

# **ASHE COUNTY BOARD OF EDUCATION**

**JEFFERSON, NORTH CAROLINA**



*Challenging young minds to soar.*

## **ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2023**

**ASHE COUNTY BOARD OF EDUCATION  
JEFFERSON, NORTH CAROLINA**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2023**

**PREPARED BY**

**DR. EISA COX**

**AND THE**

**FINANCE DEPARTMENT**



# ASHE COUNTY BOARD OF EDUCATION

---

## TABLE OF CONTENTS

### INTRODUCTORY SECTION

Letter of Transmittal .....	i
Board Members and Principal Officers.....	v
Organizational Chart .....	vi
Certificate of Achievement for Excellence in Financial Reporting .....	vii

### FINANCIAL SECTION

<u>Exhibit</u>	<u>Page No.</u>
Independent Auditors' Report.....	1
Management's Discussion and Analysis .....	4
Basic Financial Statements:	
Government – wide Financial Statements:	
1 Statement of Net Position.....	13
2 Statement of Activities .....	14
Fund Financial Statements:	
3 Balance Sheet – Governmental Funds .....	15
4 Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds .....	16
5 Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund and Annually Budgeted Major Special Revenue Fund .....	18
6 Statement of Net Position – Proprietary Fund .....	22
7 Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Fund.....	23
8 Statement of Cash Flows – Proprietary Fund .....	24
Notes to the Financial Statements .....	26
Required Supplementary Information:	
Schedule of the Board's Proportionate Share of the Net Pension Liability – Teachers' and State Employees' Retirement System .....	53
Schedule of Board Contributions – Teachers' and State Employees' Retirement System .....	54
Schedule of the Board's Proportionate Share of the Net OPEB Liability – Retiree Health Benefit Fund .....	55
Schedule of Board Contributions – Retiree Health Benefit Fund .....	56
Schedule of the Board's Proportionate Share of the Net OPEB Asset – Disability Income Plan of North Carolina .....	57
Schedule of Board Contributions – Disability Income Plan of North Carolina .....	58

## ASHE COUNTY BOARD OF EDUCATION

---

### TABLE OF CONTENTS (CONTINUED)

<u>Exhibit</u>	<u>Page No.</u>
Individual Fund Budgetary Schedules:	
A-1 Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - General Fund .....	59
B-1 Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Capital Outlay Fund.....	61
C-1 Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Other Special Revenue Fund.....	62

### STATISTICAL SECTION

	<u>Page No.</u>
Statistical Section (Unaudited) .....	63
1 Financial Perspective Governmental and Business-type Activities – Fiscal Year 2022-2023 .....	64
2 Net Position by Component .....	65
3 Changes in Net Position .....	67
4 Governmental Funds – Fund Balances .....	69
5 Governmental Funds – Changes in Fund Balances .....	71
6 Operational Expenditures Per Pupil – Expenditures by Function .....	73
7 Average Daily Membership by School .....	74
8 Average Daily Membership .....	75
9 Student Statistics .....	77
10 Instructional Personnel .....	79
11 School Building Data .....	80
12 Ratios of Outstanding Debt by Type.....	81
Ashe County, North Carolina	
13 Demographic Statistics .....	82
14 Principal Employers .....	83
15 Legal Debt Margin Information .....	84
16 Principal Property Taxpayers.....	86
17 Property Tax Rates – All Overlapping Governments.....	87
18 Property Tax Levies and Current Collections .....	89



## Introductory Section



Dr. Eisa Cox, Superintendent • Joshua Roten, Chairman • Dianne Eldreth, Vice-Chairman • Polly Jones • Janet Ward • Dr. Kimberly Simmons

**December 8, 2023**

**To the Members of the Ashe County Board of Education and the Citizens of Ashe County, North Carolina:**

In compliance with the Public School Laws of North Carolina, the Comprehensive Annual Financial Report (CAFR) of the Ashe County Board of Education, operating as the “Ashe County Schools”, for the fiscal year ended June 30, 2023, is herewith submitted. Responsibility for the accuracy, completeness and clarity of the report rests with the Superintendent and the Finance Officer.

The report has been prepared by the Finance Department in accordance with the requirements and guidelines promulgated by the Governmental Accounting Standards Board (GASB). We believe the data presented is accurate in all material respects and that it is presented in a manner designated to fairly reflect the financial position and results of operations of the Board. All disclosures necessary to enable the reader to gain maximum understanding of the Board’s financial activity have been included.

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

**REPORTING ENTITY**

Ashe is a rural county located entirely in the Appalachian Mountain region in northwestern North Carolina, bordered by Tennessee and Virginia. The County has a total area of 429 square miles, a population of 26,598 (2021) plus a median household income of \$43,938 (in 2021 dollars) compared to the State’s \$62,891. However, the per capita income in the past 12 months (in 2021 dollars) was \$26,721 compared to the State at \$34,209. Per the US Census website, the County poverty level in 2021 was 14.2 percent compared to the State at 12.8 percent. With traditions in agriculture and manufacturing, Ashe County has experienced a shift to a rural retirement and tourism community with emphasis on a strong arts culture but still enjoys a diversified economy. Businesses of all sizes and nature reside in Ashe County, but there is an understanding among the leaders of the community that small business seems to be the heart of Ashe’s economic sector. During the past 20 years, the County’s economy has become less reliant on its manufacturing base while jobs in the retail and service sectors have become an economic mainstay. Ashe County’s Christmas tree industry is now the largest in the United States. On a positive note, Ashe County’s unemployment rate is relatively stable. In June 2023, it was 3.1 percent compared to 4% for one year earlier.

Ashe County Schools is a small but progressive school system, enrolling approximately 2,705 plus students in grades K-12. Three elementary schools, one middle school, one high school and one early college makes up the system that provides general, special and career and technical educational services. Three preschool classrooms serve 54 four-year olds. Schools are housed in modern facilities, the newest of which opened in 2004. Ashe County Schools has a tradition of academic excellence, consistently scoring well on the North Carolina State Assessments. In 2023, Ashe County Schools ranked 8th in the State in proficiency. Out of 226 classroom teachers, our elementary schools average 42 percent in advanced degrees. Our school system has 25 teachers with national board certification.

The Ashe County Board of Education (Board), elected by the citizens of Ashe County, is the level of government having oversight responsibility and control over activities related to the public schools in Ashe County, North Carolina. N.C. General Statutes empowers the Ashe County Board of Education with general control and supervision of all matters pertaining to the schools in the system. The school system receives local, State, and federal government funding and must comply with the legal requirements of each funding source. While the Board does receive local funding, the County is not entitled to share in any surplus nor is it required to finance any deficits. The Board has no tax levying or borrowing authority and is required to maintain accounting records according to a Uniform State format. The Board has final approval over the budget and primary accountability for fiscal matters. Accordingly, the Ashe County Board of Education is not included in any other reporting entity.

The Board is composed of five non-partisan members elected for staggered four-year terms. The chair and vice chair are elected by a majority vote of the Board each year. The Superintendent is selected by the Board and serves as the chief executive officer of the system. The Board is responsible for setting policy, while the Superintendent and administrative team are charged with managing the operations of the school system.

### **FINANCIAL AND BUDGETARY CONTROL**

In order to meet the challenging learning experiences provided to the students attending Ashe County Schools, the Board must use a variety of funding resources, including local, State, federal and private grants while complying with legal requirements of each funding source. In doing so, the Board utilized fund accounting. The Board's funds are divided into governmental and proprietary funds. Each fund is a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities in accordance with legal requirements, generally accepted accounting principles, special regulations or other limitations. Governmental fund types include general, special revenue and capital projects. The enterprise fund is a proprietary fund type. The enterprise fund is presented on a full accrual basis, while the other funds are maintained on a modified accrual basis.

Internal accounting controls are given consideration in developing and improving the Board's accounting system. Internal controls are designed to provide reliability of financial records for preparing financial statements and maintaining accountability for assets and are to provide reasonable assurance regarding the safeguarding of assets from unauthorized use or disposition. The cost of a control should not exceed the benefits derived; therefore, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. We believe that the Board's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

North Carolina General Statutes require all governmental units in the State to adopt a balanced budget by July 1 of each year. Financial activities throughout the year are controlled in accordance with the North Carolina School Budget and Fiscal Control Act, which requires a pre-audit procedure to ensure availability of funds prior to the



issuance of purchase orders or payment of claims. The Board has the final approval over the budget and primary accountability for fiscal matters (including any deficits). The Board's annual Budget Resolution authorizes expenditures at the purpose level on a modified accrual basis. For internal management purposes, the budget is detailed and compared to expenditures and encumbrances by line item within each function and project. The budget amounts reflected in the accompanying financial statements represent the final budgets as amended for the fiscal year. The Board also uses a purchase order encumbrance system that records and shows encumbrances outstanding against each line item of expenditures. Outstanding encumbrances at the end of the fiscal year related to normal operations are considered to be continuing contracts and are transferred at the end of the fiscal year to appropriations in future years.

## **MAJOR INITIATIVES**

The focus of the school system for the next several years will be in several areas:

- Recruit, train, support, and retain highly qualified employees
- Provide safe school environments
- Design and implement a curriculum and instructional program that engages a diverse student population and focuses on making all students college and career ready upon graduation
- Strive to meet accountability requirements as set forth by the US Department of Education and the NC Department of Public Instruction
- Use technology to support and enhance instruction in all curricular areas
- Allocate resources of time, people, space, funding, and information to support the teaching and learning process
- Encourage active participation and strong relationships with family, community, faith and business stakeholders
- Build strong partnerships with higher education partners
- Seek additional funding sources (i.e. grants, increase from local government, etc.) as the decline in federal and State funds is expected to continue

As required by the State Department of Public Instruction, Ashe County Schools maintains a ten-year facilities plan that has been submitted and approved by the County Commissioners and the State Department of Public Instruction.

## **ECONOMIC CONDITION AND OUTLOOK**

The financial health of the Ashe County Board of Education is largely dependent upon the economic prospects of the State of North Carolina and Ashe County. Approximately 80 percent of the Board's revenue was received from State and County sources in 2023. The Board does not expect this percentage to change significantly in the near future. The State of North Carolina has felt the effects of the nationwide financial crisis that started in the second half of 2008. Even though the State economy has improved, the public schools' share of the State general fund continues to decrease. The Legislative body has further deregulated charter schools and increased the school voucher program. The COVID-19 pandemic also has created economic instability in the nation and the state. Congress provided funds to school districts to cover the gaps created by the pandemic. The Ashe County Board of Education fortunately enjoys a positive, collaborative relationship with the Ashe County Board of Commissioners. In 2022/23 the commissioners funded an increase of \$850,000 to bring salaries in Ashe County Schools to a livable

wage. During the pandemic years, the commissioners held Ashe County to level funding. Going forward, the school system expects State funding to decrease overall and County funding to remain consistent with the previous year.

### **INDEPENDENT AUDIT**

North Carolina's Public School Budget and Fiscal Control Act mandates that financial statements be audited at the end of each fiscal year. Anderson Smith & Wike PLLC, an independent auditing firm approved by the State's Local Government Commission as qualified to audit local governments, was selected to audit the financial records and transactions of the Ashe County Board of Education for the year ended June 30, 2023. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of OMB Circular A-133 and the State Single Audit Implementation Act. The auditors' report is included in the financial section of this report.

### **FINANCIAL REPORTING AWARD**

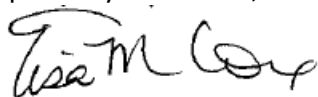
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Board for its comprehensive annual financial report for the years ended June 30, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2020, 2021 and 2022. In order to be awarded a Certificate of Achievement, the Board published an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### **ACKNOWLEDGEMENTS**

The preparation of the Comprehensive Annual Financial Report in a timely manner could not have been accomplished without the efforts and dedication of the Superintendent's staff, Finance Department and our independent audit firm. We would like to express appreciation to all staff members who assisted in the preparation of this report.

Respectfully submitted,



Dr. Eisa Cox  
Superintendent



Amanda Coldiron  
Finance Officer

**ASHE COUNTY BOARD OF EDUCATION  
JEFFERSON, NORTH CAROLINA**

**JULY 1, 2022 – JUNE 30, 2023**

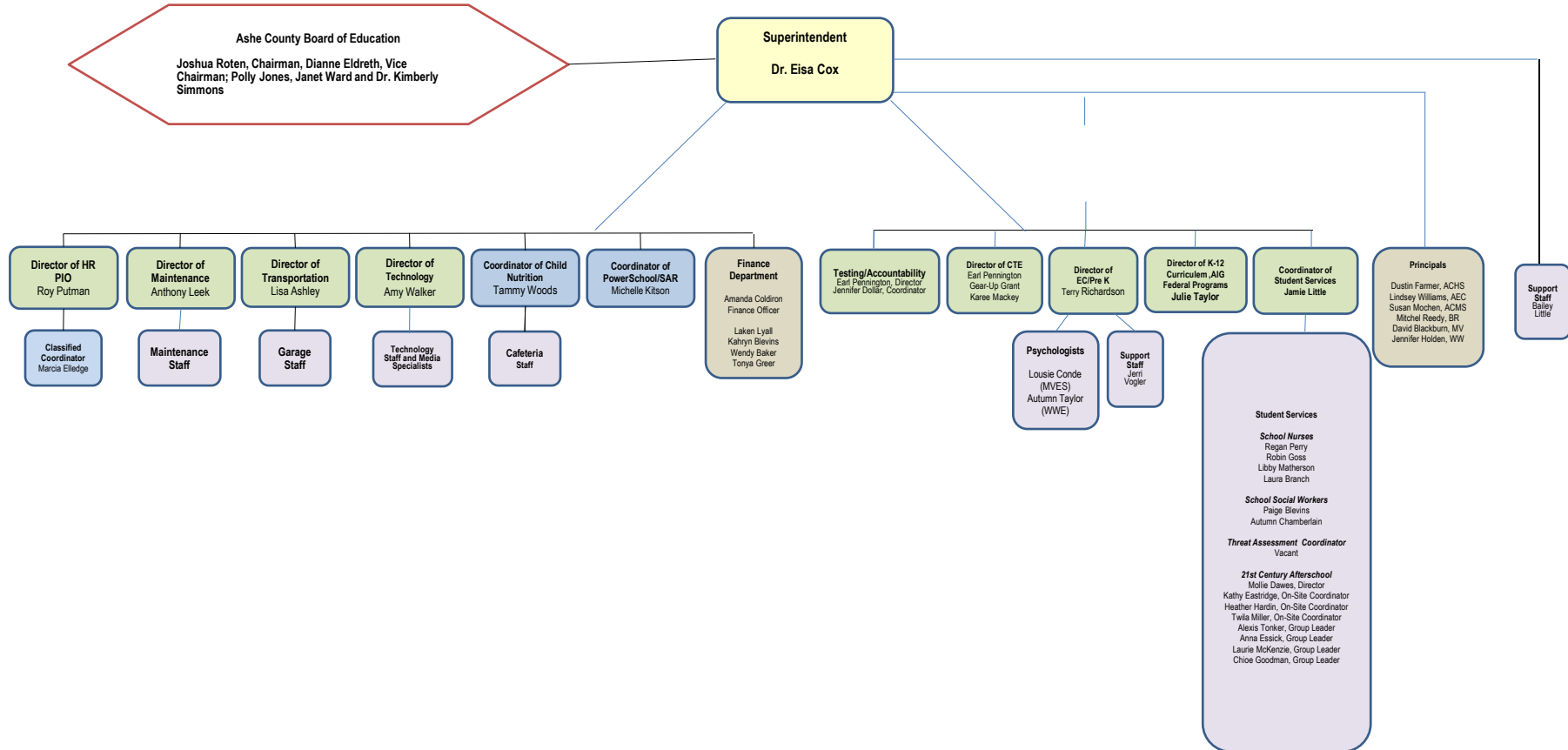
**BOARD MEMBERS**

**JOSH ROTEN, CHAIRMAN  
DIANNE ELDTRETH, VICE CHAIRMAN  
POLLY JONES  
DR. KIMBERLY SIMMONS  
JANET WARD**

**PRINCIPAL OFFICERS**

**DR, EISA COX, SUPERINTENDENT**

**ASHE COUNTY SCHOOLS**  
**Administrative Organizational Structure**  
 2022/23





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Ashe County Board of Education  
North Carolina**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO





## Financial Section



ANDERSON SMITH & WIKE PLLC

*Certified Public Accountants*

## INDEPENDENT AUDITORS' REPORT

Ashe County Board of Education  
Jefferson, North Carolina

### ***Opinions***

We have audited accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ashe County Board of Education, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise of the Ashe County Board of Education's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of Ashe County Board of Education as of June 30, 2023, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, the State Public School Fund, the Federal Grants Fund, and the Other Special Revenue 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 *Governmental Auditing Standards*, issued by the Comptroller of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Ashe County Board of Education 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.

