>\$ 805,636</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL - GRANT PROJECT FUND  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	Project Authorization	Actual			Variance
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
<b>Restricted Intergovernmental:</b>					
SAMHSA FY 19-24	\$ 2,000,000	\$ 1,840,009	\$ -	\$ 1,840,009	\$ (159,991)
SAMHSA FY 24-28	800,000	268,664	392,172	660,836	(139,164)
HMPG-5 Residential Properties	1,380,527	259,531	-	259,531	(1,120,996)
Building Reuse Program	1,000,000	700,000	(47,059)	652,941	(347,059)
USDA Dept. of Agriculture Watershed Grant	696,443	323,755	-	323,755	(372,688)
Local Assistance and Tribal Consistency Fund	100,000	100,000	-	100,000	-
NC Dept. of Agriculture Watershed Grant	147,344	98,294	-	98,294	(49,050)
GHSP-Traffic Unit	670,815	368,272	128,782	497,054	(173,761)
Total revenues	<u>6,795,129</u>	<u>3,958,525</u>	<u>473,895</u>	<u>4,432,420</u>	<u>(2,362,709)</u>
<b>Expenditures:</b>					
<b>General Government:</b>					
SAMHSA FY 19-24	2,000,000	1,840,008	-	1,840,008	159,992
SAMHSA FY 24-28	800,000	268,664	392,171	660,835	139,165
HMPG-5 Residential Properties	1,380,527	259,531	-	259,531	1,120,996
<b>Economic Development:</b>					
Pacon Manufacturing Incentive and Reuse	1,300,000	1,000,000	-	1,000,000	300,000
<b>Environmental Protection:</b>					
Watershed Grant Round 1	419,109	202,926	-	202,926	216,183
Watershed Grant Round 2	381,072	188,178	-	188,178	192,894
Watershed Grant Round 3	43,606	30,945	-	30,945	12,661
<b>Public Safety:</b>					
GHSP-Traffic Unit	960,084	462,357	228,735	691,092	268,992
Total expenditures	<u>7,284,398</u>	<u>4,252,609</u>	<u>620,906</u>	<u>4,873,515</u>	<u>2,410,883</u>
<b>Revenues over (under) expenditures</b>	(489,269)	(294,084)	(147,011)	(441,095)	48,174

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL - GRANT PROJECT FUND  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	Project Authorization	Actual			Variance
		Prior Years	Current Year	Total to Date	
<b>Other Financing Sources (Uses):</b>					
Transfers from general fund	589,269	439,967	149,302	589,269	-
Transfers to general fund	<u>(100,000)</u>	<u>(100,000)</u>	-	<u>(100,000)</u>	-
Total other financing sources (uses)	<u>489,269</u>	<u>339,967</u>	<u>149,302</u>	<u>489,269</u>	-
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>\$ 45,883</u>	2,291	<u>\$ 48,174</u>	<u>\$ 48,174</u>
<b>Fund balance, beginning of year</b>			<u>45,883</u>		
<b>Fund balance, end of year</b>			<u>\$ 48,174</u>		

## COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
 ACTUAL AND CHANGES IN FUND BALANCE - REGISTER OF DEEDS TECHNOLOGY ENHANCEMENT FUND  
 FOR THE YEAR ENDED JUNE 30, 2025  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025			2024
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
<b>Revenues:</b>				
Permits and fees	\$ 181,000	\$ 192,968	\$ 11,968	\$ 175,967
Investment earnings	20,000	43,490	23,490	43,790
Total revenues	<u>201,000</u>	<u>236,458</u>	<u>35,458</u>	<u>219,757</u>
<b>Expenditures:</b>				
General government	<u>228,498</u>	<u>155,476</u>	<u>73,022</u>	<u>137,358</u>
<b>Revenues over (under) expenditures</b>	(27,498)	80,982	108,480	82,399
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	<u>27,498</u>	<u>-</u>	<u>(27,498)</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>80,982</u>	<u>\$ 80,982</u>	<u>82,399</u>
<b>Fund balance, beginning of year</b>		<u>1,256,514</u>		<u>1,174,115</u>
<b>Fund balance, end of year</b>		<u>\$ 1,337,496</u>		<u>\$ 1,256,514</u>

## COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL - AMERICAN RESCUE PLAN ACT FUND  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	Project Authorization	Actual			Variance
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Restricted intergovernmental	\$ 27,741,111	\$ 23,261,442	\$ 3,510,080	\$ 26,771,522	\$ (969,589)
Investment earnings	-	87,526	40,212	127,738	127,738
Other	-	-	940	940	940
Total revenues	<u>27,741,111</u>	<u>23,348,968</u>	<u>3,551,232</u>	<u>26,900,200</u>	<u>(840,911)</u>
<b>Expenditures:</b>					
<b>General Government:</b>					
Direct administrative costs	85,732	85,732	-	85,732	-
<b>Public Safety:</b>					
AEDs	93,215	93,215	-	93,215	-
Ambulances	900,000	247,500	-	247,500	652,500
<b>Human Services:</b>					
Premium pay	2,369,543	2,369,543	-	2,369,543	-
Lead and Copper program	494,730	306,574	188,156	494,730	-
<b>Cultural and recreation:</b>					
Public access computers	55,340	55,339	-	55,339	1
Total expenditures	<u>3,998,560</u>	<u>3,157,903</u>	<u>188,156</u>	<u>3,346,059</u>	<u>652,501</u>
Revenues over (under) expenditures	23,742,551	20,191,065	3,363,076	23,554,141	(188,410)
<b>Other Financing Sources (Uses):</b>					
Transfers from (to) general fund	(15,837,279)	(15,837,279)	-	(15,837,279)	-
Transfers from (to) water fund	(4,091,606)	(2,486,335)	(1,605,271)	(4,091,606)	-
Transfers from (to) wastewater fund	(2,354,722)	(1,026,988)	(1,327,733)	(2,354,721)	1
Transfers from (to) water capital project fund	(43,944)	(743,944)	700,000	(43,944)	-
Transfers from (to) wastewater capital project fund	(1,415,000)	(2,742,733)	1,327,733	(1,415,000)	-
Total other financing sources (uses)	<u>(23,742,551)</u>	<u>(22,837,279)</u>	<u>(905,271)</u>	<u>(23,742,550)</u>	<u>1</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (2,646,214)</u>	2,457,805	<u>\$ (188,409)</u>	<u>\$ (188,409)</u>
Fund balance, beginning of year			(2,646,214)		
Fund balance, end of year			<u>\$ (188,409)</u>		

## COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND  
 ACTUAL AND CHANGES IN FUND BALANCE - NATIONAL OPIOID SETTLEMENT FUND  
 FOR THE YEAR ENDED JUNE 30, 2025  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025			2024
	Budget	Actual	Variance	Actual
<b>Revenues:</b>				
Opioid settlement funds	\$ 1,106,546	\$ 2,088,734	\$ 982,188	\$ 3,735,932
Permits and fees	-	-	-	-
Investment earnings	-	234,357	234,357	125,339
Total revenues	<u>1,106,546</u>	<u>2,323,091</u>	<u>1,216,545</u>	<u>3,861,271</u>
<b>Expenditures:</b>				
<b>Human Services:</b>				
Social services clinician	65,254	61,990	3,264	27,565
The Healing Place	192,720	177,200	15,520	78,474
Health Educator	45,828	31,137	14,691	27,506
Community Paramedicine	206,229	8,129	198,100	-
CRCI	228,450	176,400	52,050	-
ARROW	256,065	95,645	160,420	-
Naloxone	25,000	24,978	22	-
Capital outlay	<u>87,000</u>	<u>52,022</u>	<u>34,978</u>	<u>-</u>
Total expenditures	<u>1,106,546</u>	<u>627,501</u>	<u>479,045</u>	<u>133,545</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>1,695,590</u>	<u>\$ 1,695,590</u>	<u>3,727,726</u>
<b>Fund balance, beginning of year</b>		<u>5,512,349</u>		<u>32,129</u>
<b>Restatement</b>		<u>-</u>		<u>1,752,494</u>
<b>Fund balance, beginning, as restated</b>		<u>5,512,349</u>		<u>1,784,623</u>
<b>Fund balance, end of year</b>		<u>\$ 7,207,939</u>		<u>\$ 5,512,349</u>



# ENTERPRISE FUNDS

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Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

## **MAJOR ENTERPRISE FUNDS:**

### **WATER FUND**

This fund is used to account for the County's water operations.

### **WATER CAPITAL PROJECTS FUND**

This fund is used to account for additions and improvements of major water enterprise facilities which are financed by transfers from the water capital reserve funds, bond proceeds, and financing agreements.

### **WASTEWATER FUND**

This fund is used to account for the County's wastewater operations.

### **WASTEWATER CAPITAL PROJECTS FUND**

This fund is used to account for additions and improvements of major wastewater enterprise facilities which are financed by transfers from the wastewater capital reserve funds, bond proceeds, and financing agreements.



## COUNTY OF BRUNSWICK, NORTH CAROLINA

COMBINING BALANCE SHEET - WATER FUND (NON-GAAP)  
JUNE 30, 2025

	Water Fund	Water Capital Projects	Total
<b>Current Assets:</b>			
Cash, cash equivalents and investments	\$ 57,772,786	\$ 27,231,465	\$ 85,004,251
Restricted cash	3,692,953	34,384,670	38,077,623
Interest receivable	29,092	8,374	37,466
Receivables and special assessments, net	6,397,247	-	6,397,247
Current portion of lease receivable	209,734	-	209,734
Due from other governmental agencies	865,472	124,213	989,685
Due from other funds	1,290,962	-	1,290,962
Inventories	6,332,606	-	6,332,606
Total current assets	<u>76,590,852</u>	<u>61,748,722</u>	<u>138,339,574</u>
<b>Current Liabilities:</b>			
Accounts payable and other liabilities	3,436,189	6,010,489	9,446,678
Customer deposits	3,184,884	-	3,184,884
Interest payable	1,716,878	-	1,716,878
Current portion of long-term liabilities	6,588,474	-	6,588,474
Due to other funds	-	1,290,962	1,290,962
Total current liabilities	<u>14,926,425</u>	<u>7,301,451</u>	<u>22,227,876</u>
<b>Expendable net position</b>	<b>61,664,427</b>	<b>54,447,271</b>	<b>116,111,698</b>
<b>Noncurrent Items:</b>			
Lease receivable	1,432,366	-	1,432,366
Non-depreciable capital assets	149,803,311	-	149,803,311
Depreciable capital assets, net	221,784,206	-	221,784,206
Right to use leased assets, net of amortization	1,944,752	-	1,944,752
Right to use SBITA assets, net of amortization	8,387	-	8,387
Deferred outflow	4,569,610	-	4,569,610
Net pension liability	(4,234,894)	-	(4,234,894)
Compensated absences	(598,393)	-	(598,393)
Total other post-employment liability	(15,802,611)	-	(15,802,611)
Non-current portion of debt	(190,450,695)	-	(190,450,695)
Deferred inflow	(4,857,727)	-	(4,857,727)
Total net position	<u>\$ 225,262,739</u>	<u>\$ 54,447,271</u>	<u>\$ 279,710,010</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -  
WATER SYSTEM OPERATING FUND (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025			2024
	Budget	Actual	Variance	Actual
<b>Revenues:</b>				
User charges	\$ 51,888,438	\$ 52,660,193	\$ 771,755	\$ 47,688,525
Restricted intergovernmental revenue	204,990	21,823	(183,167)	574
Investment earnings	2,200,000	2,207,788	7,788	2,240,609
Other	2,027,856	1,809,710	(218,146)	1,801,053
Total revenues	<u>56,321,284</u>	<u>56,699,514</u>	<u>378,230</u>	<u>51,730,761</u>
<b>Expenditures:</b>				
Salaries	9,273,392	8,730,453	542,939	7,115,032
Fringe benefits	4,436,589	4,238,469	198,120	3,465,057
Operating expenditures	15,800,307	12,029,619	3,770,688	10,001,662
Repairs and maintenance	4,200,512	3,480,826	719,686	2,722,439
Capital outlay	11,267,086	9,191,316	2,075,770	5,837,648
<b>Debt Service:</b>				
Principal	5,286,005	5,286,004	1	5,191,639
Interest	6,525,438	6,525,434	4	6,886,206
Total expenditures	<u>56,789,329</u>	<u>49,482,121</u>	<u>7,307,208</u>	<u>41,219,683</u>
<b>Revenues over (under) expenditures</b>	(468,045)	7,217,393	7,685,438	10,511,078
<b>Other Financing Sources (Uses):</b>				
Lease liabilities issued	-	-	-	521,028
SBITA liabilities issued	-	-	-	21,726
Long-term debt issued	9,711,913	9,711,913	-	-
Premiums on debt issued	1,132,012	1,132,012	-	-
Payments to escrow agent for refunded bonds	(10,795,702)	(10,795,702)	-	-
Transfer to water capital project fund	(10,463,095)	(10,463,095)	-	(6,324,421)
Transfer from water capital project fund	875,000	875,000	-	-
Transfer from special revenue fund	1,605,271	1,605,271	-	2,486,335
Claims settlement	-	887,909	887,909	-
Appropriated net position	8,402,646	-	(8,402,646)	-
Total other financing sources (uses)	<u>468,045</u>	<u>(7,046,692)</u>	<u>(7,514,737)</u>	<u>(3,295,332)</u>
<b>Revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>\$ -</u>	<u>\$ 170,701</u>	<u>\$ 170,701</u>	<u>\$ 7,215,746</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -  
WATER SYSTEM OPERATING FUND (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	<u>2025</u> <u>Actual</u>
Revenues and other financing sources over (under) expenditures and other financing uses	\$ 170,701
<b>Reconciliation From Budgetary Basis To Full Accrual Basis:</b>	
<b>Capital Project Related Items:</b>	
Revenues from water capital projects	3,608,999
Transfer from water fund to water capital project fund	10,463,095
Transfer from special revenue fund to water capital project fund	(700,000)
Transfer to water fund from water capital project fund	(875,000)
Capital project expenditures	(10,602,304)
<b>Other Reconciling Items:</b>	
Proceeds from debt	(9,711,913)
Premium	(1,132,012)
CIP additions from capital projects	10,602,304
Capitalized capital outlay and CIP adjustment	9,191,316
Change in interest accrued	(46,668)
Change in compensated absences	(75,529)
Change in net OPEB liability	(2,475,708)
Change in deferred outflows of resources - pensions	(313,383)
Change in deferred outflows of resources - OPEB	330,578
Change in net pension liability	(8,027)
Change in deferred inflows of resources - pensions	(60,694)
Change in deferred inflows of resources - OPEB	486,823
Change in inventory	2,980,992
Retirement of long-term debt	16,081,706
Amortization of bond premium	700,552
Loss on disposal of capital assets	(28,916)
Contributed capital assets-Deeds of Dedication	10,250,920
Depreciation	(9,385,815)
Amortization of right to use assets	(160,793)
Amortization of SBITA assets	(11,222)
Change in net position - GAAP basis	\$ 29,280,002

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
WATER CAPITAL PROJECT FUNDS (NON-GAAP)  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	Project Budget	Actual			Variance
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Restricted					
intergovernmental revenue	\$ 10,315,188	\$ 45,737	\$ 1,945,485	\$ 1,991,222	\$ (8,323,966)
Investment earnings	-	962,208	711,423	1,673,631	1,673,631
Investment earnings-debt proceed:	-	3,566,679	952,091	4,518,770	4,518,770
Assessments	39,495	39,495	-	39,495	-
Assessments penalties and interest	13,229	13,229	-	13,229	-
Other	3,000,000	-	-	-	-
Total revenues	<u>13,367,912</u>	<u>4,627,348</u>	<u>3,608,999</u>	<u>8,236,347</u>	<u>(2,131,565)</u>
<b>Expenditures:</b>					
Southeast Water Tank	3,972,050	140,230	473,010	613,240	3,358,810
Northwest Water Plant					
Treatment Expansion	168,321,390	137,721,490	6,355,577	144,077,067	24,244,323
74/76 Mintz Dr. to Old Maco	105,000	100,494	-	100,494	4,506
Navassa Water System					
Rehabilitation	3,063,347	325,016	1,871,068	2,196,084	867,263
NWWTP Bell Swamp					
Transmission Improvements	2,631,250	-	79,079	79,079	2,552,171
74-76 Industrial Park Tank	3,212,979	153,639	8,570	162,209	3,050,770
NW WTP Reservoir	1,858,925	-	1,815,000	1,815,000	43,925
Southport Merger					
Meter Replacement	4,000,000	-	-	-	4,000,000
Total expenditures	<u>187,164,941</u>	<u>138,440,869</u>	<u>10,602,304</u>	<u>149,043,173</u>	<u>38,121,768</u>
<b>Revenues over (under) expenditures</b>	(173,797,029)	(133,813,521)	(6,993,305)	(140,806,826)	32,990,203