### ***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; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raises substantial doubt about Ashe County Board of Education'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.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free 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



*Governmental 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 *Governmental 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 Ashe County Board of Education'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 Ashe County Board of Education'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 Management's Discussion and Analysis on pages 4 through 12 and the Schedule of the Proportionate Share of the Net Pension Liability, OPEB Liabilities and the Schedule of Board Contributions on pages 53 through 58, 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 consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Ashe County Board of Education's basic financial statements. The budgetary schedules and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and

other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, individual fund budgetary schedules and other schedules are fairly stated in all material respects in relation to the financial statements taken as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2023 on our consideration of Ashe County Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Ashe County Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Ashe County Board of Education's internal control over financial reporting and compliance.

#### **Other Information**

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

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

*Anderson Smith & Wike PLLC*

October 6, 2023  
Elon, North Carolina  
(336) 380-4123

**ASHE COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023**

---

This section of the Ashe County Board of Education's (*the Board*) financial report represents our discussion and analysis of the financial performance of the Board for the year ended June 30, 2023. This information should be read in conjunction with the audited financial statements included in this report.

***Financial Highlights***

**State/Federal Levels**

- Ashe County's 2022/23 State funding was based on an average daily membership (ADM) of 2,761 students compared to 2,890 in 2021/22.
- Based upon the first month of 2022/23, actual student enrollment in Ashe was 2,697 compared to 2,714 in 2021/22.
- The State retirement contribution increased from 22.89 to 24.5 percent.
- Monthly hospital insurance increased from \$7,019 to \$7,397.
- Excluding Child Nutrition, the per pupil expenditures (PPE) for FY 2023 were as follows — State @ \$9,469 Federal @ \$2,457, and Local @ \$2,375 for a total of \$14,301 PPE. The total PPE for the prior year was \$13,357.
- Funding for the customary Federal grants remained relatively level. However, Ashe County Schools had carryover funding from COVID-19 funds of \$5,419,387.
- Ashe County Schools applied and was awarded multiple new grants in FY 23. A total of \$1,311,779 in new grants was received:
  - *U.S. Department of Justice Stop Violence Grant* - \$607,423. The grant will implement evidence-based restorative practices to improve the school climate, reduce disciplinary infractions, and increase school safety.
  - *N.C. Department of Public Instruction/Center for Safer Schools Safety Grant* - \$623,388. The grant will provide funding for an additional school resource officer as well as a myriad of safety equipment.
  - *N.C. Department of Health and Human Services - Extension of COVID Testing Funding* - \$20,968. The funds will support the salary and benefits for an additional three months of the current COVID nurse.
  - *N.C. Department of Health and Human Services - School Health Advisory Council (SHAC)* - \$60,000. The funds can be used to support school staff workforce training, mental health, well-being, and behavioral health components, health education, health services with a linkage to mental and behavioral health, counseling, psychological and social services, family engagement in well-being activities, community involvement, employee wellness, physical education, and physical activity, nutrition and nutrition services, and physical environments.

***Key Takeaways for State Funding***

- In FY 23, state funding was no longer held harmless due to the COVID-19 pandemic. The district lost 7 teaching positions as well as cuts to several dollar allotments.
- Most state employees received the greater of 4 percent increase or \$15 per hour.
- Teachers and Instructional Support Personnel received an average salary increase of 4.2% percent increase for 2022/23. The range of increases was 2.5% to 7.2%.

**ASHE COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023**

---

- North Carolina still falls short of the national average for teacher compensation. The national average was \$66,432. The North Carolina average for FY 23 was \$57,805.
- The underfunded state-mandated \$15 minimum wage for 2022/23 was implemented.

**Local Level**

- Ashe County Schools conducted a salary study on non-certified salaries. They presented to the Ashe County Commissioners a request to support the alignment of salaries to a new salary table that increases salaries and provides experience steps. The commissioners approved the request and provided \$850,000 to support the initiative. The current expense budget increased from \$5,323,080 to \$6,173,091.
- The school system received level funding in capital outlay and technology—\$200,000 in capital outlay, of which \$118,072 was for technology.
- The school system paid \$69,231 in tuition from local funds for the 31 Ashe County students enrolled at Two Rivers Charter School located in Watauga County. The NC Virtual Academy received \$2,370 (2 students), NC Cyber Academy received \$1,931 (average of 2.5 students), and Marjorie Williams Academy received \$1,458 (1-3 students over the FY).

***Overview of the Financial Statements***

The audited financial statements of the Ashe County Board of Education consist of four components. They are as follows:

- *Independent Auditors' Report*
- *Management's Discussion and Analysis (required supplementary information)*
- *Basic Financial Statements*
- *Required supplemental section that presents combining and budgetary statements for non-major governmental funds and budgetary statements for the enterprise fund*

The *Basic Financial Statements* include two types of statements that present different views of the Board's finances. The first is the *Government-wide Statements*. The government-wide statements are presented on the full accrual basis of accounting and include the statement of net position and the statement of activities. The statement of net position includes all of the Board's assets and liabilities. Assets and liabilities are classified in the order of relative liquidity for assets and due date for liabilities. This statement provides a summary of the Board's investment in assets and obligations to creditors. Liquidity and financial flexibility can be evaluated using the information contained in this statement. The Statement of Activities summarizes the Board's revenues and expenses for the current year. A net (expense) revenue format is used to indicate to what extent each function is self-sufficient.

The second type of statement included in the basic financial statements is the *Fund Financial Statements*, which are presented for the Board's governmental funds and proprietary fund. These statements present the governmental funds on the modified accrual basis of accounting, measuring the near term inflows and outflows of financial resources and what is available at year-end to spend in the next fiscal year. The proprietary fund is presented on the full accrual basis of accounting. The fund financial statements focus on the Board's most significant funds. Because a different basis of

accounting is used in the government-wide statements, reconciliation from the governmental fund financial statements to the government-wide statements is required. The government-wide statements provide information about the Board as an economic unit while the fund financial statements provide information on the financial resources of each of the Board's major funds.

### **Government-wide Statements**

The government-wide statements report information about the Board as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Board's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the Board's net position and how they have changed. Net position – the difference between the Board's assets and liabilities – is one way to measure the unit's financial health or position.

- Over time, increases or decreases in the Board's net position is an indicator of whether its financial position is improving or deteriorating.
- To assess the Board's overall health, additional non-financial factors such as changes in the County's property tax base, and the condition of its school buildings and other physical assets must be considered.

The unit's activities are divided into two categories in the government-wide statements:

- Governmental activities: Most of the Board's basic services are included here, such as regular and special education, transportation, and administration. County and State funding and Federal aid finance most of these activities.
- Business-type activities: The Board charges fees to help it cover the costs of certain services it provides. School food service is included here.

The government-wide statements are shown as Exhibit 1 and 2 of this report.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the Board's funds, focusing on its most significant or "major" funds – not the unit as a whole. Funds are accounting devices the Board uses to keep track of specific sources of funding and spending on particular programs.

- Some funds are required by State law, such as the State Public School Fund.
- The Board has established other funds to control and manage money for a particular purpose or to show that it is properly using certain revenues, such as in the Federal Grants Fund.

Ashe County Board of Education has two types of funds:

*Governmental Funds:* Most of the Board's basic services are included in the governmental funds, which generally focus on two things – how cash and other assets can readily be converted to cash flow in and out, and the balances left at year-end that are available for spending. As a result of this focus, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the coming year to

**ASHE COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023**

---

finance the Board's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information at the bottom of the governmental funds statements, in the form of a reconciliation, explains the relationship (or differences) between the government-wide and the fund financial statements. The Board has several governmental funds: the General Fund, the State Public School Fund, the Individual Schools Fund, the Other Special Revenue Fund, the Capital Outlay Fund, and the Federal Grants Fund.

The governmental fund statements are shown as Exhibits 3, 4, and 5 of this report.

*Proprietary Fund:* Services for which the Board charges a fee are generally reported in the proprietary funds. The proprietary fund statements are reported on the same full accrual basis of accounting as the government-wide statements. Ashe County Board of Education has one proprietary fund – an enterprise fund – the School Food Service Fund.

The proprietary fund statements are shown as Exhibits 6, 7, and 8 of this report.

***Financial Analysis of the Board of Education as a Whole***

Net position is an indicator of the fiscal health of the Board. Net position for governmental activities was \$(7,984,735) as of June 30, 2023. Other than unrestricted net position, the largest component of net position is net investment in capital assets of \$27,004,488.

**ASHE COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023**

---

Following is a summary of the Statement of Net Position:

<b>Table 1</b>						
<b>Condensed Statement of Net Position</b>						
<b>As of June 30, 2023 and 2022</b>						
	Governmental Activities		Business-type Activities		Total Primary Government	
	6/30/23	6/30/22	6/30/23	6/30/22	6/30/23	6/30/22
Current assets	\$ 6,380,555	\$ 6,088,340	\$ 1,466,941	\$ 1,548,926	\$ 7,847,496	\$ 7,637,266
Capital assets	27,124,989	27,412,984	98,193	53,937	27,223,182	27,466,921
Total assets	<u>33,505,544</u>	<u>33,501,324</u>	<u>1,565,134</u>	<u>1,602,863</u>	<u>35,070,678</u>	<u>35,104,187</u>
Deferred outflow s of resources	<u>14,144,759</u>	<u>9,513,891</u>	<u>499,385</u>	<u>257,840</u>	<u>14,644,144</u>	<u>9,771,731</u>
Current liabilities	280,003	264,152	23,625	27,311	303,628	291,463
Long-term liabilities	<u>41,356,738</u>	<u>38,594,166</u>	<u>1,438,760</u>	<u>1,041,340</u>	<u>42,795,498</u>	<u>39,635,506</u>
Total liabilities	<u>41,636,741</u>	<u>38,858,318</u>	<u>1,462,385</u>	<u>1,068,651</u>	<u>43,099,126</u>	<u>39,926,969</u>
Deferred inflow s of resources	<u>13,998,297</u>	<u>18,872,613</u>	<u>494,213</u>	<u>511,474</u>	<u>14,492,510</u>	<u>19,384,087</u>
Net investment in capital assets	27,004,488	27,052,617	98,193	53,937	27,102,681	27,106,554
Restricted net position	1,967,090	2,144,083	-	434	1,967,090	2,144,517
Unrestricted net position	<u>(36,956,313)</u>	<u>(43,912,416)</u>	<u>9,728</u>	<u>226,207</u>	<u>(36,946,585)</u>	<u>(43,686,209)</u>
Total net position	<u>\$ (7,984,735)</u>	<u>\$ (14,715,716)</u>	<u>\$ 107,921</u>	<u>\$ 280,578</u>	<u>\$ (7,876,814)</u>	<u>\$ (14,435,138)</u>

Also note that the Board carries capital assets for which Ashe County carries the offsetting debt.

**ASHE COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023**

The following table shows the revenues and expenses for the Board for the current fiscal year.

**Table 2  
Condensed Statement of Position  
For the Fiscal Years Ended June 30, 2023 and 2022**

	Governmental Activities		Business-type Activities		Total Primary Government	
	6/30/2023	6/30/2022	6/30/2023	6/30/2022	6/30/2023	6/30/2022
Revenues:						
<b>Program revenues:</b>						
Charges for services	\$ 55,960	\$ 56,433	\$ 387,672	\$ 115,059	\$ 443,632	\$ 171,492
Operating grants and contributions	27,414,109	26,610,292	1,459,237	2,218,907	28,873,346	28,829,199
Capital grants and contributions	239,866	404,864	-	-	239,866	404,864
<b>General revenues:</b>						
Other revenues	14,118,679	11,832,973	4,858	495	14,123,537	11,833,468
<b>Total revenues</b>	<u>41,828,614</u>	<u>38,904,562</u>	<u>1,851,767</u>	<u>2,334,461</u>	<u>43,680,381</u>	<u>41,239,023</u>
Expenses:						
<b>Governmental activities:</b>						
Instructional services	26,577,413	27,036,528	-	-	26,577,413	27,036,528
System-wide support services	8,129,789	6,723,905	-	-	8,129,789	6,723,905
Ancillary services	41,002	77,195	-	-	41,002	77,195
Non-programmed charges	147,405	141,739	-	-	147,405	141,739
Depreciation	103,771	102,283	-	-	103,771	102,283
<b>Business-type activities:</b>						
School food service	-	-	2,122,677	1,809,225	2,122,677	1,809,225
<b>Total expenses</b>	<u>34,999,380</u>	<u>34,081,650</u>	<u>2,122,677</u>	<u>1,809,225</u>	<u>37,122,057</u>	<u>35,890,875</u>
Revenues over (under) expenses	6,829,234	4,822,912	(270,910)	525,236	6,558,324	5,348,148
Transfers in (out)	<u>(98,253)</u>	<u>(99,287)</u>	<u>98,253</u>	<u>99,287</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	6,730,981	4,723,625	(172,657)	624,523	6,558,324	5,348,148
Beginning net position	<u>(14,715,716)</u>	<u>(19,439,341)</u>	<u>280,578</u>	<u>(343,945)</u>	<u>(14,435,138)</u>	<u>(19,783,286)</u>
Ending net position	<u>\$ (7,984,735)</u>	<u>\$ (14,715,716)</u>	<u>\$ 107,921</u>	<u>\$ 280,578</u>	<u>\$ (7,876,814)</u>	<u>\$ (14,435,138)</u>

Total governmental activities generated revenues of \$41.8 million while expenses in this category totaled \$35.0 million for the year ended June 30, 2023. Comparatively, revenues were \$38.9 million and expenses totaled \$34.1 million for the year ended June 30, 2022. The increase in governmental activities net position, including transfers, stands at \$6,730,981 at June 30, 2023, compared to an increase of \$4,723,625 in 2022. The increase in net position was primarily due to results of operations and a decrease in the Board's deferred inflows of resources. Instructional services comprised 76% of total



**ASHE COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023**

---

governmental-type expenses while system-wide support services made up 23% of those expenses for 2023. The Board's primary source of revenues were funding from the State of North Carolina, Ashe County, and the United States Government, which respectively comprised 63%, 16%, and 16% of our total revenues. Business-type activities generated revenue of \$2.0 million which was \$172,657 less than expenses.