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
WATER CAPITAL PROJECT FUNDS (NON-GAAP)  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	Project Budget	Actual			Variance
		Prior Years	Current Year	Total to Date	
<b>Other Financing Sources (Uses):</b>					
Long term debt issued	152,591,250	154,876,135	-	154,876,135	2,284,885
Bond Premium	15,280,190	15,280,190	-	15,280,190	-
Transfers from water fund	28,026,214	30,932,581	10,463,095	41,395,676	13,369,462
Transfers from special revenue fund	43,944	743,944	(700,000)	43,944	-
Transfers to water fund	(1,860,770)	(985,770)	(875,000)	(1,860,770)	-
Reserve for future projects	(22,067,296)	-	-	-	22,067,296
Appropriated fund balance	1,783,497	-	-	-	(1,783,497)
Total other financing sources (uses)	<u>173,797,029</u>	<u>200,847,080</u>	<u>8,888,095</u>	<u>209,735,175</u>	<u>35,938,146</u>
<b>Revenues and other financing sources over (under) expenditures and other financing uses</b>					
	<u>\$ -</u>	<u>\$ 67,033,559</u>	<u>\$ 1,894,790</u>	<u>\$ 68,928,349</u>	<u>\$ 68,928,349</u>



## COUNTY OF BRUNSWICK, NORTH CAROLINA

COMBINING BALANCE SHEET - WASTEWATER FUND (NON-GAAP)  
JUNE 30, 2025

	Wastewater Fund	Wastewater Capital Projects	Total
<b>Current Assets:</b>			
Cash and cash equivalents/investments	\$ 38,395,949	\$ 38,863,796	\$ 77,259,745
Restricted cash	922,728	16,574,658	17,497,386
Interest receivable	21,259	5,473	26,732
Receivables and special assessments, net	4,050,530	1,333,333	5,383,863
Due from other governmental agencies	699,649	13,059,032	13,758,681
Due from other funds	5,312,066	-	5,312,066
Inventories	312,684	-	312,684
Total current assets	<u>49,714,865</u>	<u>69,836,292</u>	<u>119,551,157</u>
<b>Current Liabilities:</b>			
Accounts payable and other liabilities	1,617,582	3,762,018	5,379,600
Interest payable	1,451,948	-	1,451,948
Current portion of long-term liabilities	10,757,642	-	10,757,642
Due to other funds	-	5,312,066	5,312,066
Total current liabilities	<u>13,827,172</u>	<u>9,074,084</u>	<u>22,901,256</u>
<b>Expendable net position</b>	<b>35,887,693</b>	<b>60,762,208</b>	<b>96,649,901</b>
<b>Noncurrent Items:</b>			
Non-depreciable capital assets	52,770,524	-	52,770,524
Depreciable capital assets, net	319,067,134	-	319,067,134
Deferred outflow	2,520,438	-	2,520,438
Net pension liability	(2,321,752)	-	(2,321,752)
Compensated absences	(287,727)	-	(287,727)
Total other post-employment liability	(8,658,945)	-	(8,658,945)
Non-current portion of debt	(110,035,901)	-	(110,035,901)
Deferred inflow	(1,867,048)	-	(1,867,048)
Total net position	<u>\$ 287,074,416</u>	<u>\$ 60,762,208</u>	<u>\$ 347,836,624</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -  
WASTEWATER SYSTEM OPERATING FUND (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025			2024
	Budget	Actual	Variance	Actual
<b>Revenues:</b>				
User charges	\$ 53,622,984	\$ 55,637,038	\$ 2,014,054	\$ 48,664,065
Investment earnings	2,014,920	1,697,690	(317,230)	1,643,174
Restricted intergovernmental revenues	304,762	84,733	(220,029)	-
Other	2,996,331	3,095,301	98,970	3,738,743
Total revenues	<u>58,938,997</u>	<u>60,514,762</u>	<u>1,575,765</u>	<u>54,045,982</u>
<b>Expenditures:</b>				
Salaries	5,008,682	4,787,427	221,255	3,954,689
Fringe benefits	2,307,575	2,203,087	104,488	1,875,731
Operating expenditures	8,592,655	6,944,089	1,648,566	6,140,661
Repairs and maintenance	3,109,360	2,521,659	587,701	2,103,321
Capital outlay	11,059,872	8,175,995	2,883,877	7,767,273
<b>Debt Service:</b>				
Principal	9,551,004	8,575,757	975,247	8,753,735
Interest	5,713,006	4,223,853	1,489,153	3,444,697
Total expenditures	<u>45,342,154</u>	<u>37,431,867</u>	<u>7,910,287</u>	<u>34,040,107</u>
<b>Revenues over (under) expenditures</b>	13,596,843	23,082,895	9,486,052	20,005,875
<b>Other Financing Sources (Uses):</b>				
Issuance of long-term debt	20,143,088	20,143,087	(1)	-
Premiums on bonds issued	1,796,291	1,796,290	(1)	-
Payments to escrow agent for refunded bonds	(21,844,298)	(21,844,298)	-	-
Transfer to wastewater capital project fund	(26,645,468)	(26,645,468)	-	(15,602,223)
Transfer from wastewater capital project fund	1,260,000	1,260,000	-	1,783,553
Transfer from special revenue fund	1,327,733	1,327,733	-	900,000
Appropriated net position	<u>10,365,811</u>	<u>-</u>	<u>(10,365,811)</u>	<u>-</u>
Total other financing sources (uses)	<u>(13,596,843)</u>	<u>(23,962,656)</u>	<u>(10,365,813)</u>	<u>(12,918,670)</u>
<b>Revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>\$ -</u>	<u>(879,761)</u>	<u>\$ (879,761)</u>	<u>\$ 7,087,205</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -  
WASTEWATER SYSTEM OPERATING FUND (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	<u>2025</u> <u>Actual</u>
Revenues and other financing sources over (under) expenditures and other financing uses	(879,761)
<b>Reconciliation From Budgetary Basis To Full Accrual Basis:</b>	
<b>Capital Project Activities:</b>	
Revenues from wastewater capital projects	2,965,272
Proceeds from issuance of long-term debt	23,615,530
Transfer from wastewater fund to wastewater capital projects	26,645,468
Transfer from special revenue fund to water capital project fund	(1,327,733)
Transfer from wastewater capital projects to wastewater fund	(1,260,000)
Capital project expenditures	(29,691,187)
<b>Other Reconciling Items:</b>	
Proceeds from issuance of long-term debt	(43,758,617)
Premiums from issuance of long term debt	(1,796,290)
CIP additions from capital projects	29,691,187
Capitalized capital outlay and CIP adjustment	8,175,995
Change in interest accrued	(18,289)
Change in compensated absences	(56,662)
Change in net OPEB liability	(1,198,773)
Change in deferred outflows of resources - pensions	(172,901)
Change in deferred outflows of resources - OPEB	158,106
Change in net pension liability	(4,429)
Change in deferred inflows of resources - pensions	(33,487)
Change in deferred inflows of resources - OPEB	309,489
Contributed assets-Deeds of Dedication	16,911,631
Change in inventory	(38,185)
Loss on disposal of capital assets	28,916
Retirement of long-term debt	30,420,055
Amortization of bond premium	4,327,427
Depreciation	(11,698,799)
Amortization of SBITA assets	<u>(1,160)</u>
Change in net position - GAAP basis	<u>\$ 51,312,803</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
WASTEWATER CAPITAL PROJECT FUNDS (NON-GAAP)  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	Project Budget	Actual			Variance
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Restricted					
Intergovernmental revenue	\$ 52,818,580	\$ 594,077	\$ 395,734	\$ 989,811	\$ (51,828,769)
Investment earnings	318,945	1,171,022	677,302	1,848,324	1,529,379
Investment earnings - debt proceeds	81,742	708,479	558,903	1,267,382	1,185,640
Assessments	557,053	557,052	-	557,052	(1)
Assessment penalties and interest	99,017	102,512	-	102,512	3,495
Other	4,049,030	1,460,692	1,333,333	2,794,025	(1,255,005)
<b>Total revenues</b>	<b>57,924,367</b>	<b>4,593,834</b>	<b>2,965,272</b>	<b>7,559,106</b>	<b>(50,365,261)</b>
<b>Expenditures:</b>					
West WW Treatment Facility Ocean Ridge	52,300,543	12,893,585	26,089,459	38,983,044	13,317,499
Reclaimed Water Main	172,600	105,400	19,650	125,050	47,550
Navassa WW System Rehabilitation	4,002,818	520,673	8,400	529,073	3,473,745
OIB WW Treatment Plant Rehabilitation	3,114,733	1,261,936	206,009	1,467,945	1,646,788
Biosolids Processing Facility	3,308,084	581	707,335	707,916	2,600,168
NE WW Treatment Plant	4,535,000	1,817,522	476,800	2,294,322	2,240,678
Bolivia By-Pass Force Main	3,999,999	357,395	300,258	657,653	3,342,346
Whiteville Road Force Main	1,052,500	-	505	505	1,051,995
NE WW Treatment Plant Transmission Main South	344,790	36,326	93,924	130,250	214,540
NE WW Treatment Plant Transmission Main North	1,691,010	248,649	610,917	859,566	831,444
Longwood Road Force Main Sewer	14,956,200	195,000	783,310	978,310	13,977,890
Southport Merger - Pump Station Rehab	2,800,000	222,611	85,074	307,685	2,492,315
Sewer Replacement	12,125,822	49,031	-	49,031	12,076,791
Find and Fix	10,005,886	371,468	150,672	522,140	9,483,746
Low Pressure Conversion	1,220,991	-	-	-	1,220,991
Transmission Midway Rd to Clemmons	15,608,600	-	89,036	89,036	15,519,564
MAIRP	67,500	-	-	-	67,500
West WRF Expansion Transmission	2,300,800	-	60,980	60,980	2,239,820
Clemmons to West WRF	114,300	-	8,858	8,858	105,442
West Reclaimed Water Line	229,300	-	-	-	229,300

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
WASTEWATER CAPITAL PROJECT FUNDS (NON-GAAP)  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	Project Budget	Actual			Variance
		Prior Years	Current Year	Total to Date	
<b>Expenditures (continued):</b>					
Pump Station					
Rehabilitation and Upgrades	1,250,000	-	-	-	1,250,000
Total expenditures	<u>135,201,476</u>	<u>18,080,177</u>	<u>29,691,187</u>	<u>47,771,364</u>	<u>87,430,112</u>
<b>Revenues over</b>					
<b>(under) expenditures</b>	(77,277,109)	(13,486,343)	(26,725,915)	(40,212,258)	37,064,851
<b>Other Financing Sources (Uses):</b>					
Long term debt issued	68,982,499	24,084,365	23,615,530	47,699,895	(21,282,604)
Bond premium	1,039,782	1,039,782	-	1,039,782	-
Transfer from wastewater fund	58,790,783	33,041,472	26,645,468	59,686,940	896,157
Transfers from					
special revenue fund	1,415,000	2,742,733	(1,327,733)	1,415,000	-
Transfer to wastewater fund	(12,497,327)	(11,237,327)	(1,260,000)	(12,497,327)	-
Reserve for future projects	(44,634,224)	-	-	-	44,634,224
Appropriated fund balance	<u>4,180,596</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,180,596)</u>
Total other financing sources (uses)	<u>77,277,109</u>	<u>49,671,025</u>	<u>47,673,265</u>	<u>97,344,290</u>	<u>20,067,181</u>
<b>Revenues and other financing sources</b>					
<b>over (under) expenditures</b>					
<b>and other financing uses</b>	<u>\$ -</u>	<u>\$ 36,184,682</u>	<u>\$ 20,947,350</u>	<u>\$ 57,132,032</u>	<u>\$ 57,132,032</u>





# CUSTODIAL FUNDS

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Custodial funds are used to account for short-term collections of resources on behalf of another individual, entity, or government.

## **MUNICIPAL COLLECTIONS FUND**

This fund accounts for the proceeds of motor vehicle taxes and other ad Valorem taxes that are collected by the County on behalf of the municipalities within the County and for fines and forfeitures collected by the Clerk of Court which are remitted to Brunswick County Schools.

## **SMITHVILLE TOWNSHIP COLLECTIONS FUND**

This fund accounts for the proceeds of the special hospital tax collected by the County on behalf of the citizens of Smithville Township.

## **INMATE FUND**

This fund accounts for monies held by Brunswick County on the behalf of inmates in the Brunswick County Detention Center.

## COUNTY OF BRUNSWICK, NORTH CAROLINA

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
JUNE 30, 2025

	Municipal Collections Fund	Smithville Township Collections Fund	Inmate Fund	Total
<b>Assets:</b>				
Cash and cash equivalents	\$ 202,880	\$ 168,461	\$ 42,003	\$ 413,344
Interest receivable for other governments	-	612	-	612
Receivable for other governments, net	<u>1,039,274</u>	<u>33,060</u>	<u>8,020</u>	<u>1,080,354</u>
Total assets	<u>1,242,154</u>	<u>202,133</u>	<u>50,023</u>	<u>1,494,310</u>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	982,610	-	21,722	\$ 1,004,332
Due to other governments	<u>202,880</u>	<u>168,460</u>	<u>-</u>	<u>371,340</u>
Total liabilities	<u>1,185,490</u>	<u>168,460</u>	<u>21,722</u>	<u>1,375,672</u>
<b>Net position:</b>				
Restricted for:				
Indiviudals, organization, and other governments	<u>56,664</u>	<u>33,673</u>	<u>28,301</u>	<u>118,638</u>
Total net position	<u>\$ 56,664</u>	<u>\$ 33,673</u>	<u>\$ 28,301</u>	<u>\$ 118,638</u>

## COUNTY OF BRUNSWICK, NORTH CAROLINA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025

	Municipal Collections Fund	Smithville Township Collections Fund	Inmate Fund	Total
<b>Additions:</b>				
Collections for other governments	\$ 84,196,574	\$ 5,691,455	\$ -	\$ 89,888,029
Collections on behalf of inmates	-	-	464,928	464,928
Total additions	<u>84,196,574</u>	<u>5,691,455</u>	<u>464,928</u>	<u>90,352,957</u>
<b>Deductions:</b>				
Distributions to other governments	84,416,707	5,687,788	-	90,104,495
Payments on behalf of inmates	-	-	460,444	460,444
Total deductions	<u>84,416,707</u>	<u>5,687,788</u>	<u>460,444</u>	<u>90,564,939</u>
Net increase (decrease) in fiduciary net position	<u>(220,133)</u>	<u>3,667</u>	<u>4,484</u>	<u>(211,982)</u>
Net position, beginning of year	<u>276,797</u>	<u>30,006</u>	<u>23,817</u>	<u>330,620</u>
Net position, end of year	<u>\$ 56,664</u>	<u>\$ 33,673</u>	<u>\$ 28,301</u>	<u>\$ 118,638</u>





# SUPPLEMENTAL FINANCIAL DATA

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This section includes additional information on property taxes and schedules required by the U.S. Department of Housing and Urban Development.