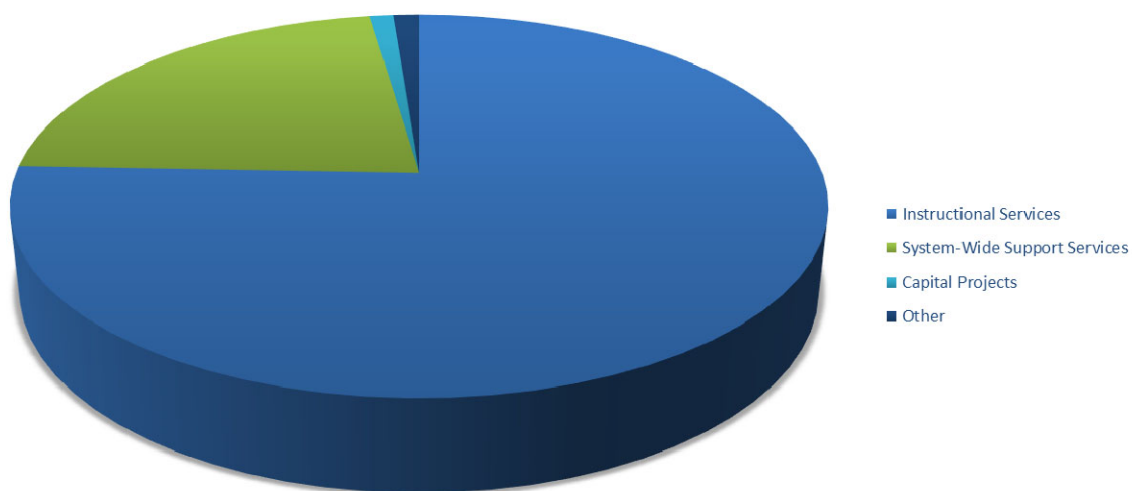
***Financial Analysis of the Board's Funds***

**Governmental Funds:** The focus of Ashe County Board of Education's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Board's financing requirements.

The Board's governmental funds reported a combined fund balance of \$6,100,552, a \$292,387 increase from last year. The increase in fund balance was expected based on current funding the Board receives as compared to anticipated expenditures. The General Fund reported a \$85,900 increase in fund balance, ending the year with \$2,903,091 in fund balance. The individual schools fund reported an increase in fund balance of \$43,074, the capital outlay fund reported a decrease of \$104,702, and the other special revenue fund reported an increase of \$268,115. The primary cause of the increased in fund balances are due to additional funds received by the district related to COVID-19.

**Proprietary Funds:** The Board's business-type fund had a decrease in net position of \$172,657. The decrease in net position was primarily attributable to an increase in the fund's proportionate share of the net pension liability and decrease in meals served and corresponding federal reimbursements.

**Categorization of Expenditures for Governmental Funds**



Expenditures are presented on the modified accrual basis of accounting

**ASHE COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023**

---

**General Fund Budgetary Highlights**

The Board approved several budget amendments to account for changes in revenue and expenditure projections. Budget amendments are submitted to the Board as needed to reflect new revenues in addition to revisions to expenditures estimated in the original budget. Budget amendments were needed during the year in the General Fund to reflect changes in the current economic environment. There were no significant expenditures in excess of the budgeted expenditures. In addition, there were no significant changes from the original budget to the final budget.

**Capital Assets**

Capital assets decreased by \$243,739 from the previous year. This was largely due to current year depreciation expense exceeding the amount of capital additions during the year. The following is a summary of the capital assets, net of depreciation at year-end.

A more detailed description of the capital assets is available in Note 2 of the basic financial statements.

**Table 3  
Summary of Capital Assets  
As of June 30, 2023 and 2022**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2023</u>	<u>6/30/2022</u>
Land	\$ 1,059,053	\$ 1,059,053	\$ -	\$ -	\$ 1,059,053	\$ 1,059,053
Construction in progress	-	157,050	-	-	-	157,050
Buildings and Improvements	24,228,155	24,340,537	-	-	24,228,155	24,340,537
Equipment and furniture	562,639	387,217	98,193	53,937	660,832	441,154
Vehicles	1,275,142	1,469,127	-	-	1,275,142	1,469,127
Total	<u>\$ 27,124,989</u>	<u>\$ 27,412,984</u>	<u>\$ 98,193</u>	<u>\$ 53,937</u>	<u>\$ 27,223,182</u>	<u>\$ 27,466,921</u>

**Debt Outstanding**

During the year, the Board's long-term debt (installment purchase agreements for school buses) decreased by approximately \$240,000. This decrease was due to principal payments exceeding new installment purchase agreements. The Board is limited by North Carolina General Statutes with regards to the types of debt it can issue and for what purposes that debt can be used.

A more detailed description of the long-term debt is available in Note 2 of the basic financial statements.

**ASHE COUNTY BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023**

---

***Economic Factors at the State Level Based Upon Fiscal Research Division***

Per the Fiscal Research Division, on July 1, 2022, the General Assembly enacted Session Law 2022-74 (H.B. 103), Current Operations Appropriations Act of 2022 (2022 Appropriations Act). It makes substantial modifications to the Fiscal Year (FY) 2022-23 State budget, as well as some changes to the FY 2021-22 State budget. It provides \$27.9 billion in net FY 2022-23 General Fund appropriations, which is \$1.8 billion above the FY 2021-22 amount (as adjusted by S.L. 2022-74), a 7.0% increase. The FY 2022-23 revised net General Fund appropriations are \$922 million greater than the FY 2022-23 appropriations provided in S.L. 2021- 180, Current Operations Appropriations Act of 2021 (2021 Appropriations Act). Education makes up 59.1% of the \$27.9 billion.

As mentioned previously, at the beginning of the 2022/23 school year, the education system saw a reduction in customary allotments due to the General Assembly no longer holding Public School Units (PSU) harmless for Average Daily Membership declines. The school district took a significant cut in the teaching position allotment with the loss of 7 teaching positions. The impact of the cut caused increased class size and limited the variety of offerings for classes at the high school level.

The economic climate will always impact the State budget and the State Public School Fund. Local Education Agencies (LEAs) are dependent upon State revenue allocations to fund the primary operations of the school system as set forth in State law. School systems across the state continue to be faced with budgetary reductions and operating cost increases that significantly impact local budgets. The uncertain outlook at both the federal and state levels was certainly challenging in the 2022/23 budget year and will continue in the upcoming 2023/24 budget year. The Board will continue future budget development in a conservative and fiscally prudent manner.

***Requests for Information***

This report is intended to provide a summary of the financial condition of Ashe County Board of Education. Questions or requests for additional information should be addressed to:

Amanda Coldiron  
Finance Officer  
Ashe County Board of Education  
PO Box 604  
320 South Street  
Jefferson, NC 28640

**ASHE COUNTY SCHOOLS**  
**STATEMENT OF NET POSITION**  
**June 30, 2023**

**Exhibit 1**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 6,148,410	\$ 1,319,968	\$ 7,468,378
Receivables (net)	232,145	4,419	236,564
Due from other governments	-	42,184	42,184
Inventories	-	100,370	100,370
Capital assets			
Land, improvements, and construction in progress	1,059,053	-	1,059,053
Other capital assets, net of depreciation	26,065,936	98,193	26,164,129
Total capital assets	27,124,989	98,193	27,223,182
Total assets	33,505,544	1,565,134	35,070,678
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	14,144,759	499,385	14,644,144
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	280,003	16	280,019
Unearned revenues	-	23,609	23,609
Long-term liabilities:			
Due within one year:			
Obligations under installment purchase	120,501	-	120,501
Liability for compensated absences	1,156,933	36,213	1,193,146
Due in more than one year:			
Net pension liability	16,308,746	575,784	16,884,530
Net OPEB liability	22,718,597	802,086	23,520,683
Liability for compensated absences	1,051,961	24,677	1,076,638
Total liabilities	41,636,741	1,462,385	43,099,126
<b>DEFERRED INFLOWS OF RESOURCES</b>	13,998,297	494,213	14,492,510
<b>NET POSITION</b>			
Net investment in capital assets	27,004,488	98,193	27,102,681
Restricted for:			
Individual schools	756,781	-	756,781
Stabilization by State statute	108,417	-	108,417
School Capital Outlay	1,101,892	-	1,101,892
Unrestricted	(36,956,313)	9,728	(36,946,585)
Total net position	\$ (7,984,735)	\$ 107,921	\$ (7,876,814)

**ASHE COUNTY SCHOOLS**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2023**

**Exhibit 2**

					Net (Expense) Revenue and Changes in Net Position		
					Primary Government		
		Program Revenues					
		Charges for	Operating	Capital Grants			
Functions/Programs	Expenses	Services	Grants and	and	Governmental	Business-type	Total
			Contributions	Contributions	Activities	Activities	
Primary government:							
Governmental Activities:							
Instructional services:							
Regular instructional	\$ 14,501,426	\$ 54,810	\$ 13,280,494	\$ -	\$ (1,166,122)	\$ -	\$ (1,166,122)
Special populations	2,815,094	-	2,674,975	-	(140,119)	-	(140,119)
Alternative programs	3,243,734	-	1,457,944	-	(1,785,790)	-	(1,785,790)
School Leadership	2,150,983	-	1,703,666	-	(447,317)	-	(447,317)
Co-curricular	225,788	-	8,119	-	(217,669)	-	(217,669)
School-based support	3,640,388	-	3,618,614	-	(21,774)	-	(21,774)
System-wide Support services:							
Support and development	264,593	-	171,876	-	(92,717)	-	(92,717)
Special population support	406,492	-	363,018	-	(43,474)	-	(43,474)
Alternative programs	127,603	-	7,111	-	(120,492)	-	(120,492)
Technology support	353,958	-	280,082	-	(73,876)	-	(73,876)
Operational support	5,375,441	1,150	3,302,598	239,866	(1,831,827)	-	(1,831,827)
Financial and human resource services	741,117	-	363,383	-	(377,734)	-	(377,734)
Accountability	498,672	-	-	-	(498,672)	-	(498,672)
System-wide pupil support services	3,107	-	-	-	(3,107)	-	(3,107)
Policy, leadership and public relations	358,806	-	180,868	-	(177,938)	-	(177,938)
Ancillary services	41,002	-	1,361	-	(39,641)	-	(39,641)
Non-programmed charges	147,405	-	-	-	(147,405)	-	(147,405)
Unallocated depreciation expense**	103,771	-	-	-	(103,771)	-	(103,771)
Total governmental activities	34,999,380	55,960	27,414,109	239,866	(7,289,445)	-	(7,289,445)
Business-type activities:							
School food service	2,122,677	387,672	1,459,237	-	-	(275,768)	(275,768)
Total primary government	\$ 37,122,057	\$ 443,632	\$ 28,873,346	\$ 239,866	(7,289,445)	(275,768)	(7,565,213)
General revenues:							
Unrestricted county appropriations - operating					6,173,091	-	6,173,091
Unrestricted county appropriations - capital					318,072	-	318,072
Unrestricted State appropriations - operating					52,573	-	52,573
Investment earnings, unrestricted					46,390	4,858	51,248
Miscellaneous, unrestricted					7,528,553	-	7,528,553
Transfers					(98,253)	98,253	-
Total general revenues					14,020,426	103,111	14,123,537
Change in net position					6,730,981	(172,657)	6,558,324
Net position-beginning					(14,715,716)	280,578	(14,435,138)
Net position-ending					\$ (7,984,735)	\$ 107,921	\$ (7,876,814)

\*\* This amount excludes the depreciation that is included in the direct expenses of the various programs.

**ASHE COUNTY SCHOOLS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2023**

**Exhibit 3**

	Major Funds						Total Governmental Funds
	General	State Public School	Individual Schools	Capital Outlay	Federal Grants Fund	Other Special Revenue Fund	
<b>ASSETS</b>							
Cash and cash equivalents	\$ 3,165,538	\$ -	\$ 655,425	\$ 1,101,892	\$ -	\$ 1,225,555	\$ 6,148,410
Receivables (net)	6,205	-	-	-	123,728	102,212	232,145
Due from other funds	-	-	112,537	-	-	11,181	123,718
Total assets	<u>\$ 3,171,743</u>	<u>\$ -</u>	<u>\$ 767,962</u>	<u>\$ 1,101,892</u>	<u>\$ 123,728</u>	<u>\$ 1,338,948</u>	<u>\$ 6,504,273</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable and accrued liabilities	\$ 156,115	\$ -	\$ -	\$ -	\$ 123,728	\$ 160	\$ 280,003
Due to other funds	112,537	-	11,181	-	-	-	123,718
Total liabilities	<u>268,652</u>	<u>-</u>	<u>11,181</u>	<u>-</u>	<u>123,728</u>	<u>160</u>	<u>403,721</u>
Fund balances:							
Restricted							
Stabilization by State statute	6,205	-	-	-	-	102,212	108,417
School capital outlay	-	-	-	1,101,892	-	-	1,101,892
Individual schools	-	-	756,781	-	-	-	756,781
Assigned:							
Subsequent year's expenditures	1,065,622	-	-	-	-	-	1,065,622
Special revenues	-	-	-	-	-	1,236,576	1,236,576
Unassigned:	1,831,264	-	-	-	-	-	1,831,264
Total fund balances	<u>2,903,091</u>	<u>-</u>	<u>756,781</u>	<u>1,101,892</u>	<u>-</u>	<u>1,338,788</u>	<u>6,100,552</u>
Total liabilities and fund balances	<u>\$ 3,171,743</u>	<u>\$ -</u>	<u>\$ 767,962</u>	<u>\$ 1,101,892</u>	<u>\$ 123,728</u>	<u>\$ 1,338,948</u>	

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	27,124,989
Deferred outflows of resources related to pensions	10,379,496
Deferred outflows of resources related to OPEB	3,765,263
Some liabilities, including bonds payable and accrued interest, are not due and payable in the current period and therefore are not reported in the funds.	(2,329,395)
Net pension liability	(16,308,746)
Net OPEB liability	(22,718,597)
Deferred inflows of resources related to pensions	(564,014)
Deferred inflows of resources related to OPEB	(13,434,283)
Net position of governmental activities	<u>\$ (7,984,735)</u>

**ASHE COUNTY SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

**Exhibit 4**

	Major Funds						Total Governmental Funds
	General	State Public School	Individual Schools	Capital Outlay	Federal Grants Fund	Other Special Revenue Fund	
<b>REVENUES</b>							
State of North Carolina	\$ -	\$ 25,304,832	\$ -	\$ 414,177	\$ -	\$ 677,854	\$ 26,396,863
Ashe County	6,173,091	-	-	318,072	-	-	6,491,163
U.S. Government	-	-	-	-	5,818,941	980,337	6,799,278
Other	99,113	-	1,006,467	292,549	-	743,181	2,141,310
Total revenues	6,272,204	25,304,832	1,006,467	1,024,798	5,818,941	2,401,372	41,828,614
<b>EXPENDITURES</b>							
<b>Current:</b>							
Instructional services:							
Regular instructional	1,918,894	13,091,415	963,393	191,923	642,565	186,351	16,994,541
Special populations	25,059	2,600,578	-	-	722,293	122	3,348,052
Alternative programs	51,991	670,923	-	-	2,345,760	775,664	3,844,338
School Leadership	556,799	1,697,990	-	71,591	226,142	5,594	2,558,116
Co-curricular	260,394	-	-	-	-	8,002	268,396
School-based support	151,573	2,737,122	-	-	557,000	868,772	4,314,467
System-wide support services:							
Support and development	142,707	134,053	-	-	-	37,277	314,037
Special population support	25,296	243,888	-	-	94,810	117,411	481,405
Alternative programs	141,958	7,111	-	-	2,692	-	151,761
Technology support	140,888	280,082	-	-	-	-	420,970
Operational support	1,818,210	3,265,377	-	174,304	1,097,919	36,684	6,392,494
Financial and human resource services	516,363	297,172	-	-	1,500	65,256	880,291
Accountability	89,573	-	-	-	-	-	89,573
System-wide pupil support services	3,695	-	-	-	-	-	3,695
Policy, leadership and public relations	242,625	180,868	-	3,243	-	-	426,736
Ancillary services	25,289	-	-	-	22,114	1,361	48,764
Non-programmed charges	74,990	-	-	-	106,146	30,763	211,899
<b>Capital outlay</b>	-	-	-	448,573	-	-	448,573
<b>Debt service - principal</b>	-	-	-	239,866	-	-	239,866
Total expenditures	6,186,304	25,206,579	963,393	1,129,500	5,818,941	2,133,257	41,437,974
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers to other funds	-	(98,253)	-	-	-	-	(98,253)
Net change in fund balance	85,900	-	43,074	(104,702)	-	268,115	292,387
Fund balances-beginning	2,817,191	-	713,707	1,206,594	-	1,070,673	5,808,165
Fund balances-ending	\$ 2,903,091	\$ -	\$ 756,781	\$ 1,101,892	\$ -	\$ 1,338,788	\$ 6,100,552

**ASHE COUNTY SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

**Exhibit 4**  
**(Continued)**

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

Net changes in fund balances - total governmental funds	\$ 292,387
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays.	(287,995)
Contributions to the OPEB plan in the current fiscal year are not included in the Statement of Activities.	1,459,508
Contributions to the pension plan in the current fiscal year are not included in the Statement of Activities.	3,628,935
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
OPEB nonemployer contributions	172,475
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences.	239,866
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Pension expense	(3,096,445)
Net OPEB expense	3,716,154
Compensated absences	606,096
Total changes in net position of governmental activities	<u>\$ 6,730,981</u>



**ASHE COUNTY SCHOOLS****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL  
REVENUE FUND****For the Year Ended June 30, 2023****Exhibit 5**

	<b>General Fund</b>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
<b>Revenues:</b>				
State of North Carolina	\$ -	\$ -	\$ -	\$ -
Ashe County	6,222,491	6,173,091	6,173,091	-
U.S. Government	-	-	-	-
Other	-	84,400	99,113	14,713
Total revenues	<u>6,222,491</u>	<u>6,257,491</u>	<u>6,272,204</u>	<u>14,713</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Instructional services	3,342,893	3,342,893	2,964,710	378,183
System-wide support services	3,858,289	3,858,289	3,121,315	736,974
Ancillary services	12,000	32,000	25,289	6,711
Non-programmed charges	68,000	83,000	74,990	8,010
Total expenditures	<u>7,281,182</u>	<u>7,316,182</u>	<u>6,186,304</u>	<u>1,129,878</u>
Revenues over (under) expenditures	(1,058,691)	(1,058,691)	85,900	1,144,591
Other financing uses:				
Transfer to other funds	-	-	-	-
Revenues over (under) expenditures and other uses	(1,058,691)	(1,058,691)	85,900	1,144,591
Appropriated fund balance	<u>1,058,691</u>	<u>1,058,691</u>	<u>-</u>	<u>(1,058,691)</u>
Revenues and appropriated fund balance over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>85,900</u>	<u>\$ 85,900</u>
Fund balances, beginning of year			<u>2,817,191</u>	
Fund balances, end of year			<u><u>\$ 2,903,091</u></u>	

**ASHE COUNTY SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND AND ANNUALLY BUDGETED MAJOR**  
**SPECIAL REVENUE FUND**  
**For the Year Ended June 30, 2023**

**Exhibit 5**  
**(Continued)**

	<b>State Public School Fund</b>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
<b>Revenues:</b>				
State of North Carolina	\$ 24,603,269	\$ 25,653,269	\$ 25,304,832	\$ (348,437)
Ashe County	-	-	-	-
U.S. Government	-	-	-	-
Other	-	-	-	-
Total revenues	<u>24,603,269</u>	<u>25,653,269</u>	<u>25,304,832</u>	<u>(348,437)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Instructional services	20,539,347	20,989,347	20,798,028	191,319
System-wide support services	3,965,273	4,565,273	4,408,551	156,722
Ancillary services	-	-	-	-
Non-programmed charges	-	-	-	-
Total expenditures	<u>24,504,620</u>	<u>25,554,620</u>	<u>25,206,579</u>	<u>348,041</u>
Revenues over (under) expenditures	98,649	98,649	98,253	(396)
Other financing uses:				
Transfer to other funds	<u>(98,649)</u>	<u>(98,649)</u>	<u>(98,253)</u>	<u>396</u>
Revenues over (under) expenditures and other uses	-	-	-	-
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances, beginning of year			-	
Fund balances, end of year			<u>\$ -</u>	

**ASHE COUNTY SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL**  
**REVENUE FUND**  
**For the Year Ended June 30, 2023**

**Exhibit 5**  
**(Continued)**

	<b>Federal Grants Fund</b>			
	Original	Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues:</b>				
State of North Carolina	\$ -	\$ -	\$ -	\$ -
Ashe County	-	-	-	-
U.S. Government	11,831,997	11,831,997	5,818,941	(6,013,056)
Other	-	-	-	-
Total revenues	<u>11,831,997</u>	<u>11,831,997</u>	<u>5,818,941</u>	<u>(6,013,056)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Instructional services	8,488,734	8,488,734	4,493,760	3,994,974
System-wide support services	2,672,911	2,672,911	1,196,921	1,475,990
Ancillary services	250,596	250,596	22,114	228,482
Non-programmed charges	<u>419,756</u>	<u>419,756</u>	<u>106,146</u>	<u>313,610</u>
Total expenditures	<u>11,831,997</u>	<u>11,831,997</u>	<u>5,818,941</u>	<u>6,013,056</u>
Revenues over (under) expenditures	-	-	-	-
Other financing uses:				
Transfer to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures and other uses	-	-	-	-
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances, beginning of year			<u>-</u>	
Fund balances, end of year			<u>\$ -</u>	

**ASHE COUNTY SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL**  
**REVENUE FUND**  
**For the Year Ended June 30, 2023**

**Exhibit 5**  
**(Continued)**

	<b>Other Special Revenue Fund</b>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues:</b>				
State of North Carolina	\$ 850,450	\$ 850,450	\$ 677,854	\$ (172,596)
Ashe County	969,337	969,337	-	(969,337)
U.S. Government	-	-	980,337	980,337
Other	726,800	731,800	743,181	11,381
Total revenues	<u>2,546,587</u>	<u>2,551,587</u>	<u>2,401,372</u>	<u>(150,215)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Instructional services	2,189,150	2,189,150	1,844,505	344,645
System-wide support services	261,930	261,930	256,628	5,302
Ancillary services	62,580	62,580	1,361	61,219
Non-programmed charges	32,927	37,927	30,763	7,164
Total expenditures	<u>2,546,587</u>	<u>2,551,587</u>	<u>2,133,257</u>	<u>418,330</u>
Revenues over (under) expenditures	-	-	268,115	268,115
Other financing uses:				
Transfer to other funds	-	-	-	-
Revenues over (under) expenditures and other uses	-	-	268,115	268,115
Appropriated fund balance	<u>146,464</u>	<u>146,464</u>	<u>-</u>	<u>-</u>
Revenues and appropriated fund balance over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>268,115</u>	<u>\$ 268,115</u>
Fund balances, beginning of year			<u>1,070,673</u>	
Fund balances, end of year			<u>\$ 1,338,788</u>	

**ASHE COUNTY SCHOOLS**  
**STATEMENT OF NET POSITION - PROPRIETARY FUND**  
**June 30, 2023**

**Exhibit 6**

	<u>Major Fund</u>
	<u>School Food Service</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 1,319,968
Due from other governments	42,184
Accounts receivable	4,419
Inventories	100,370
Total current assets	<u>1,466,941</u>
Noncurrent assets:	
Capital assets, net	<u>98,193</u>
Total assets	<u>1,565,134</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>499,385</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable and accrued expenses	16
Unearned revenues	23,609
Compensated absences	36,213
Total current liabilities	<u>59,838</u>
Noncurrent liabilities:	
Net pension liability	575,784
Net OPEB liability	802,086
Compensated absences	24,677
Total liabilities	<u>1,462,385</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>494,213</u>
<b>NET POSITION</b>	
Net investment in capital assets	98,193
Unrestricted	9,728
Total net position	<u>\$ 107,921</u>

**ASHE COUNTY SCHOOLS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION -**  
**PROPRIETARY FUND**  
**For the Year Ended June 30, 2023**

**Exhibit 7**

	<u>Major Fund</u>
	<u>School Food Service</u>
<b>OPERATING REVENUES</b>	
Food sales	\$ 387,672
<b>OPERATING EXPENSES</b>	
Purchase of food	664,856
Salaries and benefits	1,292,480
Indirect costs	92,049
Materials and supplies	15,530
Repairs and maintenance	13,255
Contracted services	3,150
Depreciation	19,962
Computer software and supplies	16,268
Other	5,127
Total operating expenses	2,122,677
Operating loss	(1,735,005)
<b>NONOPERATING REVENUES</b>	
Federal reimbursements	1,265,707
Federal commodities	133,458
State reimbursements	16,185
Interest earned	4,858
Contributions and donations	1,838
Indirect costs not paid	42,049
Total nonoperating revenues	1,464,095
Income (loss) before transfer from other fund	(270,910)
Transfer from other fund	98,253
Change in net position	(172,657)
Total net position - beginning	280,578
Total net position - ending	\$ 107,921

**ASHE COUNTY SCHOOLS**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUND**  
**For the Year Ended June 30, 2023**

**Exhibit 8**

	<b>Major Fund</b>
	<b>School Food Service</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 386,910
Cash paid for goods and services	(637,452)
Cash paid to employees for services	(1,055,179)
Net cash used by operating activities	(1,305,721)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Federal reimbursements	1,248,875
Contributions and donations	1,838
State reimbursements	16,185
Net cash provided by noncapital financing activities	1,266,898
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition of capital assets	(64,218)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest on investments	4,858
Net increase (decrease) in cash and cash equivalents	(98,183)
Balance-beginning of the year	1,418,151
Balance-end of the year	\$ 1,319,968

**ASHE COUNTY SCHOOLS**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUND**  
**For the Year Ended June 30, 2023**

**Exhibit 8**

	<u>Major Fund</u>
	<u>School Food Service</u>
Reconciliation of operating loss to net cash used by operating activities	
Operating loss	\$ (1,735,005)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	19,962
Donated commodities consumed	133,458
Indirect costs not paid	42,049
Salaries paid by the State Public School Fund	98,253
Changes in assets, deferred outflows of resources, and liabilities:	
(Increase) decrease in net OPEB asset	434
(Increase) decrease in inventories	4,619
Increase (decrease) in accounts payable and accrued liabilities	(7,343)
(Increase) decrease in deferred outflows	(241,545)
Increase (decrease) in net pension liability	434,015
Increase (decrease) in net OPEB liability	(16,044)
Increase (decrease) in deferred inflows	(17,261)
Increase (decrease) in unearned revenues	3,657
Increase (decrease) in compensated absences	(20,551)
	<u>429,284</u>
Total adjustments	<u>429,284</u>
Net cash used by operating activities	<u>\$ (1,305,721)</u>

**Noncash investing, capital, and financing activities:**

Indirect costs of \$42,049 that would be due to the Other Special Revenue Fund were not paid. These unpaid costs are reflected as a nonoperating revenue and an operating expense on Exhibit 7 and C-1.

The School Food Service Fund received donated commodities with a value of \$133,458 during the fiscal year. The receipt of the commodities is recognized as a nonoperating revenue.

The State Public School Fund contributed \$98,253 to the School Food Service Fund during the fiscal year to provide assistance with the payment of wages. This payment is reflected as a transfer in and an operating expense on Exhibit 7.



**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The Ashe County Board of Education (Board) is a Local Education Agency empowered by State law [Chapter 115C of the North Carolina General Statutes] with the responsibility to oversee and control all activities related to public school education in Ashe County, North Carolina. The Board receives State, local, and federal government funding and must adhere to the legal requirements of each funding entity.

Basis of Presentation

*Government-wide Statements:* The statement of net position and the statement of activities display information about the Board. These statements include the financial activities of the overall government. Eliminations have been made to minimize the effect of internal activities upon revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the Board. Governmental activities generally are financed through 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 presents a comparison between direct expenses and program revenues for the different business-type activities of the Board and for each function of the Board's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

*Fund Financial Statements:* The fund financial statements provide information about the Board's funds. Separate statements for each fund category – *governmental and proprietary*, – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

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

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

The Board reports the following major governmental funds:

*General Fund.* The General Fund is the general operating fund of the Board. The General Fund accounts for all financial resources except those that are accounted for in another fund.

*State Public School Fund.* The State Public School Fund includes appropriations from the Department of Public Instruction for the current operating expenditures of the public school system.

*Federal Grants Fund.* The Federal Grants Fund includes appropriations from the U.S. Government for the current operating expenditures of the public school system.

*Individual Schools Fund.* The Individual Schools Fund includes revenues and expenditures of the activity funds of the individual schools. The primary revenue sources include funds held on the behalf of various clubs and organizations, receipts from athletic events, and proceeds from various fund raising activities. The primary expenditures are for athletic teams, club programs, activity buses, and instructional needs. The Board has chosen to report the Individual Schools Fund as a major fund to more clearly reflect the operations of each individual fund.

*Capital Outlay Fund.* The Capital Outlay Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds). It is mandated by State law [G.S.115C-426]. Capital projects are funded by Ashe County appropriations, restricted sales tax moneys, proceeds of Ashe County bonds issued for public school construction, lottery proceeds, as well as certain State assistance.

*Other Special Revenue Fund.* The Other Special Revenue Fund is used to account for certain grants, reimbursements, indirect costs and other financial resources received by the Board.