## **GENERAL FUND**

Schedule of Ad Valorem Taxes Receivable

## **COUNTY-WIDE LEVY**

Analysis of Current Tax Levy

## **BALANCE SHEET**

Financial Data Schedule

## **REVENUES AND EXPENSES**

Financial Data Schedule

## COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE - GENERAL FUND  
JUNE 30, 2025

Fiscal Year	Uncollected Balance June 30, 2024	Additions	Collections and Credits	Uncollected Balance June 30, 2025
2025	\$ -	\$ 182,519,022	\$ 181,085,628	\$ 1,433,394
2024	1,349,427	-	1,001,196	348,231
2023	263,096	-	144,986	118,110
2022	106,614	-	47,662	58,952
2021	67,716	-	19,009	48,707
2020	47,825	-	14,209	33,616
2019	43,359	-	12,012	31,347
2018	46,686	-	12,797	33,889
2017	43,950	-	10,129	33,821
2016	57,216	-	8,534	48,682
2015	49,231	-	49,231	-
	<u>\$ 2,075,120</u>	<u>\$ 182,519,022</u>	<u>\$ 182,405,393</u>	2,188,749
Less: Allowance for uncollected taxes receivable General Fund				<u>910,060</u>
Ad valorem taxes receivable (net)				<u>\$ 1,278,689</u>
<b>Reconciliation with Revenues:</b>				
Ad valorem taxes - General Fund				\$ 182,924,569
<b>Reconciling Items:</b>				
Interest collected and penalties				(570,962)
Releases on prior year tax				11,170
Write-offs				48,070
Reimbursement of prior year's taxes collected				735
Collection of taxes previously written off				<u>(8,189)</u>
Total collections and credits				<u>\$ 182,405,393</u>

## COUNTY OF BRUNSWICK, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY - COUNTY-WIDE LEVY  
FOR THE YEAR ENDED JUNE 30, 2025

	County-Wide		Property Excluding Registered Vehicles	Registered Motor Vehicles
	Property Valuation	Rate		
Original levy:				
Property taxed at current year's rate	\$ 53,269,242,357	0.3420	\$ 182,180,809	\$ 171,670,923
Penalties	-		59,521	59,521
Total	<u>53,269,242,357</u>		<u>182,240,330</u>	<u>171,730,444</u>
Discoveries:				
Current and prior years' taxes	52,078,915		306,858	306,367
Penalties	-		13,298	13,298
Total	<u>52,078,915</u>		<u>320,156</u>	<u>319,665</u>
Abatements	<u>(12,123,921)</u>		<u>(41,464)</u>	<u>-</u>
Total property valuation	<u>\$ 53,309,197,351</u>			
Net levy			182,519,022	172,008,645
Less uncollected taxes at June 30, 2025			<u>1,433,394</u>	<u>1,433,394</u>
Current year's taxes collected			<u>\$ 181,085,628</u>	<u>\$ 170,575,251</u>
Current levy collection percentage			<u>99.21%</u>	<u>99.17%</u>
Prior year levy collection percentage			<u>99.22%</u>	<u>100.00%</u>

## COUNTY OF BRUNSWICK, NORTH CAROLINA

FINANCIAL DATA SCHEDULE - BALANCE SHEET  
JUNE 30, 2025

Line Item #	Account Description	Housing Choice Vouchers <u>14,871</u>
	<b>Assets:</b>	
	Current assets:	
	Cash:	
113	Cash - other restricted	\$ 22,345
115	Cash - restricted for payment of current liabilities	<u>32,197</u>
100	Total cash	<u>54,542</u>
150	Total current assets	<u>54,542</u>
190	Total assets	<u>\$ 54,542</u>
	<b>Liabilities and Net Position</b>	
	Liabilities:	
	Current liabilities:	
312	Accounts payable < 90 days	\$ 146
321	Accrued wage/payroll taxes payable	6,462
346	Accrued liabilities - other	<u>25,589</u>
	Total current liabilities	<u>32,197</u>
300	Total liabilities	<u>32,197</u>
	<b>Net position:</b>	
511.4	Restricted net position	<u>22,345</u>
513	Total net position	<u>22,345</u>
600	Total liabilities and net position	<u>\$ 54,542</u>

## COUNTY OF BRUNSWICK, NORTH CAROLINA

FINANCIAL DATA SCHEDULE - REVENUES AND EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2025

Line Item #	Account Description	Housing Choice Vouchers <u>14,871</u>
	<b>Revenue:</b>	
70600	HUD PHA operating grants	\$ 2,943,539
71100	Investment income - unrestricted	1,480
71400	Fraud recovery	3,312
71500	Other revenue	<u>44,775</u>
70000	Total revenue	<u>2,993,106</u>
	<b>Expenses:</b>	
	Administrative:	
91100	Administrative salaries	223,703
91400	Advertising and marketing	148
91500	Employee benefit contributions - administrative	97,553
91600	Office expenses	36,100
91810	Allocated Overhead	<u>2,796</u>
91000	Total operating - administrative	<u>360,300</u>
	General expenses:	
96200	Other general expenses	<u>2,140</u>
96900	Total operating expenses	<u>362,440</u>
97000	Excess of operating revenue over operating expenses	<u>2,630,666</u>
97300	Housing assistance payments	2,628,059
97350	HAP portability-in	<u>21,685</u>
90000	Total expenses	<u>3,012,184</u>
10000	Excess(deficiency) of revenue over(under) expenses	<u>\$ (19,078)</u>
	MEMO Account Information:	
11030	Beginning equity	41,423
11170	Administrative fee equity	<u>22,345</u>
11190	Unit months available	5,856
11210	Number of unit months leased	3,628





# NON-MAJOR COMPONENT UNIT FINANCIAL DATA

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## **BRUNSWICK COUNTY BOARD OF ALCOHOLIC CONTROL**

A component unit of Brunswick County, it is a legally separate entity for which the County is financially accountable. The Board issues separate financial statements.

## **BRUNSWICK COUNTY AIRPORT COMMISSION**

A component unit of Brunswick County, it is a legally separate entity for which the County is financially accountable. The Commission issues separate financial statements.

## **BRUNSWICK COUNTY TOURISM DEVELOPMENT AUTHORITY**

A component unit of Brunswick County, it is a legally separate entity for which the County is financially accountable. The Authority issues separate financial statements.

COUNTY OF BRUNSWICK, NORTH CAROLINA

COMBINING BALANCE SHEET - NON-MAJOR COMPONENT UNITS  
JUNE 30, 2025

	Brunswick County Alcoholic Beverage Control Board	Brunswick County Airport Commission	Brunswick County Tourism Development Authority	Totals
<b>Assets:</b>				
<b>Current Assets:</b>				
Cash, cash equivalents and investments	\$ 1,227,645	\$ 1,799,501	\$ 1,947,698	\$ 4,974,844
Restricted cash and investments	-	22,565	-	22,565
Receivables, net	3,433	3,954	704,758	712,145
Lease receivable	-	8,793	-	8,793
Inventory	904,716	78,341	-	983,057
Prepaid items	36,557	51,480	4,074	92,111
Total current assets	<u>2,172,351</u>	<u>1,964,634</u>	<u>2,656,530</u>	<u>6,793,515</u>
<b>Non-Current Assets:</b>				
Lease receivable, non-current	-	1,043,522	26,908	1,070,430
Capital assets, net	5,521,520	31,724,401	-	37,245,921
Total non-current assets	<u>5,521,520</u>	<u>32,767,923</u>	<u>26,908</u>	<u>38,316,351</u>
Total assets	<u><u>7,693,871</u></u>	<u><u>34,732,557</u></u>	<u><u>2,683,438</u></u>	<u><u>45,109,866</u></u>
<b>Deferred Outflows of Resources:</b>				
Pension deferrals	148,618	107,064	32,137	287,819
OPEB deferrals	44,761	-	32,544	77,305
Total deferred outflows	<u>193,379</u>	<u>107,064</u>	<u>64,681</u>	<u>365,124</u>
<b>Liabilities:</b>				
<b>Current Liabilities:</b>				
Debt obligation - current portion	\$ 959,960	\$ -	\$ 30,213	\$ 990,173
Accounts payable and accrued expenses	657,805	475,003	105,667	1,238,475
Liabilities to be paid from restricted assets	-	22,565	-	22,565
Total current liabilities	<u>1,617,765</u>	<u>497,568</u>	<u>135,880</u>	<u>2,251,213</u>
<b>Noncurrent Liabilities:</b>				
Net pension liability	282,940	-	71,864	354,804
Total OPEB liability	164,819	-	-	164,819
Compensated absences	38,710	-	3,547	42,257
Debt obligation - long-term portion	998,280	114,672	1,080	1,114,032
Total noncurrent liabilities	<u>1,484,749</u>	<u>114,672</u>	<u>76,491</u>	<u>1,675,912</u>
Total liabilities	<u><u>3,102,514</u></u>	<u><u>612,240</u></u>	<u><u>212,371</u></u>	<u><u>3,927,125</u></u>
<b>Deferred Inflows of Resources:</b>				
Lease deferrals	-	989,937	-	989,937
Pension deferrals	4,364	3,399	6,794	14,557
OPEB deferral	100,140	-	-	100,140
Total deferred inflows	<u>104,504</u>	<u>993,336</u>	<u>6,794</u>	<u>1,104,634</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

COMBINING BALANCE SHEET - NON-MAJOR COMPONENT UNITS  
JUNE 30, 2025

	Brunswick County Alcoholic Beverage Control Board	Brunswick County Airport Commission	Brunswick County Tourism Development Authority	Totals
<b>Net position:</b>				
Net investment in capital assets	3,575,832	31,724,401	-	35,300,233
Restricted for:				
Stabilization by State Statute	-	-	704,758	704,758
For Tourism Promotion	-	-	1,824,196	1,824,196
For Working Capital	195,936	-	-	195,936
Unrestricted	908,464	1,509,644	-	2,418,108
Total net position	<u>\$ 4,680,232</u>	<u>\$ 33,234,045</u>	<u>\$ 2,528,954</u>	<u>\$ 40,443,231</u>

## COUNTY OF BRUNSWICK, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -  
NON-MAJOR COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2025

	Brunswick County Alcoholic Beverage Control Board	Brunswick County Airport Commission	Brunswick County Tourism Development Authority	Totals
<b>Revenues:</b>				
Sales and services	\$ 6,656,201	\$ 2,524,136	\$ -	\$ 9,180,337
Room occupancy taxes	-	-	3,305,054	3,305,054
Unrestricted intergovernmental	-	133,000	-	133,000
Other revenue	(72)	57,105	6	57,039
Sale of real property	-	96,835	-	96,835
Investment earnings	31,522	60,789	2,671	94,982
Total revenues	<u>6,687,651</u>	<u>2,871,865</u>	<u>3,307,731</u>	<u>12,867,247</u>
<b>Expenses</b>				
Operating expenses	<u>6,323,003</u>	<u>2,917,396</u>	<u>3,097,253</u>	<u>12,337,652</u>
Capital contributions	<u>-</u>	<u>2,126,944</u>	<u>-</u>	<u>2,126,944</u>
<b>Change in net position</b>	364,648	2,081,413	210,478	2,656,539
<b>Net position, beginning of year</b>	<u>4,364,651</u>	<u>31,152,632</u>	<u>2,320,699</u>	<u>37,837,982</u>
<b>Prior period adjustment</b>	<u>(49,067)</u>	<u>-</u>	<u>(2,223)</u>	<u>(51,290)</u>
<b>Net position, as restated</b>	<u>4,315,584</u>	<u>31,152,632</u>	<u>2,318,476</u>	<u>37,786,692</u>
<b>Net position, end of year</b>	<u>\$ 4,680,232</u>	<u>\$ 33,234,045</u>	<u>\$ 2,528,954</u>	<u>\$ 40,443,231</u>



# STATISTICAL SECTION

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This section includes detailed 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.

## FINANCIAL TRENDS

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

## REVENUE CAPACITY

These tables contain information to help the reader assess the factors affecting the County's ability to generate its property taxes.

## DEBT CAPACITY

These tables 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.

## DEMOGRAPHIC AND ECONOMIC INFORMATION

These tables 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.

## OPERATING INFORMATION

These tables 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.

COUNTY OF BRUNSWICK, NORTH CAROLINA

Net Position by Component  
(accrual basis of accounting)

Last Ten Fiscal Years

	Fiscal Year		
	2016	2017	2018
Governmental activities			
Net investment in capital assets	\$ 98,533,551	\$ 103,666,583	\$ 110,230,469
Restricted	11,393,121	14,833,062	15,635,110
Unrestricted	4,291,984	7,002,602	(55,398,142)
Total governmental activities net position	<u>\$ 114,218,656</u>	<u>\$ 125,502,247</u>	<u>\$ 70,467,437</u>
Business-type activities			
Net investment in capital assets	\$ 237,499,403	\$ 249,222,001	\$ 256,733,898
Unrestricted	56,333,023	54,639,409	47,853,948
Total business-type activities net position	<u>\$ 293,832,426</u>	<u>\$ 303,861,410</u>	<u>\$ 304,587,846</u>
Primary Government			
Net investment in capital assets	\$ 336,032,954	\$ 352,888,584	\$ 366,964,367
Restricted	11,393,121	14,833,062	15,635,110
Unrestricted	60,625,007	61,642,011	(7,544,194)
Total primary government net position	<u>\$ 408,051,082</u>	<u>\$ 429,363,657</u>	<u>\$ 375,055,283</u>

Table 1

Fiscal Year						
2019	2020	2021	2022	2023	2024	2025
\$ 115,617,349	\$ 120,163,924	\$ 126,785,111	\$ 127,746,956	\$ 134,129,701	\$ 143,461,084	\$ 143,997,138
18,668,825	21,291,880	22,879,562	23,171,792	21,660,621	27,682,997	31,413,432
<u>(83,341,628)</u>	<u>(79,120,681)</u>	<u>(90,325,264)</u>	<u>(58,291,400)</u>	<u>(38,626,331)</u>	<u>(48,014,805)</u>	<u>(38,082,781)</u>
<u>\$ 50,944,546</u>	<u>\$ 62,335,123</u>	<u>\$ 59,339,409</u>	<u>\$ 92,627,348</u>	<u>\$ 117,163,991</u>	<u>\$ 123,129,276</u>	<u>\$ 137,327,789</u>
\$ 274,843,506	\$ 284,015,403	\$ 302,098,004	\$ 315,518,906	\$ 347,728,658	\$ 425,495,806	\$ 469,245,054
44,114,541	53,574,925	44,083,378	69,420,085	97,592,447	121,850,452	158,301,580
<u>\$ 318,958,047</u>	<u>\$ 337,590,328</u>	<u>\$ 346,181,382</u>	<u>\$ 384,938,991</u>	<u>\$ 445,321,105</u>	<u>\$ 547,346,258</u>	<u>\$ 627,546,634</u>
\$ 390,460,855	\$ 404,179,327	\$ 428,883,115	\$ 443,265,862	\$ 481,858,359	\$ 568,956,890	\$ 613,242,192
18,668,825	21,291,880	22,879,562	23,171,792	21,660,621	27,682,997	31,413,432
<u>(39,227,087)</u>	<u>(25,545,756)</u>	<u>(46,241,886)</u>	<u>11,128,685</u>	<u>58,966,116</u>	<u>73,835,647</u>	<u>120,218,799</u>
<u>\$ 369,902,593</u>	<u>\$ 399,925,451</u>	<u>\$ 405,520,791</u>	<u>\$ 477,566,339</u>	<u>\$ 562,485,096</u>	<u>\$ 670,475,534</u>	<u>\$ 764,874,423</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

Changes in Net Position  
(accrual basis of accounting)

Last Ten Fiscal Years

	Fiscal Year		
	2016	2017	2018
<b>Expenses</b>			
Governmental activities:			
General government	\$ 12,394,690	\$ 12,963,358	\$ 13,687,487
Public safety	38,664,204	42,827,646	44,821,539
Central services	13,337,319	15,867,210	17,317,898
Human services	27,603,012	29,451,140	25,306,675
Transportation	1,359,490	809,229	2,332,476
Environmental protection	14,346,834	14,832,478	15,746,784
Cultural and recreation	4,019,127	4,461,038	4,595,063
Economic and physical development	7,367,883	8,653,116	7,764,610
Education	43,174,118	45,425,138	51,382,418
Interest on long-term debt	3,293,032	2,939,230	2,557,786
Total governmental activities	<u>165,559,709</u>	<u>178,229,583</u>	<u>185,512,736</u>
Business-type activities:			
Water	19,859,927	21,929,069	23,586,326
Wastewater	21,036,877	21,851,601	22,027,760
Total business-type activities	<u>40,896,804</u>	<u>43,780,670</u>	<u>45,614,086</u>
Total primary government expenses	<u>\$ 206,456,513</u>	<u>\$ 222,010,253</u>	<u>\$ 231,126,822</u>
<b>Program Revenues</b>			
Governmental activities			
Charges for services:			
General government	\$ 1,456,894	\$ 1,666,619	\$ 1,800,557
Public safety	10,157,712	9,792,703	10,853,112
Human services	735,106	2,898,025	3,041,993
Environmental protection	3,672,124	3,751,566	3,725,329
Cultural and recreation	292,772	264,574	290,068
Economic and physical development	1,045,124	890,920	1,027,381
Operating grants and contributions:			
General government	3,224,530	4,124,111	4,208,974
Public safety	1,589,862	1,683,576	1,380,991
Central services	140,213	198,863	201,391
Human services	15,605,953	16,460,187	11,763,894
Transportation	186,354	225,953	230,887
Environmental protection	14,696	15,281	15,250
Cultural and recreation	149,460	149,232	154,674
Economic and physical development	2,691,449	2,397,652	2,255,420

Table 2

		Fiscal Year											
		2019	2020	2021	2022	2023	2024	2025					
\$	13,314,538	\$	15,306,541	\$	17,647,297	\$	18,295,685	\$	18,260,463	\$	20,384,692	\$	20,433,922
	49,929,898		53,594,015		57,293,377		63,909,721		68,124,323		71,775,691		79,087,469
	24,293,860		19,216,028		18,939,131		15,992,165		20,943,532		23,488,148		27,461,810
	25,630,231		27,802,694		30,604,477		33,681,908		32,005,512		31,477,908		36,150,304
	3,575,858		3,502,110		986,003		3,866,053		991,949		750,683		2,075,584
	17,556,933		17,969,669		20,046,140		19,692,763		22,522,844		25,606,324		26,904,746
	4,595,624		6,618,268		6,627,479		7,370,332		7,721,848		13,402,147		10,298,495
	8,117,571		6,531,495		8,907,797		8,940,721		9,179,681		29,900,624		10,292,964
	78,603,400		76,387,466		87,560,695		70,314,822		70,341,102		104,347,082		94,526,864
	4,115,665		3,620,295		4,531,542		4,006,029		5,257,936		5,042,280		4,621,200
	<u>229,733,578</u>		<u>230,548,581</u>		<u>253,143,938</u>		<u>246,070,199</u>		<u>255,349,190</u>		<u>326,175,579</u>		<u>311,853,358</u>
	25,246,278		25,771,987		30,706,103		30,374,476		35,663,951		38,221,617		42,184,702
	<u>21,150,244</u>		<u>22,320,986</u>		<u>35,552,021</u>		<u>23,802,307</u>		<u>26,660,869</u>		<u>27,658,240</u>		<u>29,078,862</u>
	<u>46,396,522</u>		<u>48,092,973</u>		<u>66,258,124</u>		<u>54,176,783</u>		<u>62,324,820</u>		<u>65,879,857</u>		<u>71,263,564</u>
\$	<u>276,130,100</u>	\$	<u>278,641,554</u>	\$	<u>319,402,062</u>	\$	<u>300,246,982</u>	\$	<u>317,674,010</u>	\$	<u>392,055,436</u>	\$	<u>383,116,922</u>
\$	1,684,852	\$	2,001,158	\$	2,749,023	\$	2,326,109	\$	2,131,648	\$	2,274,781	\$	2,573,100
	11,891,138		13,115,402		14,574,006		16,904,098		18,034,195		21,563,413		24,702,476
	868,799		1,009,260		1,427,926		1,584,329		1,222,699		1,165,757		1,067,724
	5,914,747		4,665,644		5,575,575		6,596,328		6,898,872		8,053,520		7,907,877
	258,926		158,049		89,183		256,710		300,293		325,873		324,251
	892,741		957,525		909,296		1,086,368		1,002,825		1,128,833		1,223,286
	7,924,185		17,735,961		7,920,581		6,612,172		8,077,143		8,383,859		8,554,574
	1,892,746		4,254,740		1,248,559		10,909,421		1,219,189		1,502,352		1,361,247
	273,089		139,499		117,501		138,393		82,087		100,485		110,143
	11,840,342		10,930,652		15,327,774		19,978,207		21,091,504		18,064,509		19,647,812
	230,880		270,488		-		245,881		164,544		130,581		61,200
	8,236		16,007		115,261		395,184		43,540		14,614		33,414
	150,238		148,239		248,009		148,878		249,390		244,870		209,441
	2,109,795		2,378,582		1,593,605		950,264		1,158,321		1,459,793		1,166,894

Continued on next page

COUNTY OF BRUNSWICK, NORTH CAROLINA

**Changes in Net Position**  
**(accrual basis of accounting)**

Last Ten Fiscal Years

	Fiscal Year		
	2016	2017	2018
Capital grants and contributions:			
General government	\$ -	\$ -	\$ -
Public safety	189,187	-	-
Transportation	1,454,556	365,097	2,799,107
Cultural and recreation	-	-	-
Total governmental activities program revenues	<u>42,605,992</u>	<u>44,884,359</u>	<u>43,749,028</u>
Business-type activities:			
Charges for services:			
Water	22,526,148	23,676,875	25,024,243
Wastewater	24,758,778	25,297,775	29,197,534
Capital grants and contributions:			
Water	1,495,593	1,740,949	1,740,949
Wastewater	1,552,767	2,961,366	1,134,455
Total business-type activities program revenues	<u>50,333,286</u>	<u>53,676,965</u>	<u>57,097,181</u>
Total primary government program revenues	<u>\$ 92,939,278</u>	<u>\$ 98,561,324</u>	<u>\$ 100,846,209</u>
Net (expense)/revenue			
Governmental activities	\$ (122,953,717)	\$ (133,345,224)	\$ (141,763,708)
Business-type activities	<u>9,436,482</u>	<u>9,896,295</u>	<u>11,483,095</u>
Total primary government net (expense)/revenue	<u>\$ (113,517,235)</u>	<u>\$ (123,448,929)</u>	<u>\$ (130,280,613)</u>
<b>General Revenues and Other Changes in Net Position</b>			
Governmental activities:			
Ad Valorem taxes	\$ 114,258,168	\$ 118,423,006	\$ 124,140,830
Local option taxes	20,944,326	22,464,392	23,986,670
Other taxes	4,956,253	5,087,399	6,006,050
Investment earnings	159,867	265,529	702,812
Disposal of capital assets	11,640	-	-
Transfers	-	-	-
Total governmental activities	<u>140,330,254</u>	<u>146,240,326</u>	<u>154,836,362</u>
Business-type activities:			
Investment earnings	93,247	132,689	326,059
Transfers	-	-	-
Total business-type activities	<u>93,247</u>	<u>132,689</u>	<u>326,059</u>
Total primary government	<u>\$ 140,423,501</u>	<u>\$ 146,373,015</u>	<u>\$ 155,162,421</u>
<b>Change in Net Position</b>			
Governmental activities	\$ 17,376,537	\$ 12,895,102	\$ 13,072,654
Business-type activities	<u>9,529,729</u>	<u>10,028,984</u>	<u>11,809,154</u>
Total primary government	<u>\$ 26,906,266</u>	<u>\$ 22,924,086</u>	<u>\$ 24,881,808</u>

Table 2 (Continued)

							Fiscal Year						
2019	2020	2021	2022	2023	2024	2025	2019	2020	2021	2022	2023	2024	2025
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,054,238	\$ 3,321,924							
-	-	-	-	-	238,722	-							
2,585,911	3,835,237	882,575	3,425,624	640,000	318,551	1,927,091							
-	1,641,088	1,641,088	-	-	-	-							
<u>48,526,625</u>	<u>63,257,531</u>	<u>54,419,962</u>	<u>71,557,966</u>	<u>62,316,250</u>	<u>69,024,751</u>	<u>74,192,454</u>							
25,732,032	30,480,611	30,457,948	40,946,532	51,580,618	49,490,152	56,437,211							
29,365,427	31,450,189	37,449,751	41,564,641	39,972,644	54,457,577	60,546,139							
2,212,677	935,236	2,918,743	4,283,818	9,965,579	19,061,933	10,250,920							
2,356,731	2,186,128	3,959,187	5,841,282	9,298,530	37,833,178	16,911,631							
<u>59,666,867</u>	<u>65,052,164</u>	<u>74,785,629</u>	<u>92,636,273</u>	<u>110,817,371</u>	<u>160,842,840</u>	<u>144,145,901</u>							
<u>\$ 108,193,492</u>	<u>\$ 128,309,695</u>	<u>\$ 129,205,591</u>	<u>\$ 164,194,239</u>	<u>\$ 173,133,621</u>	<u>\$ 229,867,591</u>	<u>\$ 218,338,355</u>							
\$ (181,206,953)	\$ (167,291,050)	\$ (198,723,976)	\$ (174,512,233)	\$ (193,032,940)	\$ (257,150,828)	\$ (237,660,904)							
13,270,345	16,959,191	8,527,505	38,459,490	48,492,551	94,962,983	72,882,337							
<u>\$ (167,936,608)</u>	<u>\$ (150,331,859)</u>	<u>\$ (190,196,471)</u>	<u>\$ (136,052,743)</u>	<u>\$ (144,540,389)</u>	<u>\$ (162,187,845)</u>	<u>\$ (164,778,567)</u>							
\$ 127,900,138	\$ 142,610,199	\$ 149,471,104	\$ 154,660,159	\$ 160,995,382	\$ 174,348,859	\$ 183,032,986							
26,288,973	28,320,802	35,085,909	40,769,837	44,858,366	47,800,383	49,484,098							
5,774,132	6,350,878	10,521,195	12,265,423	11,133,334	11,840,196	12,372,526							
2,186,800	1,738,549	131,756	231,741	7,455,513	11,284,059	11,003,922							
-	-	-	-	-	-	-							
(465,981)	(338,801)	-	(126,988)	(6,873,012)	-	(905,271)							
<u>161,684,062</u>	<u>178,681,627</u>	<u>195,209,964</u>	<u>207,800,172</u>	<u>217,569,583</u>	<u>245,273,497</u>	<u>254,988,261</u>							
633,875	1,334,289	63,549	171,131	5,016,551	7,062,170	6,805,197							
465,981	338,801	-	126,988	6,873,012	-	905,271							
<u>1,099,856</u>	<u>1,673,090</u>	<u>63,549</u>	<u>298,119</u>	<u>11,889,563</u>	<u>7,062,170</u>	<u>7,710,468</u>							
<u>\$ 162,783,918</u>	<u>\$ 180,354,717</u>	<u>\$ 195,273,513</u>	<u>\$ 208,098,291</u>	<u>\$ 229,459,146</u>	<u>\$ 252,335,667</u>	<u>\$ 262,698,729</u>							
\$ (19,522,891)	\$ 11,390,577	\$ (3,514,012)	\$ 33,287,939	\$ 24,536,643	\$ (11,877,331)	\$ 17,327,357							
14,370,201	18,632,281	8,591,054	38,757,609	60,382,114	102,025,153	80,592,805							
<u>\$ (5,152,690)</u>	<u>\$ 30,022,858</u>	<u>\$ 5,077,042</u>	<u>\$ 72,045,548</u>	<u>\$ 84,918,757</u>	<u>\$ 90,147,822</u>	<u>\$ 97,920,162</u>							



**Governmental Activities Tax Revenues By Source**  
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Video Programming Tax</u>	<u>Alcoholic Beverage Tax</u>	<u>Total</u>
2016	\$ 116,180,734	\$ 20,944,326	\$ 416,674	\$ 269,014	\$ 137,810,748
2017	119,820,026	22,464,392	431,684	288,854	143,004,956
2018	124,318,739	23,986,670	432,744	284,924	149,023,077
2019	128,233,886	26,288,973	425,200	292,723	155,240,782
2020	142,572,371	28,320,802	407,169	300,885	171,601,227
2021	150,243,480	35,085,909	404,719	300,219	186,034,327
2022	154,831,528	40,769,837	380,262	263,838	196,245,465
2023	161,239,315	44,858,366	361,664	308,389	206,767,734
2024	174,202,755	47,800,383	342,803	348,043	222,693,984
2025	182,924,569	49,484,098	323,579	298,224	233,030,470

COUNTY OF BRUNSWICK, NORTH CAROLINA

Fund Balance, Governmental Funds  
(modified accrual basis of accounting)

Last Ten Fiscal Years

	Fiscal Year		
	2016	2017	2018
<b>General Fund</b>			
Non-spendable	\$ 64,000	\$ 64,000	\$ 64,000
Restricted	9,707,172	12,327,583	13,205,849
Assigned	1,444,986	1,704,369	2,522,556
Committed	214,566	214,566	214,566
Unassigned	<u>60,934,148</u>	<u>59,299,170</u>	<u>59,897,574</u>
Total General fund	<u>\$ 72,364,872</u>	<u>\$ 73,609,688</u>	<u>\$ 75,904,545</u>
<b>All Other Governmental Funds</b>			
Non-spendable	\$ -	\$ -	\$ -
Restricted in Special Revenue Funds	1,685,949	2,005,166	1,960,642
Restricted in Capital Project Funds	1,921,723	168,580	50,249,024
Committed in Capital Project Funds	29,611,963	35,836,600	42,347,852
Unassigned in Special Revenue Funds	<u>(81,924)</u>	<u>(118,432)</u>	<u>(49,255)</u>
Total all other governmental funds	<u>\$ 33,137,711</u>	<u>\$ 37,891,914</u>	<u>\$ 94,508,263</u>

Note: The County implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011.

Table 4

Fiscal Year						
2019	2020	2021	2022	2023	2024	2025
\$ 64,000	\$ 64,000	\$ 64,000	\$ 64,000	\$ 694,358	\$ 105,383	\$ 268,290
16,283,789	18,223,266	19,425,458	19,975,097	18,875,201	19,627,844	21,779,786
2,176,237	2,346,999	3,349,236	16,046,124	26,191,557	18,748,692	14,303,135
214,566	214,566	214,566	214,566	214,566	214,566	214,566
<u>62,014,132</u>	<u>76,178,168</u>	<u>98,141,209</u>	<u>103,370,576</u>	<u>104,463,914</u>	<u>112,388,522</u>	<u>111,715,806</u>
<u>\$ 80,752,724</u>	<u>\$ 97,026,999</u>	<u>\$ 121,194,469</u>	<u>\$ 139,670,363</u>	<u>\$ 150,439,596</u>	<u>\$ 151,085,007</u>	<u>\$ 148,281,583</u>
\$ -	\$ -	\$ -	\$ -	\$ 54	\$ -	\$ -
1,946,000	2,618,954	2,944,022	2,691,517	2,319,866	7,625,910	9,345,665
31,212,566	8,467,379	30,445,864	13,599,138	58,086,761	31,409,333	6,407,856
32,958,725	43,840,005	44,139,925	74,967,222	98,785,098	97,924,292	135,333,308
<u>(46,533)</u>	<u>(328,037)</u>	<u>(132,860)</u>	<u>(63,035)</u>	<u>(6,854,920)</u>	<u>(2,651,742)</u>	<u>(212,924)</u>
<u>\$ 66,070,758</u>	<u>\$ 54,598,301</u>	<u>\$ 77,396,951</u>	<u>\$ 91,194,842</u>	<u>\$ 152,336,859</u>	<u>\$ 134,307,793</u>	<u>\$ 150,873,905</u>

COUNTY OF BRUNSWICK, NORTH CAROLINA

Changes in Fund Balance, Governmental Funds  
(modified accrual basis of accounting)

Last Ten Fiscal Years

	Fiscal Year		
	2016	2017	2018
<b>Revenues</b>			
Ad Valorem taxes	\$ 116,180,734	\$ 119,820,026	\$ 124,318,739
Local option sales taxes	20,944,326	22,464,392	23,986,670
Other taxes and licenses	4,956,253	5,087,399	6,006,050
Unrestricted intergovernmental	2,409,442	3,498,931	3,767,405
Restricted intergovernmental	23,264,655	22,515,122	19,901,118
Permits and fees	4,005,174	4,250,117	4,865,937
Sales and services	10,380,809	10,723,116	11,045,810
Opioid settlement funds	-	-	-
Investment earnings	154,756	255,505	670,553
Other revenue	2,677,309	2,112,102	2,056,327
Total revenues	<u>184,973,458</u>	<u>190,726,710</u>	<u>196,618,609</u>
<b>Expenditures</b>			
General government	11,094,536	11,338,308	12,139,032
Public safety	36,077,101	38,267,043	41,289,717
Central services	14,019,519	14,771,649	14,455,791
Human services	26,531,689	27,729,000	23,850,729
Transportation	340,204	379,803	385,617
Environmental protection	14,162,219	14,671,053	15,975,013
Culture and recreation	3,842,141	4,792,096	4,299,750
Economic and physical development	5,978,964	5,577,280	5,943,733
Education	38,148,499	40,022,567	42,342,658
Non-County Capital Projects	2,443,977	2,838,329	5,342,674
Capital Outlay and CIP	15,610,192	10,021,208	11,185,550
Debt Service:			
Principal retirement	11,470,000	11,295,000	11,383,292
Interest and fiscal charges	3,410,271	3,024,355	2,569,088
Total expenditures	<u>183,129,312</u>	<u>184,727,691</u>	<u>191,162,644</u>
Revenues over (under) expenditures	<u>1,844,146</u>	<u>5,999,019</u>	<u>5,455,965</u>
<b>Other Financing Sources (Uses)</b>			
Lease liabilities issued	-	-	-
SBITA liabilities issued	-	-	-
Issuance of long-term debt	-	-	50,460,057
Premium on Bonds Issued	-	-	2,995,184
Payment to escrow agent-refunded debt	-	-	-
Sale of capital assets	11,640	-	-
Transfer from other funds	14,404,200	16,883,690	17,208,599
Transfer to other funds	(14,404,200)	(16,883,690)	(17,208,599)
Total other financing sources (uses)	<u>11,640</u>	<u>-</u>	<u>53,455,241</u>
Net change in fund balances	<u>\$ 1,855,786</u>	<u>\$ 5,999,019</u>	<u>\$ 58,911,206</u>
Debt service as a percentage of noncapital expenditures	8.9%	8.2%	7.8%