The Board reports the following major enterprise fund:

*School Food Service Fund.* The School Food Service Fund is used to account for the food service program within the school system.

**Measurement Focus and Basis of Accounting**

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

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Board considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. These could include federal, State, and county grants, and some charges for services. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the Board funds certain programs by a combination of specific cost-reimbursement 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 Board's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

All governmental and business-type activities and enterprise funds of the Board follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

**Budgetary Data**

The Board's budgets are adopted as required by the North Carolina General Statutes. Annual budgets are adopted for all funds, except for the individual schools special revenue funds, as required by the North Carolina General Statutes. No budget is required by State law for individual school funds. All appropriations lapse at the fiscal year-end. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds. The Board has authorized the Superintendent to move moneys (up to \$25,000) within funds. Such transfers do not require approval from the governing board. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$25,000. All amendments must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

**Assets, Liabilities, and Net Position/Fund Balance**

**Deposits and Investments**

All deposits of the Board are made in board-designated official depositories and are secured as required by State law [G.S. 115C-444]. The Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Board may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit. The Board also has money credited in its name with the State Treasurer and may issue State warrants against these funds.

State law [G.S. 115C-443] authorizes the Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; the North Carolina Capital Management Trust (NCCMT), an SEC-registered (2a-7) money market mutual fund; and the North Carolina State Treasurer's Short Term Investment Fund (STIF). The STIF is managed by the staff of the Department of State Treasurer and

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

operated in accordance with state laws and regulations. It is not registered with the SEC. It consists of an internal portion and an external portion in which the Board participates. Investments are restricted to those enumerated in G.S. 147-69.1.

The Board's investments are reported at amortized cost or at fair value determined by either quoted market prices or a matrix pricing model. Bank deposits and the NCCMT are measured at amortized cost, which is the NCCMT's share price. Ownership interest in the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. Valuation of the underlying assets is performed by the custodian. All investments are measured using the market approach. The STIF is classified as Level 2 in the fair value hierarchy and is valued using prices that are either directly or indirectly observable for an asset or liability. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to external participants of the fund.

Cash and Cash Equivalents

The Board pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

Inventories

The inventories of the Board are valued at cost and the Board uses the first-in, first-out (FIFO) flow assumption in determining cost. Proprietary Fund inventories consist of food and supplies and are recorded as expenses when consumed.

Capital Assets

The Board's capital assets are recorded at original cost. Donated assets received prior to June 15, 2015 are recorded at their estimated fair value at the date of donation or forfeiture. Donated capital assets received after June 15, 2015 are recorded at acquisition value. All other capital assets are recorded at original cost. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

For governmental activities capital assets, it is the policy of the Board to capitalize all capital assets costing more than \$5,000 with an estimated useful life of two or more years. For business-type activities capital assets, it is the policy of the Board to capitalize all capital assets costing more than \$500 with an estimated useful life of two or more years. In addition, other items that are purchased and used in large quantities, such as student desks, are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	Years
Buildings	50
Improvements	20
Equipment and furniture	10
Buses	10
Vehicles	5
Computer equipment	3

Depreciation for buildings and equipment that serve multiple purposes cannot be allocated ratably and is therefore reported as “unallocated depreciation” on the Statement of Activities.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an expense or expenditure until then. The Board has several items that meet this criterion – pension and OPEB related deferrals and contributions made to the plans in the current fiscal year. The statement of financial position also reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as revenue until then. The Board has several items that meet this criterion – pension and OPEB related deferrals.

Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities.

Compensated Absences

The Board follows the State’s policy for vacation and sick leave. Employees may accumulate up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the Board, the current portion of the accumulated vacation pay is not considered to be material. The Board’s liability for accumulated earned vacation and the salary-related payments as of June 30, 2023 is recorded in the government-wide and proprietary fund financial statements on a FIFO basis. An estimate has been made based on prior years’ records, of the current portion of compensated absences.

The sick leave policy of the Board provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Board has no obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

Net Position/Fund Balances

Net Position

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

Fund Balances

In the governmental fund financial statements, fund balance is composed of three 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:

*Restricted fund balance* – This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Stabilization by State statute - portion of fund balance that is restricted by State Statute [G.S. 115C-425(a)].

Restricted for school capital outlay - portion of fund balance that can only be used for school capital outlay. [G.S. 159-18 through 22]

Restricted for Individual Schools – revenue sources restricted for expenditures for the various clubs and organizations, athletic events, and various fund raising activities for which they were collected.

*Assigned fund balance* – portion of fund balance that the Board of Education intends to use for specific purposes.

Subsequent year's expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted. The Board of Education approves the appropriation.

Special revenues – portion of fund balance that represents the residual amount of revenues from certain grants, reimbursements, indirect costs and other financial resources in excess of related expenditures that the Board of Education has assigned to be expended for educational services. This amount can be expended on instructional services, system-wide support services, ancillary services or non-programmed charges.

*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 is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

assigned to those purposes, it may be necessary to report a negative unassigned fund balance in the that fund.

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

Reconciliation of Government-wide and Fund Financial Statements

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

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. The net adjustment of \$(14,085,287) consists of several elements as follows:

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

Description	Amount
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 62,350,979
Less Accumulated Depreciation and Amortization	<u>35,225,990</u>
Net capital position	27,124,989
 Pension related deferred outflows of resources	 10,379,496
Differences between contributions and proportional share of contributions and changes in proportion	
OPEB related deferred outflows of resources	3,765,263
 Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not recorded in the fund statements:	
Net pension liability	(16,308,746)
Net OPEB liability	(22,718,597)
Compensated absences	(2,208,894)
Installment purchases	(120,501)
 Deferred inflows of resources related to pensions	 (564,014)
Deferred inflows of resources related to OPEB	<u>(13,434,283)</u>
 Total adjustment	 <u><u>\$ (14,085,287)</u></u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balance includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$6,438,594 as follows:



**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities.	\$ 1,478,198
Depreciation expenses, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements.	(1,766,193)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	3,628,935
Contributions to the OPEB plans in the current fiscal year are not included on the Statement of Activities	1,459,508
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
OPEB nonemployer contributions	172,475
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements:	
Pension expense	(3,096,445)
OPEB expense	3,716,154
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources.	606,096
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt.	<u>239,866</u>
Total adjustment	<u>\$ 6,438,594</u>

**Defined Benefit Pension Plan and OPEB Plans**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' and State Employees' Retirement System (TSERS), the Retiree Health Benefit Fund (RHBF), and the Disability Income Plan of NC (DIPNC) and additions to/deductions from TSERS, RHBF, and DIPNC's fiduciary net position have been determined on the same basis as they are reported by TSERS, RHBF, and DIPNC. For this purpose, plan member contributions are recognized in the period in which

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

the contributions are due. The Board's employer contributions are recognized when due and the Board has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of TSERS, RHBF, and DIPNC. Investments are reported at fair value.

**NOTE 2 – DETAIL NOTES ON ALL FUNDS**

Assets

Deposits

All of the Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the Board's agents in the unit'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 Board, these deposits are considered to be held by the agent in the entity's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Board or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Board under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Board has no policy regarding custodial credit risk for deposits.

At June 30, 2023, the Board had deposits with banks and savings and loans with a carrying amount of \$4,384,810 and with the State Treasurer of \$-0-. The bank balances with the financial institutions and the State Treasurer were \$4,975,884 and \$1,166,495, respectively. Of these balances, \$575,084 was covered by federal depository insurance and \$5,567,295 was covered by collateral held by authorized escrow agents in the name of the State Treasurer.

Investments

At June 30, 2023, the Board of Education had \$3,083,568 invested with the State Treasurer in the Short Term Investment Fund (STIF). The STIF is unrated and had a weighted average maturity of 1.3 years at June 30, 2023. The Board has no policy for managing interest rate risk or credit risk.

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

Accounts Receivable

Receivables at the government-wide level at June 30, 2023 were as follows:

	Due from (to) other funds (Internal Balances)	Due from other governments	Other	Total
Governmental activities:				
General Fund	\$ (112,537)	\$ -	\$ 6,205	\$ (106,332)
Other governmental activities	<u>112,537</u>	<u>-</u>	<u>225,940</u>	<u>338,477</u>
Total governmental activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 232,145</u>	<u>\$ 232,145</u>
Business-type activities:				
School Food Service Fund	<u>\$ -</u>	<u>\$ 42,184</u>	<u>\$ 4,419</u>	<u>\$ 46,603</u>

Due from other governments consists of the following:

Business-type activities:	
School Food Service Fund	<u>\$ 42,184</u> USDA Reimbursement

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

Capital Assets

Capital asset activity for the year ended June 30, 2023, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,059,053	\$ -	\$ -	\$ 1,059,053
Construction in progress	157,050	104,550	261,600	-
Total capital assets not being depreciated	1,216,103	104,550	261,600	1,059,053
Capital assets being depreciated:				
Buildings and improvements	49,766,444	1,126,683	-	50,893,127
Equipment and furniture	2,323,918	279,193	12,500	2,590,611
Vehicles	7,803,544	229,372	224,728	7,808,188
Total capital assets being depreciated	59,893,906	1,635,248	237,228	61,291,926
Less accumulated depreciation for:				
Buildings and improvements	25,425,907	1,239,065	-	26,664,972
Equipment and furniture	1,936,701	103,771	12,500	2,027,972
Vehicles	6,334,417	423,357	224,728	6,533,046
Total accumulated depreciation	33,697,025	1,766,193	237,228	35,225,990
Total capital assets being depreciated, net	26,196,881			26,065,936
Governmental activity capital assets, net	\$ 27,412,984			\$ 27,124,989

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type activities:				
School Food Service Fund:				
Capital assets being depreciated:				
Furniture and office equipment	\$ 1,778,313	\$ 64,218	\$ -	\$ 1,842,531
Less accumulated depreciation for:				
Furniture and office equipment	1,724,376	19,962	-	1,744,338
School Food Service capital assets, net	<u>\$ 53,937</u>			<u>\$ 98,193</u>

Depreciation was charged to governmental functions as follows:

Regular instructional services	\$ 1,239,065
System-wide support services	423,357
Unallocated depreciation	103,771
Total	<u>\$ 1,766,193</u>

Liabilities

Pension Plan Obligations

a. Teachers' and State Employees' Retirement System

*Plan Description.* The Board is a participating employer in the statewide Teachers' and State Employees' Retirement System (TSERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. TSERS membership is comprised of employees of the State (state agencies and institutions), universities, community colleges, and certain proprietary component units along with the employees of Local Education Agencies and charter schools. Article 1 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the TSERS 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 Teachers' and State Employees' Retirement System is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR includes financial statements and required supplementary information for TSERS. 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.* TSERS provides retirement and survivor benefits. Retirement benefits are determined as 1.82% 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. General employee plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service at age 60

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

with 25 years of creditable service, or at any age with 30 years of creditable service. General employee plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service. Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

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

*Contributions.* Contribution provisions are established by General Statute 135-8 and may be amended only by the North Carolina General Assembly. Board employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the TSERS Board of Trustees. The Board's contractually required contribution rate for the year ended June 30, 2023, was 17.38% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Board were \$3,757,055 for the year ended June 30, 2023.

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

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

At June 30, 2023, the Board reported a liability of \$16,884,530 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net pension liability was based on a projection of the Board'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

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

TSERS employers, actuarially determined. At June 30, 2022 and at June 30, 2021, the Board's proportion was .11%.

For the year ended June 30, 2023, the Board recognized pension expense of (\$3,263,403). At June 30, 2023, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 73,516	\$ 230,139
Changes of assumptions	1,332,125	-
Net difference between projected and actual earnings on pension plan investments	5,545,557	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	37,693	353,788
Board contributions subsequent to the measurement date	3,757,055	-
Total	<u>\$ 10,745,946</u>	<u>\$ 583,927</u>

\$3,757,055 reported as deferred outflows of resources related to pensions resulting from the Board contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$ 1,616,026
2025	1,533,666
2026	596,887
2027	2,658,385
2028	-
Thereafter	-
Total	<u>\$ 6,404,964</u>

*Actuarial Assumptions.* The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all period included in the measurement:

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

Inflation	2.5%
Salary increases	3.25% to 8.05%, including inflation and productivity factor
Investment rate of return	6.5%, 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, 2021 actuarial valuation were based on the actuarial experience study prepared as of December 31, 2019 and adopted by the Board of Trustees on January 28, 2021. Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2023 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	100.0%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2021 asset, liability and investment policy study for the North Carolina Retirement Systems, including TSERS. 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 2.50%. All rates of return and inflation are annualized.



**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

*Discount rate.* The discount rate used to measure the total pension liability at June 30, 2023 and 2022 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 Board's proportionate share of the net pension asset to changes in the discount rate.* The following presents the Board's proportionate share of the net pension liability calculated using the discount rate of 6.50 percent, as well as what the Board's proportionate share of the net pension asset or net pension liability would be if calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	<b>1% Decrease (5.50%)</b>	<b>Current Discount Rate (6.50%)</b>	<b>1% Increase (7.50%)</b>
Board's proportionate share of the net pension liability (asset)	\$ 29,852,709	\$ 16,884,530	\$ 6,180,335

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

**b. Other Post-employment Benefits**

**Healthcare Benefits**

*Plan description.* The Retiree Health Benefit Fund (RHBF) has been established as a fund to provide health benefits to retired and disabled employees and their applicable beneficiaries. RHBF is established in Chapter 135, Article 1 of the General Statutes. It is a cost-sharing, multiple-employer, defined benefit healthcare plan, exclusively for the benefit of former employees of the State, the University of North Carolina System, and community colleges. In addition, LEAs, charter schools, and some select local governments also participate.

Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer the State Superintendent and the Director of the Office of State Human Resources who serve as ex-officio members. RHBF is supported by a percent of payroll contribution from participating employing units. Each year the percentage is set in legislation, as are the maximum per retiree contributions from RHBF to the State Health Plan. The State Treasurer, with the approval of the State Health Plan Board of Trustees, then sets the employer contributions (subject to the legislative cap) and the premiums to be paid by retirees, as well as the health benefits to be provided through the State Health Plan.

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

The financial statements and other required disclosures for the plan are presented in the State of North Carolina's ACFR, which can be found at <https://www.osc.nc.gov/public-information/reports>.

*Benefits provided.* Plan benefits received by retired employees and disabled employees from RHBF are OPEB. The healthcare benefits for retired and disabled employees who are not eligible for Medicare are the same as for active employees. The plan options change when former employees become eligible for Medicare. Medicare retirees have the option of selecting one of two fully-insured Medicare Advantage/Prescription Drug Plan (MA-PDP) options of the self-funded Traditional 70/30 preferred Provider Organization plan option that is also offered to non-Medicare members. If the Traditional 70/30 Plan is selected by a Medicare retiree, the self-funded State Health Plan coverage is secondary to Medicare.