Table 5

Fiscal Year						
2019	2020	2021	2022	2023	2024	2025
\$ 128,233,886	\$ 142,572,371	\$ 150,243,480	\$ 154,831,528	\$ 161,239,315	\$ 174,202,755	\$ 182,924,569
26,288,973	28,320,802	35,085,909	40,769,837	44,858,366	47,800,383	49,484,098
5,774,132	6,350,878	10,521,195	12,265,423	11,133,334	11,840,196	12,372,526
4,769,103	5,431,459	7,078,071	6,886,403	8,266,572	7,994,559	8,312,633
21,995,524	32,231,680	24,658,314	36,895,050	25,399,936	26,107,375	27,180,550
4,908,774	5,306,314	7,061,171	8,219,230	7,651,923	10,420,404	10,514,796
13,353,198	13,230,183	14,771,765	16,944,676	18,234,920	20,365,567	22,357,000
-	-	-	-	-	-	2,088,734
2,132,981	1,715,833	131,756	231,741	7,455,513	11,284,059	11,003,922
2,582,637	2,554,942	4,167,343	2,987,789	2,779,147	3,018,141	4,331,409
<u>210,039,208</u>	<u>237,714,462</u>	<u>253,719,004</u>	<u>280,031,677</u>	<u>287,019,026</u>	<u>313,033,439</u>	<u>330,570,237</u>
12,175,158	13,524,217	15,592,028	16,425,130	16,332,544	17,986,664	18,320,352
47,358,290	44,988,092	46,647,714	54,161,251	59,832,933	62,780,417	70,472,660
24,723,421	17,184,713	17,033,291	14,572,003	19,316,021	21,570,998	25,497,405
24,485,819	25,528,144	27,821,773	31,396,356	30,482,786	29,723,757	34,697,874
447,953	441,020	138,500	406,881	325,544	291,581	222,200
17,421,701	17,546,077	19,339,779	19,931,643	21,405,251	24,741,037	26,177,459
4,608,817	4,000,827	3,794,200	4,725,278	5,241,234	10,772,907	7,732,966
6,191,937	6,204,188	8,539,906	8,595,031	8,811,096	29,624,493	10,063,113
45,217,658	48,228,674	52,012,772	53,468,602	57,159,529	61,388,985	64,805,929
30,906,415	29,972,597	35,276,278	19,330,096	13,019,415	42,735,374	31,051,310
9,804,969	8,175,317	13,078,450	9,174,283	17,467,785	18,459,955	12,527,486
11,233,460	13,623,305	12,305,000	11,321,729	9,827,474	11,433,522	10,876,045
2,224,964	4,975,026	3,240,524	5,057,723	4,483,450	5,192,766	4,772,996
<u>236,800,562</u>	<u>234,392,197</u>	<u>254,820,215</u>	<u>248,566,006</u>	<u>263,705,062</u>	<u>336,702,456</u>	<u>317,217,795</u>
<u>(26,761,354)</u>	<u>3,322,265</u>	<u>(1,101,211)</u>	<u>31,465,671</u>	<u>23,313,964</u>	<u>(23,669,017)</u>	<u>13,352,442</u>
-	-	-	775,921	523,952	171,875	604,129
-	-	-	-	3,261,915	625,061	711,388
-	-	41,795,000	11,215,000	45,815,000	-	-
-	-	5,754,033	-	5,869,431	-	-
-	-	-	(10,935,000)	-	-	-
-	-	-	-	-	-	-
11,581,050	22,380,941	19,177,214	44,637,933	35,739,626	15,163,638	41,088,113
<u>(8,409,022)</u>	<u>(20,901,388)</u>	<u>(19,177,214)</u>	<u>(44,764,921)</u>	<u>(42,612,638)</u>	<u>(15,163,638)</u>	<u>(41,993,384)</u>
<u>3,172,028</u>	<u>1,479,553</u>	<u>47,549,033</u>	<u>928,933</u>	<u>48,597,286</u>	<u>796,936</u>	<u>410,246</u>
<u>\$ (23,589,326)</u>	<u>\$ 4,801,818</u>	<u>\$ 46,447,822</u>	<u>\$ 32,394,604</u>	<u>\$ 71,911,250</u>	<u>\$ (22,872,081)</u>	<u>\$ 13,762,688</u>
5.9%	8.2%	6.4%	6.8%	5.8%	5.2%	5.1%

COUNTY OF BRUNSWICK, NORTH CAROLINA

Assessed Value and Estimated Actual Value of Taxable Property  
(amounts expressed in thousands)

Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property		Personal Property	
	Residential Property	Commercial Property	Motor Vehicles	Other
2016	\$ 16,775,139	\$ 3,934,909	\$ 1,275,999	\$ 2,075,894
2017	17,294,479	4,056,730	1,396,251	2,166,088
2018	17,794,986	4,174,133	1,459,086	2,302,919
2019	18,382,391	4,311,919	1,600,760	2,396,734
2020	20,709,084	4,857,686	1,669,005	2,497,353
2021	21,465,724	5,035,170	2,002,838	2,498,424
2022	22,200,365	5,207,493	2,139,478	2,650,561
2023	23,022,810	5,400,412	2,400,809	2,797,181
2024	37,429,381	8,779,731	2,649,915	2,910,123
2025	38,962,313	9,139,308	3,093,079	3,128,570

Source: Annual County Report of Valuation and Property Tax Levies

Note:

A revaluation of real property is required by the North Carolina General Statutes at least every eight years. Real property in Brunswick County is reassessed once every four years. The last revaluation was completed January 2023. The estimated market value is calculated by dividing the assessed value by an assessment-to-sales ratio determined by the State Department of Revenue. The ratio is based on actual property sales which took place during the fiscal year.

Table 6

Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ 603,427	\$ 23,458,514	\$ 0.004850	\$ 23,681,116	99.06%
639,991	24,273,557	0.004850	24,890,850	97.52%
666,572	25,064,552	0.004850	26,218,151	95.60%
686,539	26,005,265	0.004850	29,183,330	89.11%
645,101	29,088,027	0.004850	29,441,323	98.80%
657,978	30,344,178	0.004850	32,523,235	93.30%
668,144	31,529,753	0.004850	35,845,558	87.96%
636,361	32,984,851	0.004850	43,874,503	75.18%
989,212	50,779,938	0.003420	50,779,938	100.00%
1,001,949	53,321,321	0.034200	59,364,642	89.82%

**COUNTY OF BRUNSWICK, NORTH CAROLINA**

**Property Tax Rates-Direct and All Overlapping Governments  
(Per \$100 of Assessed Value)**

Last Ten Fiscal Years

	<u>2016</u>	<u>2017</u>	<u>2018</u>
County:			
Brunswick County-wide rate	\$ 0.4850	\$ 0.4850	\$ 0.4850
Municipality Rates:			
Village of Bald Head Island	0.6663	0.6663	0.6663
Village of Bald Head Island MSD Zone A (1)	0.7471	0.7471	0.7471
Village of Bald Head Island MSD Zone B (1)	0.7169	0.7169	0.7169
Town of Belville	0.0683	0.0900	0.0900
City of Boiling Spring Lakes	0.2100	0.2100	0.2100
Town of Bolivia	0.0500	0.0500	0.0500
Town of Calabash	0.0875	0.0875	0.0875
Town of Carolina Shores	0.1016	0.1016	0.1016
Town of Caswell Beach	0.2200	0.2200	0.2400
Town of Holden Beach	0.1500	0.2200	0.2200
Town of Leland	0.1515	0.1833	0.2100
Town of Navassa	0.2000	0.2000	0.2000
City of Northwest	0.2400	0.2400	0.2400
Town of Oak Island	0.2750	0.2900	0.3100
Town of Ocean Isle Beach	0.1875	0.1875	0.1875
Town of Sandy Creek	0.3000	0.2500	0.2500
Town of Shallotte	0.3500	0.3500	0.3500
Town of St. James Plantation	0.0500	0.0500	0.0500
City of Southport	0.2456	0.2456	0.2956
Town of Sunset Beach	0.1600	0.1600	0.1600
Town of Varnamtown	0.0500	0.0500	0.0500
Other Districts: (2)			
North Brunswick Sanitary District	na	na	na
Southeastern Brunswick Sanitary District	-	-	-
Smithville Township	0.0400	0.0400	0.0400

Notes:

Property was revalued in January 2015, January 2019, and January 2023

The property tax rates for each of the governments listed above are based on unit-wide tax rates. For each government, certain motor vehicles were taxed at the preceding year's rate.

(1) Municipal Service Districts created to fund beach re-nourishment.

(2) The North Brunswick Sanitary District has not enacted property taxes as of June 30, 2025.

The Smithville Township is a hospital district. The levy collected is specific for debt retirement and capital improvements.

Source : Brunswick County Tax Department.

Table 7

	2019	2020	2021	2022	2023	2024	2025
\$	0.4850	\$ 0.4850	\$ 0.4850	\$ 0.4850	\$ 0.4850	\$ 0.3420	\$ 0.3420
	0.6863	0.6863	0.6863	0.6863	0.7213	0.5779	0.6277
	0.7771	0.7771	0.7771	0.7771	0.8121	0.0668	0.0668
	0.7419	0.7419	0.7419	0.7419	0.7769	0.0383	0.0383
	0.0900	0.0900	0.0900	0.0900	0.1200	0.1100	0.1100
	0.2300	0.2300	0.2300	0.2820	0.2820	0.1900	0.1900
	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
	0.0875	0.0875	0.0875	0.0875	0.0875	0.0580	0.0580
	0.1016	0.1016	0.1016	0.1016	0.1016	0.1000	0.1000
	0.2400	0.2400	0.2400	0.2700	0.2800	0.1700	0.1900
	0.2200	0.2000	0.2000	0.2000	0.2000	0.1400	0.1400
	0.2100	0.2100	0.2100	0.2500	0.2500	0.2300	0.2700
	0.2000	0.2000	0.2300	0.2300	0.2300	0.2300	0.2500
	0.2400	0.2400	0.2400	0.2400	0.2700	0.2700	0.2700
	0.3100	0.2800	0.2800	0.2800	0.2800	0.1600	0.1600
	0.1875	0.1639	0.1639	0.1639	0.1639	0.1089	0.1300
	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500
	0.3450	0.3525	0.3525	0.3525	0.3525	0.2876	0.3100
	0.0500	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
	0.2956	0.2956	0.2956	0.2956	0.3956	0.2750	0.3100
	0.1500	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600
	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
	na	na	na	na	na	na	na
	-	-	-	-	-	-	-
	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400

**Principal Property Taxpayers**

Current Year and Nine Years Ago

Taxpayer	Type of Business	Fiscal Year 2025			Fiscal Year 2016		
		2024 Assessed Valuation	Rank	Percentage of Total Assessed Valuation	2015 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Duke Energy Brunswick Electric Membership Corporation	Utility	\$ 1,828,164,327	1	3.43%	\$ 1,000,037,256	1	4.27%
Archer Daniels Midland Company	Industry	234,349,123	2	0.44%	176,286,786	3	0.75%
Evergreen Timber LLC	Timber	138,612,281	3	0.26%	119,928,805	4	0.51%
Latitude Harrington Apartments LLC	Real Estate	72,244,152	4	0.14%	n/a	n/a	n/a
Exchange Westgate Apartments LLC	Real Estate	71,387,719	5	0.13%	n/a	n/a	n/a
D R Horton, Inc.	Construction	65,979,240	6	0.12%	n/a	n/a	n/a
Hawthorne at Waterside LLC	Real Estate	63,116,082	7	0.12%	n/a	n/a	n/a
Wal Apts DE LLC	Real Estate	62,256,433	8	0.12%	n/a	n/a	n/a
Comet Westgate Property Holdings LLC	Real Estate	61,550,292	9	0.12%	n/a	n/a	n/a
N.C. Eastern Municipal Power Ag.	Utility	60,862,865	10	0.11%	n/a	n/a	n/a
Bald Head Island Ltd	Real Estate	n/a	n/a	n/a	233,039,035	2	1.00%
Funston Land and Timber LLC	Timber	n/a	n/a	n/a	81,115,217	5	0.35%
Red Mountain Timber Co LLC	Timber	n/a	n/a	n/a	75,285,420	6	0.32%
Walmart Real Estate Bus. Trust	Retail	n/a	n/a	n/a	71,243,130	7	0.30%
CPI USA North Carolina, LLC	Utility	n/a	n/a	n/a	41,271,210	8	0.18%
Piedmont Natural Gas Co, Inc	Utility	n/a	n/a	n/a	41,303,508	9	0.18%
		<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>28,317,368</u>	10	0.12%
Totals		<u>\$ 2,658,522,514</u>		4.99%	<u>\$ 1,867,827,735</u>		7.98%

Source: Brunswick County Tax Department

Property Tax Levies and Collections - General Fund  
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Net Tax Levy	Collection Within Fiscal Year of Levy	Percent of Levy Collected	Collections in Subsequent Years	Total Tax Collections	Ratio of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Tax Levy
2016	113,979,053	110,454,040	96.91%	3,476,331	113,930,371	100.0%	48,682	0.0%
2017	117,803,110	115,101,632	97.71%	2,667,657	117,769,289	100.0%	33,821	0.0%
2018	121,658,790	119,535,583	98.25%	2,089,318	121,624,901	100.0%	33,889	0.0%
2019	125,942,283	123,941,110	98.41%	1,969,826	125,910,936	100.0%	31,347	0.0%
2020	141,152,012	138,971,877	98.46%	2,146,519	141,118,396	100.0%	33,616	0.0%
2021	147,236,527	145,779,689	99.01%	1,408,131	147,187,820	100.0%	48,707	0.0%
2022	153,438,978	152,041,522	99.09%	1,338,504	153,380,026	100.0%	58,952	0.0%
2023	160,119,043	158,997,481	99.30%	1,003,452	160,000,933	99.9%	118,110	0.1%
2024	173,814,290	172,464,863	99.22%	1,001,196	173,466,059	99.8%	348,231	0.2%
2025	182,519,022	181,085,628	99.21%	-	181,085,628	99.2%	1,433,394	0.8%

Note: This schedule includes data from only the General Fund countywide property tax levy.

COUNTY OF BRUNSWICK, NORTH CAROLINA

Ratio of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities						Business Type Activities
	General Obligation Bonded	Limited Obligation Bonded	Unamortized Bond Premiums	Installment Loans	Leases	SBITAs	General Obligation Bonded
2016	\$ 42,815,000	\$ 36,900,000	\$ 1,403,572	\$ 280,000	\$ -	\$ -	\$ 3,280,000
2017	35,140,000	33,350,000	1,302,222	210,000	-	-	3,110,000
2018	77,480,000	29,825,000	4,121,175	471,765	-	-	2,935,000
2019	69,965,000	26,340,000	3,870,066	238,305	-	-	2,755,000
2020	60,020,000	22,900,000	3,634,670	-	-	-	2,570,000
2021	92,075,000	20,335,000	9,025,170	-	-	-	2,380,000
2022	83,665,000	17,980,000	8,517,785	-	499,192	-	2,180,000
2023	123,765,000	15,215,000	13,733,098	-	630,761	2,259,204	1,975,000
2024	116,505,000	12,515,000	12,932,242	-	458,301	1,749,160	1,760,000
2025	109,620,000	10,245,000	11,972,570	-	703,524	1,075,046	1,535,000

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

- (1) State Data Center; projection as of June 30, 2025; annual estimates previous nine
- (2) Bureau of Economic Analysis; amounts are for prior calendar year

Table 10

Business-Type Activities					Total Primary Government	(2) Ratio Debt to Personal Income	(1) Per Capita
Revenue Bonds	Unamortized Bond Premiums	SRF Debt & Installment Loans	Leases	SBITAs			
\$ 93,560,754	\$ 7,777,411	\$ 40,052,114	\$ -	\$ -	\$ 226,068,851	4.3%	\$ 1,861
88,114,991	7,238,924	34,957,210	-	-	203,423,347	3.6%	1,628
82,500,667	6,700,436	29,726,839	-	-	233,760,882	3.8%	1,809
76,741,654	6,161,948	24,430,504	-	-	210,502,477	3.2%	1,575
295,155,000	30,113,577	19,458,815	-	-	433,852,062	5.8%	3,127
287,300,000	28,744,914	14,198,968	-	-	454,059,052	5.4%	3,133
278,600,000	27,376,252	10,315,398	1,750,585	-	430,884,212	4.8%	2,825
267,625,000	26,007,592	7,459,761	1,727,203	73,472	460,471,091	4.6%	2,870
278,075,000	25,158,173	5,215,940	2,188,736	53,140	456,610,692	n/a	2,715
263,710,000	23,058,496	26,885,813	2,123,532	7,240	450,936,221	n/a	2,576

Ratio of Net General Obligation Bonded Debt to Assessed Value and  
 Net General Obligation Bonded Debt per Capita  
 Last Ten Fiscal Years

Fiscal Year Ended June 30	Assessed Value (000 omitted)	General Obligation Bonded Debt	Ratio General Obligation Bonded Debt to Assessed Value	(1) Population	General Obligation Bonded Debt per Capita
2016	\$ 23,440,904	\$ 46,095,000	0.2%	121,479	\$ 379.45
2017	24,253,680	38,250,000	0.2%	124,921	306.19
2018	25,056,082	80,415,000	0.3%	129,199	622.41
2019	25,949,786	72,720,000	0.3%	133,610	544.27
2020	29,077,328	62,590,000	0.2%	138,726	451.18
2021	30,326,015	94,455,000	0.3%	144,938	651.69
2022	31,520,343	85,845,000	0.3%	152,549	562.74
2023	32,970,589	125,740,000	0.4%	160,440	783.72
2024	50,759,722	118,265,000	0.2%	168,153	703.32
2025	53,309,197	111,155,000	0.2%	175,047	635.00

Notes:

(1) State Data Center; projection as of June 30, 2025; annual estimates previous nine years

Direct and Underlying Governmental Activities Debt  
June 30, 2025

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Direct:			
Brunswick County	\$ 121,400,000	100%	\$ 121,400,000
Underlying Debt:			
Village of Bald Head Island	19,418,164	100%	19,418,164
City of Boiling Spring Lakes	299,999	100%	299,999
Town of Caswell Beach	19,735	100%	19,735
Town of Holden Beach	6,706,831	100%	6,706,831
Town of Leland	25,992,820	100%	25,992,820
Town of Ocean Isle Beach	4,765,000	100%	4,765,000
Town of Saint James	695,352	100%	695,352
City of Southport	946,000	100%	946,000
Southeast Brunswick Sanitary District	599,000	100%	599,000
Total Underlying Debt	<u>59,442,901</u>		<u>59,442,901</u>
Total Direct and Underlying Debt	<u>\$ 180,842,901</u>		<u>\$ 180,842,901</u>

Note: 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 Brunswick County. This process recognizes that, when considering the government'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.

COUNTY OF BRUNSWICK, NORTH CAROLINA

Legal Debt Margin Information

Last Ten Fiscal Years

	Fiscal Year			
	2016	2017	2018	2019
Debt limit	\$ 1,875,272,335	\$ 1,940,294,365	\$ 2,004,486,530	\$ 2,075,982,868
Total net debt applicable to limit	<u>83,275,000</u>	<u>71,810,000</u>	<u>110,711,765</u>	<u>99,298,305</u>
Legal margin	<u>\$ 1,791,997,335</u>	<u>\$ 1,868,484,365</u>	<u>\$ 1,893,774,765</u>	<u>\$ 1,976,684,563</u>
Total net debt applicable to the limit as a percentage of debt limit	4.4%	3.7%	5.5%	4.8%

Table 13

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 2,326,186,232	\$ 2,426,081,202	\$ 2,521,627,477	\$ 2,637,647,139	\$ 4,060,777,773	\$ 4,264,735,788
<u>85,490,000</u>	<u>114,790,000</u>	<u>103,825,000</u>	<u>140,955,000</u>	<u>130,780,000</u>	<u>121,400,000</u>
<u>\$ 2,240,696,232</u>	<u>\$ 2,311,291,202</u>	<u>\$ 2,417,802,477</u>	<u>\$ 2,496,692,139</u>	<u>\$ 3,929,997,773</u>	<u>\$ 4,143,335,788</u>
3.7%	4.7%	4.1%	5.3%	3.2%	2.8%

#### Calculation of Legal Debt Margin for Fiscal Year 2025:

Assessed value of taxable property	\$ 53,309,197,351
	<u>                    x 0.08</u>
Debt limit- 8 percent of assessed value	4,264,735,788
Gross debt:	
Total bonded debt	374,865,000
Total limited obligation bonds	10,245,000
Total installment purchases	<u>26,885,813</u>
Gross debt	411,995,813
Less: Water and wastewater revenue bonds & installment purchases	<u>290,595,813</u>
Total amount of debt applicable to debt limit (net debt)	<u>121,400,000</u>
Legal debt margin	<u>\$ 4,143,335,788</u>

Note: Under State finance law, Brunswick County's outstanding general obligation debt should not exceed 8 percent 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.

COUNTY OF BRUNSWICK, NORTH CAROLINA

Pledged-Revenue Coverage

Last Ten Fiscal Years

Net Coverage:

Fiscal Year End June 30	Enterprise Funds			All Enterprise Fund Debt Service		
	Operating Revenue Plus Interest	Operating Expenses Excluding OPEB (Net of Depreciation)	Net Available Revenue	Principal	Interest	Total
	2016	\$ 50,123,035	\$ 22,122,056	\$ 28,000,979	\$ 10,239,170	\$ 5,327,540
2017	51,852,201	24,237,704	27,614,497	10,710,667	5,455,456	16,166,123
2018	57,292,698	25,588,838	31,703,860	11,019,695	5,113,813	16,133,508
2019	58,476,196	28,328,057	30,148,139	11,235,348	4,709,974	15,945,322
2020	66,009,951	29,150,883	36,859,068	11,777,500	4,841,855	16,619,355
2021	70,318,756	31,132,190	39,186,566	13,716,248	5,483,625	19,199,873
2022	85,029,812	31,879,094	53,150,718	12,783,570	5,440,969	18,224,539
2023	96,854,275	34,429,442	62,424,833	14,035,636	10,767,972	24,803,608
2024	111,009,899	36,698,030	74,311,869	13,843,819	10,300,516	24,144,335
2025	123,788,547	42,717,934	81,070,613	13,750,657	10,716,630	24,467,287

Required Coverage:

Fiscal Year Ended June 30	Net Available Revenue	20% Unrestricted Net Position	Total Debt Service	Parity Debt Service	20% Parity Debt Service
2016	\$ 28,000,979	\$ 10,054,493	\$ 15,566,710	\$ 12,787,267	\$ 2,557,453
2017	27,614,497	9,699,772	16,166,123	13,415,468	2,683,094
2018	31,703,860	10,824,107	16,133,508	13,406,090	2,681,218
2019	30,148,139	12,058,998	15,945,322	13,330,608	2,666,122
2020	36,859,068	12,058,998	16,619,355	13,977,393	2,795,479
2021	39,186,566	13,676,849	19,199,873	16,537,343	3,307,469
2022	53,150,718	12,358,067	18,224,539	15,577,751	3,115,550
2023	62,424,833	16,934,642	24,803,608	22,177,958	4,435,592
2024	74,311,869	20,859,068	24,144,335	21,808,826	4,361,765
2025	81,070,613	27,831,930	24,467,287	22,142,138	4,428,428

Notes:

Water and Wastewater Revenues include investment earnings.

Operating expenses are exclusive of OPEB and net of depreciation and interest expense.

All water and wastewater debt service includes interest and principal of General Obligation Bonds, Revenue Bonds, State loans and other installment debt.

Table 14

Enterprise Fund Parity Debt Service			Net Coverage
Principal	Interest	Total	
\$ 8,068,932	\$ 4,718,335	\$ 12,787,267	1.80
8,513,791	4,901,677	13,415,468	1.71
8,795,702	4,610,388	13,406,090	1.97
9,058,912	4,271,696	13,330,608	1.89
9,525,909	4,451,484	13,977,393	2.22
11,406,658	5,130,685	16,537,343	2.04
10,439,848	5,137,903	15,577,751	2.92
11,662,250	10,515,708	22,177,958	2.52
11,708,926	10,099,900	21,808,826	3.08
11,580,000	10,562,138	22,142,138	3.31

Coverage	
100% Parity	120% Parity
1.80	2.10
1.71	1.98
1.97	2.26
1.89	2.27
2.22	2.52
2.04	2.35
2.92	3.07
2.52	2.71
3.08	3.34
3.31	3.77

Demographic Statistics  
Last Ten Fiscal Years

Fiscal Year Ended June 30	(1) Population	(2) Personal Income (in thousands)	(2) Per Capita Income	(1) Median Age	(3) School Enrollment	(4) Unemployment Rate
2016	121,479	\$ 5,279,266	\$ 43,458	50.9	12,290	5.8%
2017	124,921	5,649,899	45,228	51.9	12,401	4.8%
2018	129,199	6,099,266	47,208	52.8	12,425	5.0%
2019	133,610	6,596,432	49,371	53.8	12,363	5.3%
2020	138,726	7,428,297	53,547	55.9	12,444	8.3%
2021	144,938	8,354,838	57,644	57.0	11,963	6.1%
2022	152,549	8,951,852	58,652	58.1	12,484	5.1%
2023	160,440	9,934,416	61,920	59.1	12,844	4.2%
2024	168,153	not available	not available	59.9	13,194	4.6%
2025	175,047	not available	not available	60.6	13,508	4.6%

Notes:

- (1) State Data Center; projection as of June 30, 2025; annual estimates previous nine years
- (2) Bureau of Economic Analysis; figures are for prior calendar year
- (3) Brunswick County School System (20th day ADM)
- (4) North Carolina Employment Security Commission

**Principal Employers**

Current Year and Nine Years Ago

Name of Employer	Type of Business	Fiscal Year 2025			Fiscal Year 2016		
		Employees	Rank	% Total County Employment	Employees	Rank	% Total County Employment
Brunswick County Board of Education	Education	2,399	1	3.61%	2,013	1	3.88%
Novant Health	Medical Care Facility	1,957	2	2.95%	725	5	1.40%
County of Brunswick	Local Government	1,397	3	2.10%	1,024	2	1.97%
Wal-Mart Associates Inc.	Retail Chain	899	4	1.35%	905	4	1.74%
Food Lion LLC	Grocery Chain	751	5	1.13%	647	6	1.25%
Duke Energy	Utility	650	6	0.98%	937	3	1.81%
Brunswick Community College	Education	583	7	0.88%	474	8	0.91%
Victaulic	Manufacturing	509	8	0.77%	n/a	n/a	n/a
Lowe's Food	Grocery Chain	499	9	0.75%	548	7	1.06%
Dosher Memorial Hospital	Medical Care Facility	426	10	0.64%	316	9	0.61%
McAnderson's Inc.	Restaurant Chain	n/a	n/a	n/a	300	10	0.58%
Totals		<u>10,070</u>		15.16%	<u>7,889</u>		15.20%

Source: NC Employment Security Commission; total county employment



**Full-time Equivalent County Government Employees by Function**  
Last Ten Fiscal Years

	<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>
<b>Function:</b>										
General government	95	97	98	100	101	104	105	108	112	114
Public safety	367	379	397	436	451	470	493	508	528	558
Central services	85	86	87	91	91	92	94	99	105	116
Human services	218	217	218	222	223	230	236	263	272	291
Environmental protection	7	7	7	7	8	8	9	9	9	9
Cultural and recreation	39	43	43	45	45	45	46	47	54	57
Economic and physical development	22	22	25	25	27	27	27	28	29	30
Utilities	<u>123</u>	<u>127</u>	<u>131</u>	<u>136</u>	<u>146</u>	<u>147</u>	<u>154</u>	<u>177</u>	<u>190</u>	<u>222</u>
<b>Total</b>	<u>956</u>	<u>978</u>	<u>1,006</u>	<u>1,062</u>	<u>1,092</u>	<u>1,123</u>	<u>1,164</u>	<u>1,239</u>	<u>1,299</u>	<u>1,397</u>

Source: County Finance Department

Note: This schedule represents the number of approved permanent FTE's as of June 30, 2024.

## COUNTY OF BRUNSWICK, NORTH CAROLINA

### Operating Indicators by Function/Program

Last Ten Fiscal Years

	Fiscal Year		
	2016	2017	2018
General Government			
Number of registered voters	91,413	95,047	99,099
Number of marriage licenses issued	916	872	918
Number of tax bills issued excluding motor vehicles	155,864	154,982	161,248
Law enforcement:			
Civil papers issued	11,301	11,823	12,522
Offenses reported	5,390	5,414	4,812
Uniform mileage	2,133,688	22,248,160	2,380,425
Emergency Services:			
Fire Protection:			
Number of calls answered	15,428	18,508	19,029
Number of inspections conducted	1,643	1,512	2,211
Emergency Medical Services:			
Number of calls answered	17,338	17,889	18,242
Number of transports	10,689	11,047	11,069
Code enforcement/building permits:			
Number of zoning and solid waste violations	613	319	421
Number of building permits:			
Single-family	2,077	2,336	2,584
Commercial	318	321	450
Culture and Recreation:			
Number of athletic fields rented	63	75	83
Youth recreation:			
Certified coaches	525	248	198
Sports teams	182	195	177
Participants	3,938	3,145	3,029
Adult recreation:			
Sports teams	36	46	40
Participants	720	1,748	1,520
Library system total circulation	542,239	545,216	544,130
Solid waste:			
Waste received (tons per 1,000 population)	966	966	957
Ratio of recyclable to total waste received	24.3%	22.0%	20.4%
Public Utilities:			
Water customers	38,760	40,101	41,557
Water average daily treatment (in gallons)	14,138,190	15,024,000	15,277,210
Wastewater customers	15,847	16,579	17,719
Wastewater average daily treatment (in gallons)	5,995,560	5,645,539	6,162,226
Education:			
Number of teachers	784	803	824
Number of students	12,290	12,401	12,425
Number of charter students	1,002	1,093	1,199

Sources: Various government departments.

Table 18

Fiscal Year						
2019	2020	2021	2022	2023	2024	2025
100,613	108,464	115,644	123,459	127,130	135,070	139,004
759	737	885	994	1,062	1,046	1,068
158,454	159,583	163,413	164,179	166,059	168,563	171,830
11,864	10,159	10,948	11,383	12,263	10,286	9,897
5,653	5,739	6,473	6,828	7,221	6,167	6,194
2,366,513	2,476,215	2,647,354	2,809,139	2,889,753	2,997,138	3,011,412
25,073	23,266	18,631	22,304	23,051	19,721	17,892
2,590	3,416	6,922	9,778	11,171	15,610	13,063
19,866	23,348	23,915	24,664	25,812	25,816	26,597
10,999	11,695	12,492	12,838	1,446	14,671	15,799
482	515	507	706	614	695	508
2,512	2,516	3,739	4,135	3,979	4,777	4,466
251	202	177	215	260	291	193
68	19	n/a	57	82	75	224
267	120	128	402	439	482	267
165	101	64	187	241	247	196
3,120	1,404	680	2,067	2,667	2,846	2,443
43	20	7	9	10	11	17
1,830	400	140	180	200	225	350
551,271	423,790	445,365	422,991	333,939	362,775	425,963
1,233	1,022	1,099	1,199	1,274	1,246	1,281
18.4%	24.0%	21.3%	19.5%	18.9%	17.4%	14.4%
42,934	44,583	47,127	50,095	55,037	58,647	65,265
15,860,783	16,417,474	16,969,860	17,489,000	18,090,000	16,280,000	17,075,000
18,816	19,825	21,474	23,624	25,765	28,891	34,812
7,062,559	6,819,022	7,673,922	7,327,762	7,698,212	8,191,946	8,999,323
816	793	808	823	849	884	918
12,363	12,444	12,212	12,524	12,844	13,194	13,508
1,274	1,303	1,486	1,499	1,575	1,609	1,651

COUNTY OF BRUNSWICK, NORTH CAROLINA

Capital Asset Statistics by Function/Program  
Last Ten Fiscal Years

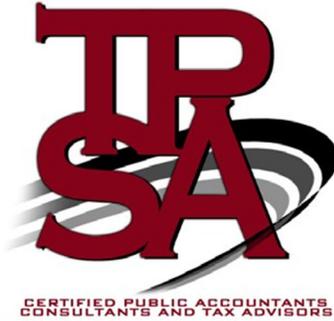
	Fiscal Year		
	2016	2017	2018
Law enforcement:			
Sheriff stations	10	5	5
Deputy patrol units	50	57	57
Detention center capacity	440	440	440
Emergency services:			
Fire stations			
Fire trucks			
Rescue stations	9	9	9
EMS vehicles	21	21	22
Culture and recreational:			
Community centers	5	5	4
Parks	13	13	13
Libraries (branches)	5	5	5
Public Utilities:			
Miles of water mains	1,029	1,044	1,053
Maximum daily water capacity (in gallons)	30,000,000	30,000,000	30,000,000
Miles of wastewater mains	569	581	593
Maximum daily wastewater capacity (in gallons)	10,855,555	10,855,555	10,855,555
(1) Education:			
Number of schools	19	19	19
Number of charter schools	2	2	2
Community colleges	1	1	1

Sources: Various government departments.