Those former employees who are eligible to receive medical benefits from RHBF are long-term disability beneficiaries of the Disability Income Plan of North Carolina (DIPNC) and retirees of the TSERS, the Consolidated Judicial Retirement System (CJRS), the Legislative Retirement System (LRS), the University Employees' Optional Retirement Program (ORP), and a small number of local governments, with five or more years of contributory membership service in their retirement system prior to disability or retirement, with the following exceptions: for employees first hired on or after October 1, 2006, and members of the General Assembly first taking office on or after February 1, 2007, future coverage as retired employees and retired members of the General Assembly is subject to the requirement that the future retiree have 20 or more years of retirement service credit in order to receive coverage on a noncontributory basis. Employees first hired on or after October 1, 2006 and members of the General Assembly first taking office on or after February 1, 2007 with 10 but less than 20 years of retirement service credit are eligible for coverage on a partially contributory basis. For such future retirees, the State will pay 50% of the State Health Plan's noncontributory premium.

Section 35.21 (c) and (d) of Session Law 2017-57 repeals retiree medical benefits for employees first hired January 1, 2021. The new legislation amends Article 3B of Chapter 135 of the General Statutes to require that retirees must earn contributory retirement service in TSERS (or in an allowed local system unit), CJRS, or LRS prior to January 1, 2021, and not withdraw that service, in order to be eligible for retiree medical benefits under the amended law. Consequently, members first hired on and after January 1, 2021 will not be eligible to receive retiree medical benefits.

RHBF's benefit and contribution provisions are established by Chapter 135, Article 1 and Chapter 135, Article 3B of the General Statutes and may be amended only by the North Carolina General Assembly. RHBF does not provide for automatic post-retirement benefit increases.

*Contributions.* By General Statute, accumulated contributions from employers to RHBF and any earnings on those contributions shall be used to provide health benefits to retired and disabled employees and their applicable beneficiaries. By statute, contributions to RHBF are irrevocable. Also by law, fund assets are dedicated to providing benefits to retired and disabled employees and their applicable beneficiaries and are not subject to the claims of creditors of the employers making contributions to RHBF. However, RHBF assets may be used for reasonable expenses to administer the RHBF, including costs to conduct required actuarial valuations of state—supported retired employees' health benefits. Contribution rates to RHBF, which are intended to finance benefits and administrative expenses on a pay-as-you-go basis are determined by the General Assembly in the Appropriations Bill. For the current fiscal year, the Board contributed 6.89% of covered payroll which

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

amounted to \$1,489,419. During the current fiscal year, the plan also recognized a one-time transfer of excess funding from the Public Employees Health Benefits Fund totaling \$187.0 million, which was isolated from the OPEB expense and allocated to participating employers as a separate revenue item. The Board's proportionate share of this allocation totaled \$178,564.

At June 30, 2023, Board reported a liability of \$23,491,369 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. The total OPEB liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net OPEB liability was based on a projection of the Board's present value of future salary, actuarially determined. At June 30, 2022 and at June 30, 2021, the Boards proportion was .10%.

\$1,489,419 reported as deferred outflows of resources related to OPEB resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:

2024	\$ (4,133,170)
2025	(2,779,425)
2026	(2,871,784)
2027	(1,806,489)
2028	-
Thereafter	-
Total	<u>\$ (11,590,868)</u>

*Actuarial assumptions.* Common actuarial assumptions for both OPEB plans follow individual note disclosures for each OPEB plan.

Inflation	2.50%
Salary increases	3.25-8.05%, including 3.25% inflation and productivity factor
Investment rate of return	6.50%

Healthcare cost trend rates:

Medical	5.00-6.00%
Prescription drug	5.00-9.50%
Administrative costs	3.00%
Post-retirement mortality rates	Pub-2010 Healthy Annuitant Mortality Table for males and females, adjusted for classification for some Participants, further adjusted with scaling factors varying by participant group and projected for mortality improvement using Scale MP-2019

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

Discount rate. The discount rate used to measure the total OPEB liability for the RHBF was 2.16%, the same as June 30, 2022. The projection of cash flow used to determine the discount rate assumed that contributions from employers would be made at the current statutorily determined contribution rate. Based on the above assumptions, the plan's fiduciary net position was not projected to be available to make projected future benefit payments of current plan members. As a result, a municipal bond rate of 2.16% was used as the discount rate used to measure the total OPEB liability. The 2.16% rate is based on the Bond Buyer 20-year General Obligation Index as of June 30, 2022.

*Sensitivity of the Board's proportionate share of the net OPEB liability to changes in the discount rate.* The following presents the Board's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1-percentage point higher (3.16 percent) than the current discount rate:

	<b>1% Decrease (1.16%)</b>	<b>Current Discount Rate (2.16%)</b>	<b>1% Increase (3.16%)</b>
Net OPEB liability	\$ 27,670,126	\$ 23,491,369	\$ 20,078,459

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

	<b>1% Decrease in Trend Rates</b>	<b>Current Trend Rates (6.50% Medical, 7.25% Rx, 3.00% Administrative Expenses)</b>	<b>1% Increase in Trend Rates</b>
Net OPEB liability	\$ 19,337,154	\$ 23,491,369	\$ 28,861,285

*OPEB plan fiduciary net position.* Detailed information about the OPEB plan's fiduciary net position is available in the separately issued ACFR for the State of North Carolina.

**Disability Benefits**

*Plan description.* Short-term and long-term disability benefits are provided through the Disability Income Plan of North Carolina (DIPNC), a cost-sharing, multiple-employer defined benefit plan, to the eligible members of TSERS which includes employees of the State, the University of North Carolina System, community colleges, certain Local Education Agencies, and ORP.

Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer the State Superintendent and the Director of the Office of State Human Resources who serve as ex-officio members. Management of

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer the State Superintendent and the Director of the Office of State Human Resources who serve as ex-officio members.

The financial statements and other required disclosures for the plan are presented in the State of North Carolina's ACFR, which can be found at <https://www.osc.nc.gov/public-information/reports>.

**Benefits Provided.** Long-term disability benefits are payable as an OPEB from DIPNC after the conclusion of the short-term disability period or after salary continuation payments cease, whichever is later, for as long as an employee is disabled. An employee is eligible to receive long-term disability benefits provide the following requirements are met: (1) the employee has five or more years of contributing membership service in TSERS or ORP, earned within 96 months prior to the end of the short-term disability period or cessation of salary continuation payments, whichever is later; (2) the employee must make application to receive long-term benefits within 180 days after the conclusion of the short-term disability period or after salary continuation payments cease or after monthly payments for Workers' Compensation cease (excluding monthly payments for permanent partial benefits), whichever is later; (3) the employee must be certified by the Medical Board to be mentally or physically disabled for the further performance of his/her usual occupation; (4) the disability must have been continuous, likely to be permanent, and incurred at the time of active employment; (5) the employee must not be eligible to receive an unreduced retirement benefit from TSERS after (1) reaching the age of 65 and completing 5 years of membership service, or (2) reaching the age of 60 and completing 25 years of creditable service, or (3) completing 30 years of service at any age.

**Contributions.** Benefit and contribution provisions are established by Chapter 135, Article 6, of the General Statutes and may be amended only by the North Carolina General Assembly. The plan does not provide for automatic post-retirement benefit increases. Disability income benefits are funded by actuarially determined employer contributions that are established in the Appropriations Bill by the General Assembly and coincide with the State fiscal year. For the fiscal year ended June 30, 2023, employers made a statutory contribution of 0.10% of covered payroll which was equal to the actuarially required contribution. Board contributions to the plan were \$21,617 for the year ended June 30, 2023.

The contributions cannot be separated between the amounts that relate to other postemployment benefits and employment benefits for active employees. Those individuals who are receiving extended short-term disability benefit payments cannot be separated from the number of members currently eligible to receive disability benefits as an other postemployment benefit.

At June 30, 2023, Board reported an OPEB liability of \$29,314 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. The total OPEB liability was then rolled forward to the measurement date of June 30, 2022 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net OPEB liability was based on a projection of the Board's present value of future salary, actuarially determined. At June 30, 2022 and at June 30, 2021, the Boards proportion was .10%.

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

\$21,617 reported as deferred outflows of resources related to OPEB resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:

2024	\$	16,934
2025		19,071
2026		13,960
2027		11,123
2028		3,491
Thereafter		4,867
Total	\$	<u>69,446</u>

*Actuarial assumptions.* Common actuarial assumptions for both OPEB plans follow individual note disclosures for each OPEB plan.

Inflation	2.50%
Salary increases	3.25% to 8.05%, including a 3.25% inflation and productivity factor
Investment rate of return	3.00%, net of OPEB plan investment expense, including inflation

*Sensitivity of the Board's proportionate share of the net OPEB liability to changes in the discount rate.* The following presents the Board's proportionate share of the net OPEB liability, as well as what the Board's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00 percent) or 1-percentage point higher (4.00 percent) than the current discount rate:

	<u>1% Decrease (2.00%)</u>	<u>Current Discount Rate (3.00%)</u>	<u>1% Increase (4.00%)</u>
Net OPEB liability	\$ 36,096	\$ 29,314	\$ 22,514

*Common actuarial assumptions for both OPEB plans.* The total OPEB liability was determined by an actuarial valuation performed as of December 31, 2021 using the following actuarial assumptions, applied to all periods in the measurement, unless otherwise specified. The total OPEB liability was calculated through the use of update procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. The update procedures incorporated the actuarial assumptions used in the valuation. The entry age normal cost method was utilized.

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. teacher, 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 mortality rates also contain a provision to reflect future mortality improvements.

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

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

DIPNC is primarily invested in the Bond Index Investment Pool as of June 30, 2022. The long-term expected rate of return was determined based on the combination of expected future real rates of return and expected inflation. The long-term expected real rate of return for the Bond Index Investment Pool as of June 30, 2022 is 1.3%.

***Total OPEB Expense, OPEB Liabilities, and Deferred Outflows and Inflows of Resources of Related to OPEB***

Following is information related to the proportionate share and OPEB expense:

	<u>RHBF</u>	<u>DIPNC</u>	<u>Total</u>
OPEB expense	\$ 3,580,735	\$ (59,542)	\$ 3,521,193
OPEB liability (asset)	23,491,369	29,314	23,520,683
Proportionate share of the net OPEB liability (asset)	0.099%	0.099%	
Deferred of Outflows of Resources			
Differences between expected and actual experience	\$ 228,070	\$ 32,858	\$ 260,928
Changes of assumptions	1,880,789	1,884	1,882,673
Net difference between projected and actual earnings on plan investments	203,425	31,005	234,430
Changes in proportion and defferences between Board contributions and proportionate share of contributions	-	9,130	9,130
Board contributions subsequent to the measurement date	1,489,419	21,617	1,511,037
Total Deferred Outflows of Resources	<u>\$ 3,801,703</u>	<u>\$ 96,494</u>	<u>\$ 3,898,198</u>
Deferred of Inflows of Resources			
Differences between expected and actual experience	\$ 65,003	\$ -	\$ 65,003
Changes of assumptions	10,691,475	5,431	10,696,906
Changes in proportion and differences between Board contributions and proportionate share of contributions	3,146,674	-	3,146,674
Total Deferred Inflows of Resources	<u>\$13,903,152</u>	<u>\$ 5,431</u>	<u>\$13,908,583</u>

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at June 30, 2023 are as follows:

	<u>Vendors</u>
Governmental Activities:	
General	\$ 156,115
Other Governmental	<u>123,888</u>
Total Governmental Activities	<u>\$ 280,003</u>
Business-types Activities	
School Food Service	<u>\$ 16</u>

Unearned Revenues

The balance in unearned revenues at year-end is composed of the following elements:

	<u>Unearned Revenue</u>
Prepayments of meals (School Food Service Fund)	<u>\$ 23,609</u>



**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

Deferred Inflows of resources

The balance in deferred inflows of resources at year-end is composed of the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between Board contributions and proportionate share of contributions	\$ 46,823	\$ 3,500,462
Changes in assumptions	3,214,798	10,696,906
Difference between projected and actual earnings on plan investments	5,779,987	-
Board contributions subsequent to the measurement date	5,268,092	-
Difference between expected and actual experience	<u>334,444</u>	<u>295,142</u>
Total	<u>\$ 14,644,144</u>	<u>\$ 14,492,510</u>

Risk Management

The Board is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The State of North Carolina provides workers' compensation coverage for employees to the extent they are paid from State funds. The Board purchases workers' compensation coverage for locally and federally funded employees from Key Risk Insurance Company. The Board purchases General Liability from the North Carolina School Board Trust with a \$2,550,000 General Aggregate Limit, the Board's Errors and Omissions is \$850,000 per occurrence and \$2,550,000 Aggregate Annual Limit.

The Board insures its tangible property with the NC Public School Insurance Fund. The fund provides coverage for \$10,000,000. The Board purchases automobile liability insurance from Montgomery Insurance and has a \$1,000,000 limit. The Board participates in the Teachers' and State Employees' Comprehensive Major Medical Plan, a self-fund risk financing pool of the State administered by Blue Cross and Blue Shield of North Carolina. The Board pays the full cost of coverage for employees enrolled in the Comprehensive Major Medical Plan.

In accordance with G.S. 115C-442, the Board's employees who have custody of the Board's moneys at any given time are performance bonded through an employee dishonesty blanket bond for \$25,000. The finance officer is bonded for \$250,000.

The Board carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year, and claims have not exceeded coverage in any of the past three fiscal years.

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

Direct Placement Installment Purchases

The Board is authorized to finance the purchase of school buses under G.S. 115C-528(a). Session law 2003-284, section 7.25 authorized the State Board of Education to allot moneys for the payments on financing contracts entered into pursuant to G.S. 115C-528. The State has accepted the bid to purchase Thomas Built Buses through third party direct placement financing arrangements. As of June 30, 2023, the Board has entered into such contracts for the purchase of school buses. The terms of the financing contracts require annual payments from \$22,429 to \$24,895.

Long-Term Obligation Activity

The following is a summary of changes in the Board's long-term obligations for the year ended June 30, 2023:

	July 1, 2022	Increases	Decreases	June 30, 2023	Current Portion
Governmental activities:					
Direct Placement:					
Installment purchases	\$ 360,367	\$ -	\$ 239,866	\$ 120,501	\$ 120,501
Net pension liability	5,231,047	11,077,699	-	16,308,746	-
Net OPEB liability	30,187,762	-	7,469,165	22,718,597	-
Compensated absences	2,814,990	1,823,217	2,429,313	2,208,894	1,156,933
Total governmental activities	<u>\$ 38,594,166</u>	<u>\$ 12,900,916</u>	<u>\$ 10,138,344</u>	<u>\$ 41,356,738</u>	<u>\$ 1,277,434</u>
Business-type activities:					
Net pension liability	\$ 141,769	\$ 434,015	\$ -	\$ 575,784	\$ -
Net OPEB liability	818,130	-	16,044	802,086	-
Compensated absences	81,441	68,804	89,355	60,890	36,213
Total business-type activities	<u>\$ 1,041,340</u>	<u>\$ 502,819</u>	<u>\$ 105,399</u>	<u>\$ 1,438,760</u>	<u>\$ 36,213</u>

Compensated absences, net pension and net OPEB liabilities related to governmental activities are typically liquidated by the General and other governmental funds.

Due to/from other Funds

As of June 30, 2023 there was \$112,537 due to the Individual Schools Fund from the General Fund, and \$11,181 due to the Other Special Revenue Fund from the Individual School Fund. These items occurred in the normal operating cycle of the Board, and are expected to be paid in the next fiscal year.

Transfers to/from other Funds

During the year ended June 30, 2023, the State Public School Fund transferred \$98,253 to the School Food Service Fund to pay for certain wages.

**ASHE COUNTY BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

---

Fund Balance

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

Total fund balance - General Fund	\$ 2,903,091
Less:	
Stabilization by State statute	6,205
Appropriated Fund Balance in 2024 budget	<u>1,065,622</u>
Remaining fund balance	<u>\$ 1,831,264</u>

**NOTE 3 – SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES**

Federal and State Assisted Programs

The Board has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant moneys.

**ASHE COUNTY SCHOOLS**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM**  
**Last Ten Fiscal Years\***

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Board's proportion of the net pension liability/asset	0.114%	0.115%	0.122%	0.125%	0.127%
Board's proportionate share of the net pension liability (asset)	\$ 16,884,530	\$ 5,372,816	\$ 14,715,872	\$ 12,986,687	\$ 12,658,172
Board's covered payroll	\$ 19,612,848	\$ 19,317,984	\$ 19,104,376	\$ 19,356,241	\$ 18,469,912
Board's proportionate share of the net pension liability/asset as a percentage of its covered payroll	86.09%	27.81%	77.03%	67.09%	68.53%
Plan fiduciary net position as a percentage of the total pension liability	84.14%	94.86%	85.98%	87.56%	87.61%

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Board's proportion of the net pension liability/asset	0.128%	0.131%	0.132%	0.130%	0.134%
Board's proportionate share of the net pension liability (asset)	\$ 10,144,976	\$ 12,080,694	\$ 4,875,885	\$ 1,528,134	\$ 8,110,881
Board's covered payroll	\$ 18,243,711	\$ 17,876,769	\$ 17,864,326	\$ 17,081,593	\$ 17,251,462
Board's proportionate share of the net pension liability/asset as a percentage of its covered payroll	55.61%	67.58%	27.29%	8.95%	47.02%
Plan fiduciary net position as a percentage of the total pension liability	89.51%	87.32%	96.64%	98.24%	90.60%

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

**This schedule is required supplementary information.**

**ASHE COUNTY SCHOOLS**  
**SCHEDULE OF BOARD CONTRIBUTIONS**  
**TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM**  
**Last Ten Fiscal Years**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Contractually required contribution	\$ 3,757,055	\$ 3,212,585	\$ 2,855,198	\$ 2,477,838	\$ 2,378,882
Contributions in relation to the contractually required contribution	<u>3,757,055</u>	<u>3,212,585</u>	<u>2,855,198</u>	<u>2,477,838</u>	<u>2,378,882</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 21,617,118	\$ 19,612,848	\$ 19,317,984	\$ 19,104,376	\$ 19,356,241
Contributions as a percentage of covered payroll	17.38%	16.38%	14.78%	12.97%	12.29%

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Contractually required contribution	\$ 1,991,057	\$ 1,820,722	\$ 1,635,724	\$ 1,634,586	\$ 1,484,390
Contributions in relation to the contractually required contribution	<u>1,991,057</u>	<u>1,820,722</u>	<u>1,635,724</u>	<u>1,634,586</u>	<u>1,484,390</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 18,469,912	\$ 18,243,711	\$ 17,876,769	\$ 17,864,326	\$ 17,081,593
Contributions as a percentage of covered payroll	10.78%	9.98%	9.15%	9.15%	8.69%

**This schedule is required supplementary information.**

**ASHE COUNTY SCHOOLS  
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
RETIREE HEALTH BENEFIT FUND  
Last Seven Fiscal Years\***

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Board's proportion of the net OPEB liability/asset	0.099%	0.100%	0.107%	0.109%	0.112%
Board's proportionate share of the net OPEB liability (asset)	\$ 23,491,369	\$ 31,005,892	\$ 29,606,650	\$ 34,461,185	\$ 31,808,394
Board's covered payroll	\$ 19,612,848	\$ 19,317,984	\$ 19,104,376	\$ 19,356,241	\$ 18,469,912
Board's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	119.78%	160.50%	154.97%	178.04%	172.22%
Plan fiduciary net position as a percentage of the total OPEB liability	10.58%	7.72%	6.92%	4.40%	4.40%

	<b>2018</b>	<b>2017</b>
Board's proportion of the net OPEB liability/asset	0.116%	0.113%
Board's proportionate share of the net OPEB liability (asset)	\$ 38,072,097	\$ 49,174,198
Board's covered payroll	\$ 18,243,711	\$ 17,876,769
Board's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	208.69%	275.07%
Plan fiduciary net position as a percentage of the total OPEB liability	3.52%	2.41%

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

**This schedule is required supplementary information.**

**ASHE COUNTY SCHOOLS**  
**SCHEDULE OF BOARD CONTRIBUTIONS**  
**RETIREE HEALTH BENEFIT FUND**  
**Last Ten Fiscal Years**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Contractually required contribution	\$ 1,489,419	\$ 1,233,648	\$ 1,290,441	\$ 1,236,053	\$ 1,213,636
Contributions in relation to the contractually required contribution	1,489,419	1,233,648	1,290,441	1,236,053	1,213,636
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 21,617,118	\$ 19,612,848	\$ 19,317,984	\$ 19,104,376	\$ 19,356,241
Contributions as a percentage of covered payroll	6.89%	6.29%	6.68%	6.47%	6.27%

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Contractually required contribution	\$ 1,117,430	\$ 1,059,191	\$ 1,000,726	\$ 980,394	\$ 922,958
Contributions in relation to the contractually required contribution	1,117,430	1,059,191	1,000,726	980,394	922,958
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 18,469,912	\$ 18,243,711	\$ 17,876,769	\$ 17,864,326	\$ 17,081,593
Contributions as a percentage of covered payroll	6.05%	5.81%	5.60%	5.49%	5.40%

**This schedule is required supplementary information.**

**ASHE COUNTY SCHOOLS**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**DISABILITY INCOME PLAN OF NORTH CAROLINA**  
**Last Seven Fiscal Years\***

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Board's proportion of the net OPEB liability/asset	0.099%	0.101%	0.106%	0.110%	0.110%
Board's proportionate share of the net OPEB liability (asset)	\$ 29,314	\$ (16,457)	\$ (52,106)	\$ (47,344)	\$ (33,435)
Board's covered payroll	\$ 19,612,848	\$ 19,317,984	\$ 19,104,376	\$ 19,356,241	\$ 18,469,912
Board's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	0.15%	0.09%	0.27%	0.24%	0.18%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	90.34%	105.18%	115.57%	113.00%	108.47%

	<b>2018</b>	<b>2017</b>
Board's proportion of the net OPEB liability/asset	0.112%	0.116%
Board's proportionate share of the net OPEB liability (asset)	\$ (68,381)	\$ (72,303)
Board's covered payroll	\$ 18,243,711	\$ 17,876,769
Board's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	0.37%	0.40%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	116.23%	116.06%

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

**This schedule is required supplementary information.**



**ASHE COUNTY SCHOOLS  
SCHEDULE OF BOARD CONTRIBUTIONS  
DISABILITY INCOME PLAN OF NORTH CAROLINA  
Last Ten Fiscal Years**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Contractually required contribution	\$ 21,617	\$ 17,652	\$ 17,386	\$ 19,104	\$ 27,099
Contributions in relation to the contractually required contribution	21,617	17,652	17,386	19,104	27,099
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 21,617,118	\$ 19,612,848	\$ 19,317,984	\$ 19,104,376	\$ 19,356,241
Contributions as a percentage of covered payroll	0.10%	0.09%	0.09%	0.10%	0.14%

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Contractually required contribution	\$ 25,858	\$ 69,276	\$ 73,121	\$ 73,217	\$ 74,878
Contributions in relation to the contractually required contribution	25,858	69,276	73,121	73,217	74,878
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 18,469,912	\$ 18,243,711	\$ 17,876,769	\$ 17,864,326	\$ 17,081,593
Contributions as a percentage of covered payroll	0.14%	0.38%	0.41%	0.41%	0.44%

**This schedule is required supplementary information.**



**ASHE COUNTY SCHOOLS****GENERAL FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL****For the Year Ended June 30, 2023****Exhibit A-1**

	Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>			
Ashe County:			
Appropriations from general revenues	\$ 6,173,091	\$ 6,173,091	\$ -
Other :			
Fines and forfeitures		52,573	
Interest earned on investments		46,390	
Miscellaneous		150	
Total	84,400	99,113	14,713
Total revenues	6,257,491	6,272,204	14,713
<b>Expenditures:</b>			
Instructional services:			
Regular instructional		1,918,894	
Special populations		25,059	
Alternative programs		51,991	
School Leadership		556,799	
Co-curricular		260,394	
School-based support		151,573	
Total instructional services	3,342,893	2,964,710	378,183
System-wide support services:			
Support and development		142,707	
Special population support		25,296	
Alternative programs and services support		141,958	
Technology support		140,888	
Operational support		1,818,210	
Financial and human resource services		516,363	
Accountability		89,573	
System-wide pupil support services		3,695	
Policy, leadership and public relations		242,625	
Total system-wide support services	3,858,289	3,121,315	736,974
Ancillary services	32,000	25,289	6,711
Non-programmed charges	83,000	74,990	8,010
Total expenditures	7,316,182	6,186,304	1,129,878

**ASHE COUNTY SCHOOLS****GENERAL FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL*****For the Year Ended June 30, 2023******Exhibit A-1  
(Continued)***

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues over (under) expenditures	(1,058,691)	85,900	1,144,591
Appropriated fund balance	<u>1,058,691</u>	<u>-</u>	<u>(1,058,691)</u>
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	85,900	<u>\$ 85,900</u>
Fund balances:			
Beginning of year, July 1		<u>2,817,191</u>	
End of year, June 30		<u>\$ 2,903,091</u>	

**ASHE COUNTY SCHOOLS  
CAPITAL OUTLAY FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2023**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
Revenues:			
State of North Carolina:			
State appropriations - buses		\$ 239,866	
Public school building repair and renovation		174,311	
Total	\$ -	414,177	\$ 414,177
Ashe County:			
County appropriations - general	318,072	318,072	-
Other			
Interest earned on investments		21,639	
Miscellaneous		270,910	
	734,750	292,549	(442,201)
Total revenues	1,052,822	1,024,798	(28,024)
Expenditures:			
Current:			
Instructional services	279,907	263,514	16,393
System-wide support services	294,454	177,547	116,907
Capital Outlay	662,797	448,573	214,224
Debt service - principal	425,000	239,866	185,134
Total expenditures	1,662,158	1,129,500	532,658
Revenues over (under) expenditures	(609,336)	(104,702)	504,634
Appropriated fund balance	609,336	-	(609,336)
Revenues, other financing sources and appropriated fund balance over (under) expenditures	\$ -	(104,702)	\$ (104,702)
Fund balances:			
Beginning of year, July 1		1,206,594	
End of year, June 30		\$ 1,101,892	

**ASHE COUNTY SCHOOLS  
SCHOOL FOOD SERVICE FUND  
SCHEDULES OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
(NON-GAAP)  
For the Year Ended June 30, 2023**

**Exhibit C-1**

	Budget	Actual	Variance Positive (Negative)
Operating revenues			
Food sales	\$ 397,149	\$ 387,672	\$ (9,477)
Operating expenditures:			
Business support services	2,418,028	1,802,781	615,247
Capital outlay	100,000	64,218	35,782
Total expenditures	2,518,028	1,866,999	651,029
Operating loss	(2,120,879)	(1,479,327)	641,552
Nonoperating revenues:			
Federal reimbursements		1,265,707	
Federal commodities		133,458	
Contributions and donations		1,838	
Interest earned		4,858	
	1,788,433	1,422,046	(366,387)
Other financing sources:			
Transfer from other fund	-	98,253	98,253
Revenues and other financing sources over (under) expenditures	(332,446)	40,972	373,418
Appropriated fund balance	332,446	-	(332,446)
Revenues, other financing sources and appropriated fund balance over (under) expenditures	\$ -	40,972	\$ 40,972
Reconciliation of modified accrual to full accrual basis:			
Reconciling items:			
Depreciation		(19,962)	
Indirect costs		(92,049)	
Indirect costs not paid		42,049	
(Increase) decrease in compensated absences		20,551	
Increase (decrease) in inventories		(4,619)	
Net pension liability		(434,015)	
Net OPEB liability		15,610	
Deferred outflows		241,545	
Deferred inflows		17,261	
Change in net position - full accrual		\$ (172,657)	



## Statistical Section

## **STATISTICAL SECTION (Unaudited)**

The Statistical Section of the District's Annual Comprehensive Financial Report (ACFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial outlook.

### **Sections**

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the District's financial performance and operations have changed over time.

#### **Revenue Capacity**

Since the District's local revenues are primarily provided by Ashe County, these schedules on the county's revenue sources are relevant to an understanding of Ashe County's most significant local revenue source, the property tax.

#### **Debt Capacity**

Since the District has no tax-levying or debt-issuing authority, the County of Ashe provides significant funding to the school system. Selected fiscal data from the County of Ashe has been included to help the reader better understand the school system and its financial operations.

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. County information is included.

#### **Operating Information**

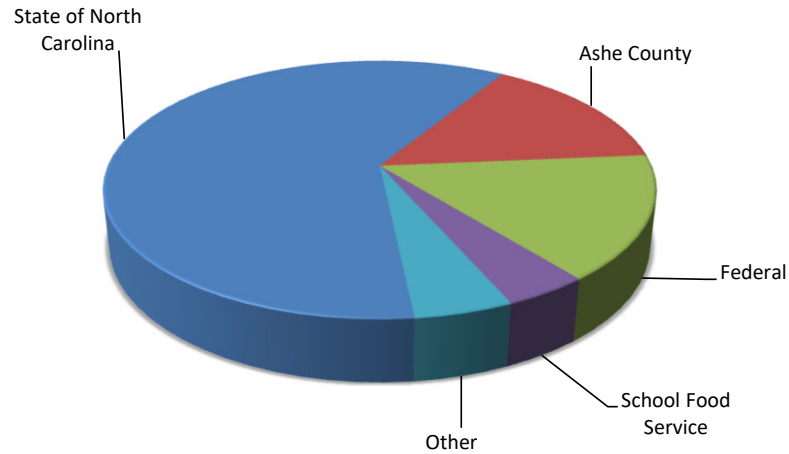
These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.