Table 19

Fiscal Year						
2019	2020	2021	2022	2023	2024	2025
5	5	5	5	5	5	5
60	60	60	60	60	60	60
440	440	440	440	440	440	440
9	8	8	8	8	8	9
25	25	27	27	38	42	42
4	4	4	4	4	4	4
13	13	13	13	13	13	13
5	5	5	5	5	5	5
1,066	1,097	1,113	1,128	1,221	1,308	1,311
30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
599	623	645	660	685	761	764
10,855,555	10,855,555	10,855,000	10,855,000	13,355,000	13,355,000	13,355,000
19	19	20	20	20	20	20
2	2	2	2	2	2	2
1	1	1	1	1	1	1





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**Report On Internal Control Over Financial Reporting And On Compliance and  
Other Matters Based On An Audit Of Financial Statements Performed In Accordance With  
*Government Auditing Standards***

**Independent Auditors' Report**

To the Board of County Commissioners  
Brunswick 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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brunswick County, North Carolina, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprises Brunswick County's basic financial statements, and have issued our report thereon dated December 1, 2025. Our report includes a reference to other auditors who audited the financial statements of the Brunswick County ABC Board, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Brunswick County ABC Board, the Brunswick County Airport Commission, and the Brunswick County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Brunswick 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 Brunswick 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 combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses may exist that have not been identified.

Members

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### Report on Compliance and Other Matters

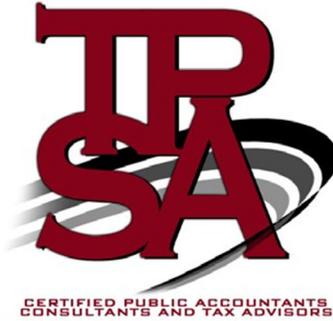
As part of obtaining reasonable assurance about whether Brunswick County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*.

### Purpose of this Report

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

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.  
Whiteville, NC  
December 1, 2025



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**Report On Compliance With Requirements Applicable To Each Major Federal Program And Internal Control Over Compliance In Accordance With OMB Uniform Guidance and the State Single Audit Implementation Act**

**Independent Auditors' Report**

To the Board of County Commissioners  
Brunswick County, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Brunswick County, North Carolina, compliance with the types of compliance requirements described in the OMB Compliance Supplement and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on each of the Brunswick County's major federal programs for the year ended June 30, 2025. Brunswick 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 Brunswick 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; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report. We are required to be independent of Brunswick County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Brunswick 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 Brunswick County federal programs.

Members

American Institute of CPAs - N.C. Association of CPAs - AICPA's Private Companies Practice Section

### 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 Brunswick County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. 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 Brunswick County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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 Brunswick 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 Brunswick County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Brunswick 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.

### Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items [2025-001 and 2025-002]. Our opinion on each major federal program is not modified with respect to these matters.

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

### Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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 federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or a 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 federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items [2025-001 and 2025-002] to be significant deficiencies.

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.

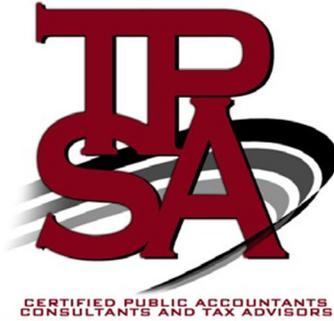
*Government Auditing Standards* requires the auditor to perform limited procedures on Brunswick County's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Brunswick County's response was not subjected to the auditing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

Brunswick County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. Brunswick County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.  
Whiteville, NC  
December 1, 2025



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**Report On Compliance With Requirements Applicable To Each Major State  
Program And Internal Control Over Compliance In Accordance With  
OMB Uniform Guidance and the State Single Audit Implementation Act**

**Independent Auditors' Report**

To the Board of County Commissioners  
Brunswick County, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Brunswick County, North Carolina, compliance with the types of compliance requirements described in the OMB Compliance Supplement and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on each of Brunswick County's major State programs for the year ended June 30, 2025. Brunswick 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, Brunswick 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; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report. We are required to be independent of Brunswick County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provides a reasonable basis for our opinion on compliance for each major State program. Our audit does not provide a legal determination of Brunswick 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 Brunswick County State programs.

Members

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### 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 Brunswick County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. 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 Brunswick County's compliance with the requirements of each major State program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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 Brunswick 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 Brunswick County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Brunswick 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.

### Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items [2025-001, 2025-002]. Our opinion on each major State program is not modified with respect to these matters.

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

### Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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 a 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items [2025-001 and 2025-002] to be significant deficiencies.

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.

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

Brunswick County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. Brunswick County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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

*Thompson, Price, Scott, Adams & Co., P.A.*

---

Thompson, Price, Scott, Adams & Co., P.A.  
Whiteville, NC  
December 1, 2025

**Brunswick County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2025**

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**Section I. Summary of Auditor's Results**

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Financial Statements

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

Internal control over financial reporting:

- Material Weakness(es) identified? \_\_\_yes X no
- Significant Deficiency(s) identified \_\_\_yes X none reported

Noncompliance material to financial statements noted \_\_\_yes X no

Federal Awards

Internal control over major federal programs:

- Material Weakness(es) identified? \_\_\_yes X no
- Significant Deficiency(s) identified X yes \_\_\_none reported

Noncompliance material to federal awards \_\_\_yes X 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 2 CFR 200.516(a)? X yes \_\_\_no

Identification of major federal programs:

<u>Assistance Listing No.</u>	<u>Program Name</u>
21.027	Coronavirus State and Local Fiscal Recovery Fund
66.468	Capitalization Grants for Drinking Water State Revolving Loan
66.458	Capitalization Grants for Clean Water State Revolving Loan
93.558	Temporary Assistance for Needy Families (TANF)
93.778	Medical Assistance Program
93.767	Children's Health Insurance Program

Dollar threshold used to distinguish between Type A and Type B Programs \$ 1,350,882

Auditee qualified as low-risk auditee? X yes \_\_\_no



**Brunswick County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2025**

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**Section III. Federal Award Findings and Questioned Costs**

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**U.S. Department of Health and Human Services**

Passed through the NC Department of Health and Human Services

Program Name: Medical Assistance Program (Medicaid)

AL #: 93.778

**Finding: 2025-001**

SIGNIFICANT DEFICENCY; NONCOMPLIANCE

Eligibility

- Criteria: Federal regulations under 42 CFR § 435.956 require states to verify eligibility factors using electronic data sources where available, and to obtain documentation for unverifiable information. Additionally, the state's Medicaid manual (Aged, Blind and Disabled manual, Family and Children Medicaid manual and the Integrated Policy manual) mandates that all eligibility determinations include cross-verification of applicant-provided data against reliable external sources to ensure accuracy and prevent improper payments.
- Condition: There were a total of 20 errors found during our testing procedures:
- There were 5 errors where income or household size was incorrectly calculated or inaccurate information was entered into the case file. In one notable instance, a failure resulted in a recipient being deemed eligible for Medicaid benefits when they were not, due to income exceeding the eligibility threshold.
  - There was 4 error where resources were incorrectly calculated or were not properly documented in the case file.
  - There were 9 errors where required information needed for eligibility determinations were not requested or not requested timely at applications or redeterminations.
  - There were 2 errors where a redetermination of eligibility was not performed in accordance with program requirements.
- Questioned Costs: Due to the nature of the populations provided from which the samples were chosen, we are unable to calculate questioned costs for the above mentioned potential eligibility and noncompliance errors.
- Context: We examined 60 cases from of a total of 625,001 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

**Brunswick County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2025**

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**Section III. Federal Award Findings and Questioned Costs (continued)**

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Effect:	These control deficiencies and noncompliance increase the risk of improper Medicaid payments, potentially resulting in overpayments to ineligible beneficiaries or underpayments to those who qualify.
Identification of a repeat finding:	This is a repeat finding from the immediate previous audit, 2024-001 and 2024-002. Note in FY 2025 Medicaid findings were combined into a single finding.
Cause:	The deficiencies and noncompliance reported above are caused from ineffective record keeping and case review processes due to insufficient training of staff, lack of oversight from management, and/or inadequate communication between departments resulting in inconsistencies in data sharing and delayed information exchanges.
Recommendation:	We recommend that management enhance internal controls by: (1) Providing comprehensive training to staff on the program's eligibility requirements and procedures outlined in the State's Medicaid manuals; (2) Ensuring that there is a formal internal review process and that it is adequately completed to identify and correct errors and monitor compliance; and (3) Communicating all program or policy changes clearly and timely across all departments who oversee eligibility determinations for federal funded programs.
Views of responsible officials and planned corrective actions:	The County agrees with the finding and is implementing actions to correct these issues, which are further discussed in the corrective action plan.

**U.S. Department of Health and Human Services**

Passed through the NC Department of Health and Human Services

Program Name: Children's Health Insurance Program (CHIP)

AL #: 93.767

**Finding: 2025-002**

SIGNIFICANT DEFICENCY; NONCOMPLIANCE

Eligibility

Criteria:	Federal regulations under 42 CFR § 457.340 - 457.353 require states to verify eligibility factors using electronic data sources where available, and to obtain documentation for unverifiable information. Additionally, the state's Medicaid manual for Family and Children Medicaid (CHIP is a different funding source but Eligibility is determined the same as Medicaid) mandates that all eligibility determinations include cross-verification of applicant-provided data against reliable external sources to ensure accuracy and prevent improper payments.
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**Brunswick County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2025**

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**Section III. Federal Award Findings and Questioned Costs (continued)**

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Condition:	<p>There were a total of 4 errors found during our testing procedures:</p> <ul style="list-style-type: none"><li>- There were 2 errors where income or household size was incorrectly calculated or inaccurate information was entered into the case file.</li><li>- There were 2 errors where redeterminations of eligibility was not performed in accordance with program requirements.</li></ul>
Questioned Costs:	<p>Due to the nature of the populations provided from which the samples were chosen, we are unable to calculate questioned costs for the above mentioned potential eligibility and noncompliance errors.</p>
Context:	<p>We examined 60 cases from of a total of 72,503 Medicaid claims from the Medicaid beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to CHIP administrative cost compliance audit.</p>
Effect:	<p>These control deficiencies and noncompliance increase the risk of improper CHIP payments, potentially resulting in overpayments to ineligible beneficiaries or underpayments to those who qualify.</p>
Cause:	<p>The deficiencies and noncompliance reported above are caused from ineffective record keeping and case review processes due to insufficient training of staff, lack of oversight from management, and/or inadequate communication between departments resulting in inconsistencies in data sharing and delayed information exchanges.</p>
Recommendation:	<p>We recommend that management enhance internal controls by: (1) Providing comprehensive training to staff on the program's eligibility requirements and procedures outlined in the State's Medicaid manuals; (2) Ensuring that there is a formal internal review process and that it is adequately completed to identify and correct errors and monitor compliance; and (3) Communicating all program or policy changes clearly and timely across all departments who oversee eligibility determinations for federal funded programs.</p>
Views of responsible officials and planned corrective actions:	<p>The County agrees with the finding and is implementing actions to correct these issues, which are further discussed in the corrective action plan.</p>

**Brunswick County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2025**

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**Section IV. State Award Findings and Questioned Costs**

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Program Name: Medical Assistance Program (Medicaid; Title XIX) and Children's Health Insurance Program (CHIP)  
AL #: 93.778

SIGNIFICANT DEFICENCY; NONCOMPLIANCE: Findings 2025-001 also apply to State requirements and State Awards.

Program Name: Children's Health Insurance Program (CHIP)  
AL #: 93.767

SIGNIFICANT DEFICENCY; NONCOMPLIANCE: Findings 2025-002 also apply to State requirements and State Awards.



## BRUNSWICK COUNTY

### Corrective Action Plan For the Year Ended June 30, 2025

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#### Section II - Financial Statement Findings

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None reported

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#### Section III - Federal Award Findings and Question Costs

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##### **Finding: 2025-001**

Name of contact person: Sally Strickland, Medicaid Program Manager, and Robby Hall, Director of Social Services

Corrective Action: There will be training, additional case studies, a checklist sheet, and a knowledge test for the relevant programs.

Proposed Completion Date: Training and additional case reads were started in August 2025. The agency will continue to complete additional training with individuals case workers as needed.

##### **Finding: 2025-002**

Name of contact person: Sally Strickland, Medicaid Program Manager, and Robby Hall, Director of Social Services

Corrective Action: There will be training, additional case studies, a checklist sheet, and a knowledge test for the relevant programs.

Proposed Completion Date: Training and additional case reads were started in November 2025. The agency will continue to complete additional training with individuals case workers as needed.

---

#### Section IV - State Award Findings and Question Costs

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Corrective Actions for Findings 2025-001 and 2025-002 also apply to State requirements and State Awards.

**Brunswick County, North Carolina**  
**Summary Schedule of Prior Audit Findings**  
**For the Year Ended June 30, 2025**

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Finding: 2024-001  
Status: Repeat as finding 2025-001. Note that in FY 2025 Medicaid findings were combined into a single finding.

Finding: 2024-002  
Status: Repeat as finding 2025-001. Note that in FY 2025 Medicaid findings were combined into a single finding.

Finding: 2024-003  
Status: Corrected in FY 2025.

Finding: 2024-004  
Status: Corrected in FY 2025.

Finding: 2024-005  
Status: Corrected in FY 2025.

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/ Program Titles	Federal Assistance Listing Number	State Pass-through Identifying Number	Expenditures		
			Federal (Direct and Pass-through)	State	Provide to Subrecipients
<b>Federal Awards:</b>					
<b>U.S. Department of Agriculture</b>					
Passed-through NC Department of Health and Human Services					
Division of Social Services					
Supplemental Nutrition Assistance Program (SNAP) Cluster:					
Nutrition Assistance					
Program - Administration	10.561	205NC406S2514	\$ 1,322,235	\$ 28,629	\$ -
Total SNAP Cluster:			<u>1,322,235</u>	<u>28,629</u>	<u>-</u>
Division of Public Health					
Administration					
Special Supplemental Nutritional Food Program for Women, Infants, and Children	10.557	133001 2D15403 20G0001001, 133001 2D15404 20G0001001, 133001 2D15405 20G0001001, 133001 2D15409 20G0001001, 133001 2D1570G20G0003001, 133001 2D1570H 20G0003001, 133001 2D1570J 20G0003001	<u>714,333</u>	<u>-</u>	<u>-</u>
<b>Total U.S. Department of Agriculture</b>			<b><u>2,036,568</u></b>	<b><u>28,629</u></b>	<b><u>-</u></b>
<b>U.S. Department of Defense - Army Corps of Engineers</b>					
Navigation Projects -					
Mosquito Control Project	12.107	W912PM-21-P-0038	<u>110,143</u>	<u>-</u>	<u>-</u>
<b>Total U.S. Department of Defense - Army Corps of Engineers</b>			<b><u>110,143</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>U.S. Department of Interior</b>					
Payment in Lieu of Taxes (PILT)					
	15.226		<u>5,211</u>	<u>-</u>	<u>-</u>
<b>Total U.S. Department of Interior</b>			<b><u>5,211</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/ Program Titles	Federal Assistance Listing Number	State Pass-through Identifying Number	Expenditures		
			Federal (Direct and Pass-through)	State	Provide to Subrecipients
<b>Federal Awards (continued):</b>					
<b>U.S. Department of Housing and Urban Development</b>					
Economic Development Initiative - Special Project Planning					
Consolidated Appropriations					
Act 2023 Economic					
Development Initiative	14.251	B-23-CP-NC-0955	505	-	-
Housing Voucher Cluster					
Section 8 Housing Choice					
Voucher Program -					
Administration	14.871		362,441	-	-
Section 8 Housing Choice					
Voucher Program -					
Direct Benefits	14.871		2,649,744	-	-
Total Housing Voucher Cluster			3,012,185	-	-
<b>Total U.S. Department of Housing and Urban Development</b>			<b>3,012,690</b>	-	-
<b>U.S. Department of Justice</b>					
State Criminal Alien					
Assistance Program	16.606	15PBJA-24-RR-05771-SCAA	39,556	-	-
Equitable Sharing Program	16.922		37,118	-	-
<b>Total U.S. Department of Justice</b>			<b>76,674</b>	-	-
<b>U.S. Department of Transportation</b>					
Passed-through NC Department of Transportation					
COVID-19 Airport					
Improvement Program -					
Infrastructure Investment					
& Jobs Act Program	20.106	36237.45.19.1	34,212	-	-

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/ Program Titles	Federal Assistance Listing Number	State Pass-through Identifying Number	Expenditures		
			Federal (Direct and Pass-through)	State	Provide to Subrecipients
<b>Federal Awards (continued):</b>					
<b>U.S. Department of Transportation (continued)</b>					
COVID-19 Airport Improvement Program - Infrastructure Investment & Jobs Act Program	20.106	36237.45.19.2	5,466	-	-
State Aid to Airports - Airport Grant Expansion	20.106	36237.45.20.1	105,979	-	-
Highway Safety Cluster					
GHSP-National Highway Traffic Safety Admin.	20.600	PT-23-06-03/ GHSP LEL FY24	6,029	-	-
GHSP-National Highway Traffic Safety Admin.	20.600	PT-23-06-03/ GHSP LEL FY25	18,759	-	-
GHSP-Traffic Unit	20.600	PT-23-06-01/ GHSP2024-Traffic Unit	68,419	-	-
GHSP-Traffic Unit	20.600	PT-23-06-01/ GHSP2025-Traffic Unit	160,317	-	-
Total Highway Safety Cluster			253,524	-	-
<b>Total U.S. Department of Transportation</b>			<b>399,181</b>	-	-
<b>U.S. Department of Treasury</b>					
Coronavirus State and Local Fiscal Recovery Fund	21.027	OMB No. 1505-0271	3,510,079	-	-
Passed-through NC State Library					
Coronavirus State and Local Fiscal Recovery Fund	21.027	2000057929	6,865	-	-
Passed-through the NC Department of Environmental Quality Div. of Water Infrastructure					
Coronavirus State and Local Fiscal Recovery Fund	21.027	SRP-W-ARP-0299	150,672	-	-
Coronavirus State and Local Fiscal Recovery Fund	21.027	SRP-W-ARP-0105	85,074	-	-
Coronavirus State and Local Fiscal Recovery Fund	21.027	SRP-W-ARP-0297	783,310	-	-

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/ Program Titles	Federal Assistance Listing Number	State Pass-through Identifying Number	Expenditures		
			Federal (Direct and Pass-through)	State	Provide to Subrecipients
<b>Federal Awards (continued):</b>					
<b>U.S. Department of Treasury (continued)</b>					
<b>Total U.S. Department of Treasury</b>			<b>4,536,000</b>	-	-
<b>National Endowment for the Humanities</b>					
Passed through NC State Library to eliglbe NC Libraries					
Grants to States - The Institute of Museum and Library Services - Library Services and Technology Act	45.310	LS-256834-OLS-24/ NC-LSTA-24-003	9,982	-	-
<b>Total National Endowment for the Humanities</b>			<b>9,982</b>	-	-
<b>U.S. Department of Environmental Protection Agency</b>					
Congressionally Mandated Projects	66.202	02D67023	79,079	-	-
Drinking Water State Revolving Fund	66.468	H-SRF-F-21-2017/ WIF2017	1,786,006	-	-
Passed-through NC Department of Environmental Quality Division of Water Infrastructure State Revolving Fund	66.458	CS370714-03	23,615,360	-	-
<b>Total U.S. Department of Environmental Protection Agency</b>			<b>25,480,445</b>	-	-
<b>U.S. Department of Health and Human Services</b>					
Passed-through NC Department of Health and Human Services					
Administration for Children and Families					
Division of Social Services					
Marylee Allen Promoting Safe and Stable Families Program	93.556	2301NCFPSS, 2401NCFPSS	47,745		

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/ Program Titles	Federal Assistance Listing Number	State Pass-through Identifying Number	Expenditures		
			Federal (Direct and Pass-through)	State	Provide to Subrecipients
<b>Federal Awards (continued):</b>					
<b>U.S. Department of Health and Human Services (continued)</b>					
Temporary Assistance for Needy Families - Work First Service	93.558	G2402NCTANF, G2502NCTANF, 2401NCTANF, 2501NCTANF	685,811	-	-
Child Support Enforcement	93.563	2002NCCES	1,276,000	-	-
Low-Income Home Energy Assistance	93.568	G2301NCLIEA, G2401NCLIEA	87,887	-	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	2301NCCWSS, 2401NCCWSS	25,465	-	-
Social Services Block Grant - Other Services and Training	93.667	G2301NCSOSR, G2401NCSOSR, 2401NCSOSR, 2501NCSOSR	201,073	-	-
Social Services Block Grant - In-Home Services	93.667	G2301NCSOSR, G2401NCSOSR, 2401NCSOSR, 2501NCSOSR	8,108	-	-
Social Services Block Grant - Adult Day Care	93.667	G2301NCSOSR, G2401NCSOSR, 2401NCSOSR, 2501NCSOSR	10,281	7,263	-
John H Chafee Foster Care Program for Successful Transition to Adulthood	93.974	2303NCCILP, 2403NCCILP	28,640	5,853	-
Foster Care and Adoption Cluster: Adoption Assistance	93.659		13,985	-	-
IV-E Administration Foster Care	93.658	2002NCADPT	964,183	82,492	-
Foster Care Title IV-E	93.658	2002NCADPT	415,150	148,228	-
Total Foster Care and Adoption Cluster:			1,393,318	230,720	-

Division of Child Development and Early Education  
Subsidized Child Care Cluster:

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/ Program Titles	Federal Assistance Listing Number	State Pass-through Identifying Number	Expenditures		
			Federal (Direct and Pass-through)	State	Provide to Subrecipients
<b>Federal Awards (continued):</b>					
<b>U.S. Department of Health and Human Services (continued)</b>					
Child Care Development Fund Cluster:					
Child Care Mandatory and Matching Funds of the Child Care and Development Fund - Administration	93.596	2002NCCDDF	198,067	-	-
Total Subsidized Child Care Cluster:			198,067	-	-
Centers for Medicare and Medicaid Services					
Division of Medical Assistance					
Medicaid Cluster:					
Medical Assistance Program (Medicaid)	93.778	XIX-MAP 22	2,563,511	317,396	-
Total Medicaid Cluster			2,563,511	317,396	-
Children's Health Insurance Program - NC Health Choice					
	93.767	CHIP 22	1,535,628	495,680	-
Centers for Disease Control and Prevention					
Division of Public Health					
Public Health Emergency Preparedness	93.069	1320082B3267920G0054001, 132008 2B32680 20G0054001	33,717	-	-
Maternal and Child Health Federal Consolidated Programs	93.110	133000 2B15880 20G0063001	1,979	-	-
Control Programs	93.116	134600 2B22720 20G0065001	50	-	-
Immunization Cooperative Agreements	93.268	133401 2B06310 20G0093002, 133401 2B0HHBR20G0093006	44,477	-	-
Covid-19 - Immunization Cooperative Agreement	93.268	133401 2B06315 20G0092002	7,885	-	-

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/ Program Titles	Federal Assistance Listing Number	State Pass-through Identifying Number	Expenditures		
			Federal (Direct and Pass-through)	State	Provide to Subrecipients
<b>Federal Awards (continued):</b>					
<b>U.S. Department of Health and Human Services (continued)</b>					
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	131304 2B13256 20G0098001 AA910	260,000	-	-
COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response	93.354	133406 2D0535A 20G0104001 - 620 ARPA COVID-19 School Health Team Workforce	94,697	-	-
Temporary Assistance for Needy Families	93.558	133000 2B25151 20G0119003	10,687	-	-
Tribal Organizations	93.898	133300 2B03100 20G0167001	24,050	-	-
HIV Care Formula Grants - Ryan White Care Act	93.917	133200 2B0453620G0169002, 133200 2B04601 20G0169002	827	-	-
Sexually Transmitted Diseases Prevention and Control Grants	93.977	133200 2B04631 20G0182001	100	-	-
Preventative Health and Health Services Block Grant	93.991	132001 2B15503 20G0184002	30,741	-	-
Health Resources and Service Administration					
Division of Public Health					
Maternal and Child Health Services Block Grant to the States	93.994	133000 2B15740 20G0185001 133000 2B25735 20G0185001 132105 2D25318 20G0185002 132105 2D25358 20G0185001 132105 2D25745 20G0185002	41,968	13,653	-
Office of Assistant Secretary for Health					
Family Planning Services	93.217	133000 2525900 20G0079002 133000 2B26021 20G0079004	62,425	-	-

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/ Program Titles	Federal Assistance Listing Number	State Pass-through Identifying Number	Expenditures		
			Federal (Direct and Pass-through)	State	Provide to Subrecipients
<b>Federal Awards (continued):</b>					
<b>U.S. Department of Health and Human Services (continued)</b>					
Substance Abuse and Mental Health Services Administration					
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79TI086349-01	88,689	-	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79TI086349-02	303,482	-	-
<b>Total U.S. Department of Health and Human Services</b>			<b>9,067,308</b>	<b>1,070,565</b>	<b>-</b>
<b>U.S. Department of Homeland Security</b>					
Passed-through NC Department of Public Safety Division of Emergency Management					
Disaster Grants-Public Assistance(Presidentially Declared Diaster)	97.036	FEMA-4387-DR-NC	34,193	11,398	-
Disaster Grants-Public Assistance(Presidentially Declared Diaster)	97.036	FEMA-3608-EM-NC	240,942	75,294	-
Port Security Grant Program	97.056	EMW-2024-PU-05176	20,047	-	-
<b>Total U.S. Department of Homeland Security</b>			<b>295,182</b>	<b>86,692</b>	<b>-</b>
<b>Total Federal Assistance</b>			<b>45,029,384</b>	<b>1,185,886</b>	<b>-</b>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/ Program Titles	Federal Assistance Listing Number	State Pass-through Identifying Number	Expenditures		
			Federal (Direct and Pass-through)	State	Provide to Subrecipients
<b>State Awards:</b>					
<b>NC Department of Administration</b>					
Veterans Service		NCDMVA2022	-	2,273	-
<b>Total NC Department of Administration</b>			<b>-</b>	<b>2,273</b>	<b>-</b>
<b>NC Department of Health and Human Services</b>					
Division of Social Services					
Administration					
St. Child Welfare/CPS/CS LD			-	108,943	-
Emergency PLMT FC			-	48,987	-
Foster Care At Risk			-	2,054	-
SFHF Maximization			-	201,080	-
Extended FC/Max Non IV-E			-	93,715	-
Foster Care Kinship			-	93,762	-
State-Family Foster Max			-	13,922	-
F/C at Risk Maximization			-	7,252	-
State Foster Home			-	177,276	-
Division of Public Health					
Food and Lodging Fees		131106 2B04752 200S200000	-	52,426	-
Health Community Activities		132001 2B15503 2000000000	-	3,785	-
General Communicable Disease Control		131304 2B14510 2000000000	-	13,292	-
Breast and Cervical Cancer Programs		133300 2B05599 2000000000	-	26,000	-
Child Fatality Case Reporting		131304 2B22911 2000000000	-	1,145	-
Child Health		132105 2D25745 2000000000	-	1,709	-
Communicable Disease Pandemic Recovery		230329 2B0249N 200TT00000	-	82,622	-
Family Planning State		133000 2B25735 2000000000	-	34,456	-
Maternal Health (HMHC)		133000 2B15740 2000000000	-	29,851	-
DPH Aid-to-Counties		131204 2B14110 2000000000	-	90,261	-

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/ Program Titles	Federal Assistance Listing Number	State Pass-through Identifying Number	Expenditures		
			Federal (Direct and Pass-through)	State	Provide to Subrecipients
<b>State Awards (continued):</b>					
<b>NC Department of Health and Human Services (continued)</b>					
		134600 2B24551 2000000000			
Tuberculosis		134600 2B24554 2000000000	-	4,595	-
Mosquito and Tick Supression		131304 2B14801 2000000000	-	15,300	-
State Fiscal Recovery Funds		131204 2BTS190 2000400000	-	71,248	-
School Nursing Fund Initiative		133406 2D05358 2000000000	-	150,000	-
<b>Total NC Department of Health and Human Services</b>			<b>-</b>	<b>1,323,681</b>	<b>-</b>
<b>NC Department of Environmental Quality</b>					
Soil and Water Technical Assistance			-	22,391	-
Soil and Water State Aid			-	3,358	-
Clean Water State Revolving Fund			-	8,400	-
Division of Water Infrastructure					
State Directed		Session Law 2023- 134 Section 12.2	-	89,036	-
Community Waste Reduction and Recycling Grant 2024		CW50242 2024 CWRAR	-	22,500	-
<b>Total NC Department of Environmental Quality</b>			<b>-</b>	<b>145,685</b>	<b>-</b>
<b>NC Department of Information Technology</b>					
NC 911 Board PSAP Grant		PR2024-37	-	66,647	-
<b>Total NC Department of Information Technology</b>			<b>-</b>	<b>66,647</b>	<b>-</b>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/ Program Titles	Federal Assistance Listing Number	State Pass-through Identifying Number	Expenditures		
			Federal (Direct and Pass-through)	State	Provide to Subrecipients
<b>State Awards (continued):</b>					
<b>NC Department of Public Safety</b>					
Juvenile Crime Prevention Council Programs			-	241,720	93,910
Sheriff's Office Assistance		BRUNSWICKCO 2024-2025	-	985,500	-
<b>Total NC Department of Safety</b>			<b>-</b>	<b>1,227,220</b>	<b>93,910</b>
<b>NC Department of Public Instruction</b>					
Public School Building Capital Fund (Lottery)			-	1,000,000	-
<b>Total NC Department of Public Instruction</b>			<b>-</b>	<b>1,000,000</b>	<b>-</b>
<b>NC Department of Transportation</b>					
State Aid to Airports Approach Clearing Runway 5 & 23	DOT-8	46333.1.1	-	132,590	-
State Aid to Airports FY23 SCIF	DOT-8	32644.58.14.1	-	1,223,896	-
State Aid to Airports FY23 SCIF	DOT-8	32644.58.15.1	-	9,226	-
State Aid to Airports Improvements	DOT-8	32644.58.16.1	-	168,444	-
State Aid to Airports Improvements	DOT-8	32644.58.16.2	-	147,126	-
Rural Operating Assistance Program Cluster					
Elderly and Disabled Transportation Assistance Program	DOT-CL	36220.10.13.1	-	30,000	-
Rural General Public Program	DOT-CL	36228.22.13.1	-	30,000	-
<b>Total Rural Operating Assistance Program Cluster</b>			<b>-</b>	<b>60,000</b>	<b>-</b>

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/ Program Titles	Federal Assistance Listing Number	State Pass-through Identifying Number	Expenditures		
			Federal (Direct and Pass-through)	State	Provide to Subrecipients
<b>State Awards (continued):</b>					
<b>NC Department of Transportation (continued)</b>					
<b>Total NC Department of Transportation</b>			-	<b>1,741,282</b>	-
<b>NC Department of Cultural and Natural Resources</b>					
Division of State Library Aid to Public Libraries		FY 2025	-	192,594	-
<b>Total NC Department of Cultural and Natural Resources</b>			-	<b>192,594</b>	-
<b>Other Financial Assistance</b>					
NC Department of Justice Opioid Settlement Fund (Note 4)			-	627,501	-
<b>Total Other Financial Assistance</b>			-	<b>627,501</b>	-
<b>Total State Awards</b>			-	<b>6,326,883</b>	<b>93,910</b>
<b>Total Awards</b>			<b>\$ 45,029,384</b>	<b>\$ 7,512,769</b>	<b>\$ 93,910</b>

**Notes to the Schedule of Expenditures of Federal and State Financial Awards:**

1. Basis of Presentaion

The accompanying schedule of expenditures of federal and state awards (SEFSA) includes the federal and state grant activity of Brunswick 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 II US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Award and the State Single Audit Implementation Act. Because the SEFSA presents only a selected portion of the operations of Brunswick County, it is not intended to and does not present the financial position, changes in net position or cash flows of Brunswick County.

COUNTY OF BRUNSWICK, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Grantor/Pass-through Grantor/ Program Titles	Federal Assistance Listing Number	State Pass-through Identifying Number	Expenditures		
			Federal (Direct and Pass-through)	State	Provide to Subrecipients

**Notes to the Schedule of Expenditures of Federal and State Financial Awards (continued):**

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

3. Cluster of Programs

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

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.



# BRUNSWICK COUNTY FINANCE DEPARTMENT

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

2025



910.253.2070



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