# Financial Perspective

## Governmental and Business-type Activities for Fiscal Year 2022 - 2023

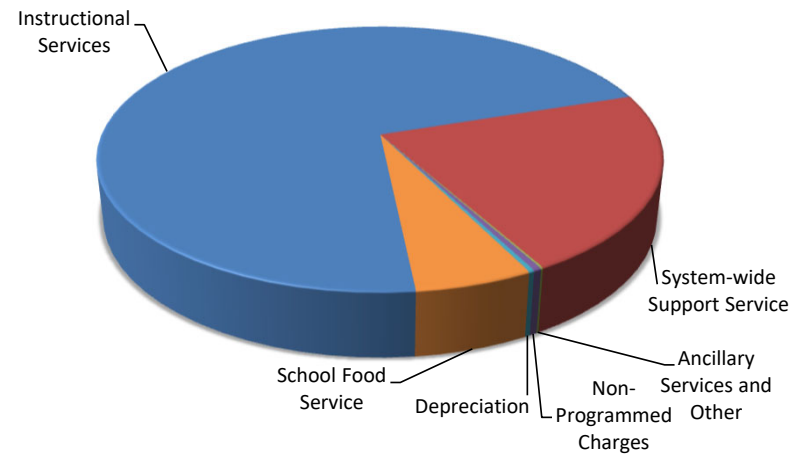
### Revenue Sources



State of North Carolina	\$	26,396,863
Ashe County		6,491,163
Federal		6,799,278
School Food Service		1,851,767
Other		2,141,310

**Total**                      **\$    43,680,381**

### Expenses



Instructional Services	\$	26,577,413
System-wide Support Service		8,129,789
Ancillary Services and Other		41,002
Non-Programmed Charges		147,405
Depreciation		103,771
School Food Service		2,122,677

**Total**                      **\$ 37,122,057**

# ASHE COUNTY SCHOOLS

## Net Position by Component Last Ten Fiscal Years

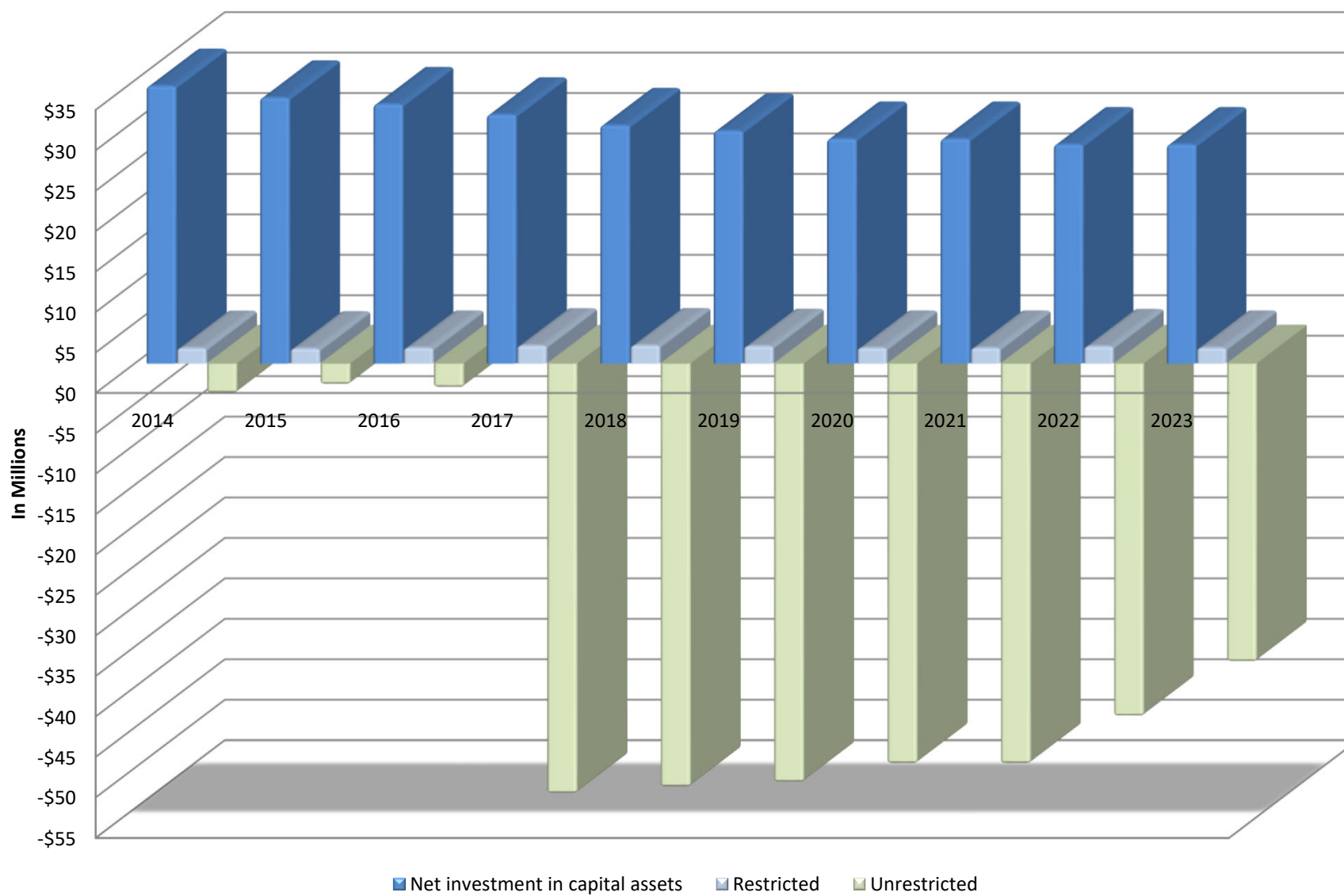
Year Ended June 30	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Net investment in capital assets	\$ 35,476,348	\$ 34,154,557	\$ 32,767,773	\$ 31,983,993	\$ 30,685,611	\$ 29,395,469	\$ 28,718,434	\$ 27,722,468	\$ 27,052,617	\$ 27,004,488
Restricted	2,076,357	1,935,902	1,871,467	1,969,195	2,238,523	2,268,418	2,174,669	1,961,161	2,144,083	1,967,090
Unrestricted	946,754	(4,442,875)	(3,351,610)	(3,638,538)	(51,902,826)	(51,178,429)	(51,124,691)	(49,122,970)	(43,912,416)	(36,956,313)
	<b>\$ 38,499,459</b>	<b>\$ 31,647,584</b>	<b>\$ 31,287,630</b>	<b>\$ 30,314,650</b>	<b>\$ (18,978,692)</b>	<b>\$ (19,514,542)</b>	<b>\$ (20,231,588)</b>	<b>\$ (19,439,341)</b>	<b>\$ (14,715,716)</b>	<b>\$ (7,984,735)</b>
Business-type activities:										
Net investment in capital assets	\$ 236,801	\$ 177,640	\$ 119,704	\$ 94,571	\$ 106,658	\$ 83,186	\$ 64,604	\$ 75,062	\$ 53,937	\$ 98,193
Restricted	-	-	-	-	2,446	1,123	1,403	1,375	434	-
Unrestricted	905,586	688,659	680,154	586,640	(1,333,370)	(1,251,495)	(724,618)	(420,382)	226,207	9,728
	<b>\$ 1,142,387</b>	<b>\$ 866,299</b>	<b>\$ 799,858</b>	<b>\$ 681,211</b>	<b>\$ (1,224,266)</b>	<b>\$ (1,167,186)</b>	<b>\$ (658,611)</b>	<b>\$ (343,945)</b>	<b>\$ 280,578</b>	<b>\$ 107,921</b>
District-wide:										
Net investment in capital assets	\$ 34,332,197	\$ 32,887,477	\$ 32,078,564	\$ 30,792,269	\$ 29,478,655	\$ 28,783,038	\$ 27,797,530	\$ 27,797,530	\$ 27,106,554	\$ 27,102,681
Restricted	1,935,902	1,871,467	1,969,195	2,240,969	2,269,541	2,176,072	1,962,536	1,962,536	2,144,517	1,967,090
Unrestricted	(3,754,216)	(2,671,456)	(3,051,898)	(53,236,196)	(52,429,924)	(51,849,309)	(49,543,352)	(49,543,352)	(43,686,209)	(36,946,585)
	<b>\$ 32,513,883</b>	<b>\$ 32,087,488</b>	<b>\$ 30,995,861</b>	<b>\$ (20,202,958)</b>	<b>\$ (20,681,728)</b>	<b>\$ (20,890,199)</b>	<b>\$ (19,783,286)</b>	<b>\$ (19,783,286)</b>	<b>\$ (14,435,138)</b>	<b>\$ (7,876,814)</b>

Source: Ashe County Board of Education, North Carolina, Annual Financial Report for the year ended June 30, 2023

Note: Net position for 2014 is not comparable to 2015 (and after) fund balances due to the implementation of GASB 68 for the year ended June 30, 2015. The standard requires the Board to record its share of the net pension liability associated with the Board's participation in the statewide Teachers' and State Employees' Retirement System (TSERS)

Note: Net position for 2017 and before is not comparable to 2018 (and after) net position due to the implementation of GASB 75 for the year ended June 30, 2018. The standard requires the Board to record its share of the Other Postemployment Benefit (OPEB) liability and asset associated with the Board's participation in the statewide Retiree Health Benefit Fund (RHBF) and the Disability Income Plan of North Carolina (DIPNC).

## Net Position by Component District-wide



# **ASHE COUNTY SCHOOLS**

## **Changes in Net Position Last Ten Fiscal Years**

Year Ended June 30	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses:</b>										
Governmental Activities:										
Instructional services	\$ 24,381,333	\$ 24,671,047	\$ 24,965,746	\$ 26,362,228	\$ 27,855,108	\$ 27,277,381	\$ 26,997,993	\$ 26,200,684	\$ 27,036,528	\$ 26,577,413
System-wide support services	6,727,259	6,608,559	6,426,719	6,727,070	7,086,621	6,996,659	7,308,752	7,284,815	6,723,905	8,129,789
Ancillary services	45,428	46,694	54,103	53,141	58,943	36,619	114,883	25,367	77,195	41,002
Non-programmed charges	63,121	70,434	103,029	100,746	86,868	97,740	110,549	130,840	141,739	147,405
Unallocated depreciation expense	138,258	119,118	101,012	98,712	96,170	91,117	103,912	77,781	102,283	103,771
Total governmental activities	31,355,399	31,515,852	31,650,609	33,341,897	35,183,710	34,499,516	34,636,089	33,719,487	34,081,650	34,999,380
Business-type activities:										
School food service	2,251,388	2,197,468	2,243,305	2,183,283	2,206,128	1,875,628	1,815,471	1,448,996	1,809,225	2,122,677
Total district-wide	\$ 33,606,787	\$ 33,713,320	\$ 33,893,914	\$ 35,525,180	\$ 37,389,838	\$ 36,375,144	\$ 36,451,560	\$ 35,168,483	\$ 35,890,875	\$ 37,122,057
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services - tuition and fees	\$ 88,971	\$ 115,352	\$ 128,587	\$ 97,333	\$ 47,909	\$ 29,083	\$ 62,761	\$ 59,110	\$ 56,433	\$ 55,960
Operating grants and contributions	21,597,759	22,578,090	22,644,134	23,119,556	23,030,414	24,556,994	24,869,779	25,143,830	26,610,292	27,414,109
Capital grants and contributions	81,976	81,195	20,299	213,648	129,274	173,772	112,733	280,196	404,864	239,866
Total governmental activities program revenues	21,768,706	22,774,637	22,793,020	23,430,537	23,207,597	24,759,849	25,045,273	25,483,136	27,071,589	27,709,935
Business-type activities:										
Charges for services:										
Student meal services	627,632	589,888	547,212	515,620	514,854	489,108	430,160	44,642	115,059	387,672
Operating grants and contributions	1,586,388	1,489,644	1,555,276	1,467,978	1,418,705	1,352,011	1,752,984	1,631,266	2,218,907	1,459,237
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	2,214,020	2,079,532	2,102,488	1,983,598	1,933,559	1,841,119	2,183,144	1,675,908	2,333,966	1,846,909
Total district-wide	\$ 23,982,726	\$ 24,854,169	\$ 24,895,508	\$ 25,414,135	\$ 25,141,156	\$ 26,600,968	\$ 27,228,417	\$ 27,159,044	\$ 29,405,555	\$ 29,556,844
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (9,586,693)	\$ (8,741,215)	\$ (8,857,589)	\$ (9,911,360)	\$ (11,976,113)	\$ (9,739,667)	\$ (9,590,816)	\$ (8,236,351)	\$ (7,010,061)	\$ (7,289,445)
Business-type activities	(37,368)	(117,936)	(140,817)	(199,685)	(272,569)	(34,509)	367,673	226,912	524,741	(275,768)
Total district-wide	\$ (9,624,061)	\$ (8,859,151)	\$ (8,998,406)	\$ (10,111,045)	\$ (12,248,682)	\$ (9,774,176)	\$ (9,223,143)	\$ (8,009,439)	\$ (6,485,320)	\$ (7,565,213)

**ASHE COUNTY SCHOOLS**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**

Year Ended June 30	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Unrestricted county appropriations - operating	\$ 4,448,032	\$ 4,541,475	\$ 4,641,903	\$ 4,641,903	\$ 4,784,744	\$ 5,047,012	\$ 5,323,091	\$ 5,323,080	\$ 5,323,091	\$ 6,173,091
Unrestricted county appropriations - capital	453,372	223,622	273,201	636,253	544,693	649,607	329,306	711,779	388,049	318,072
Unrestricted State appropriations - operating	60,347	60,605	50,581	51,441	43,223	46,983	43,881	52,272	107,264	52,573
Investment earnings, unrestricted	-	-	-	-	31,091	41,984	36,440	9,139	4,450	46,390
Miscellaneous, unrestricted	3,461,469	3,535,775	3,604,934	3,688,048	3,617,235	3,506,673	3,279,002	3,019,310	6,010,119	7,528,553
Transfers	(72,569)	(72,024)	(72,984)	(79,265)	(80,775)	(88,442)	(137,950)	(86,982)	(99,287)	(98,253)
Total governmental activities	8,350,651	8,289,453	8,497,635	8,938,380	8,940,211	9,203,817	8,873,770	9,028,598	11,733,686	14,020,426
Business-type activities:										
Unrestricted State appropriations - operating	2,776	-	-	-	-	-	-	-	-	-
Investment earnings, unrestricted	1,193	1,066	1,392	1,773	2,278	3,147	2,952	772	495	4,858
Transfers	72,569	72,024	72,984	79,265	80,775	88,442	137,950	86,982	99,287	98,253
Total business-type activities	76,538	73,090	74,376	81,038	83,053	91,589	140,902	87,754	99,782	103,111
Total district-wide	\$ 8,427,189	\$ 8,362,543	\$ 8,572,011	\$ 9,019,418	\$ 9,023,264	\$ 9,295,406	\$ 9,014,672	\$ 9,116,352	\$ 11,833,468	\$ 14,123,537
<b>Change in Net Position</b>										
Governmental activities	\$ (1,196,170)	\$ (1,236,042)	\$ (451,762)	\$ (359,954)	\$ (972,980)	\$ (3,035,902)	\$ (3,035,902)	\$ 792,247	\$ 4,723,625	\$ 6,730,981
Business-type activities	76,455	39,170	(44,846)	(66,441)	(118,647)	(189,516)	(189,516)	314,666	624,523	(172,657)
Total district-wide	\$ (1,119,715)	\$ (1,196,872)	\$ (496,608)	\$ (426,395)	\$ (1,091,627)	\$ (3,225,418)	\$ (3,225,418)	\$ 1,106,913	\$ 5,348,148	\$ 6,558,324

Source: Ashe County Board of Education, North Carolina, Annual Financial Report for the year ended June 30, 2023

Note: Expenses for 2014 are not comparable to 2015 (and after) expenses due to the implementation of GASB 68 during the year ended June 30, 2015. The standard requires the Board to record its proportionate share of the net pension liability associated with the Board's participation in the Statewide Teachers' and State Employees' Retirement System (TSERS).

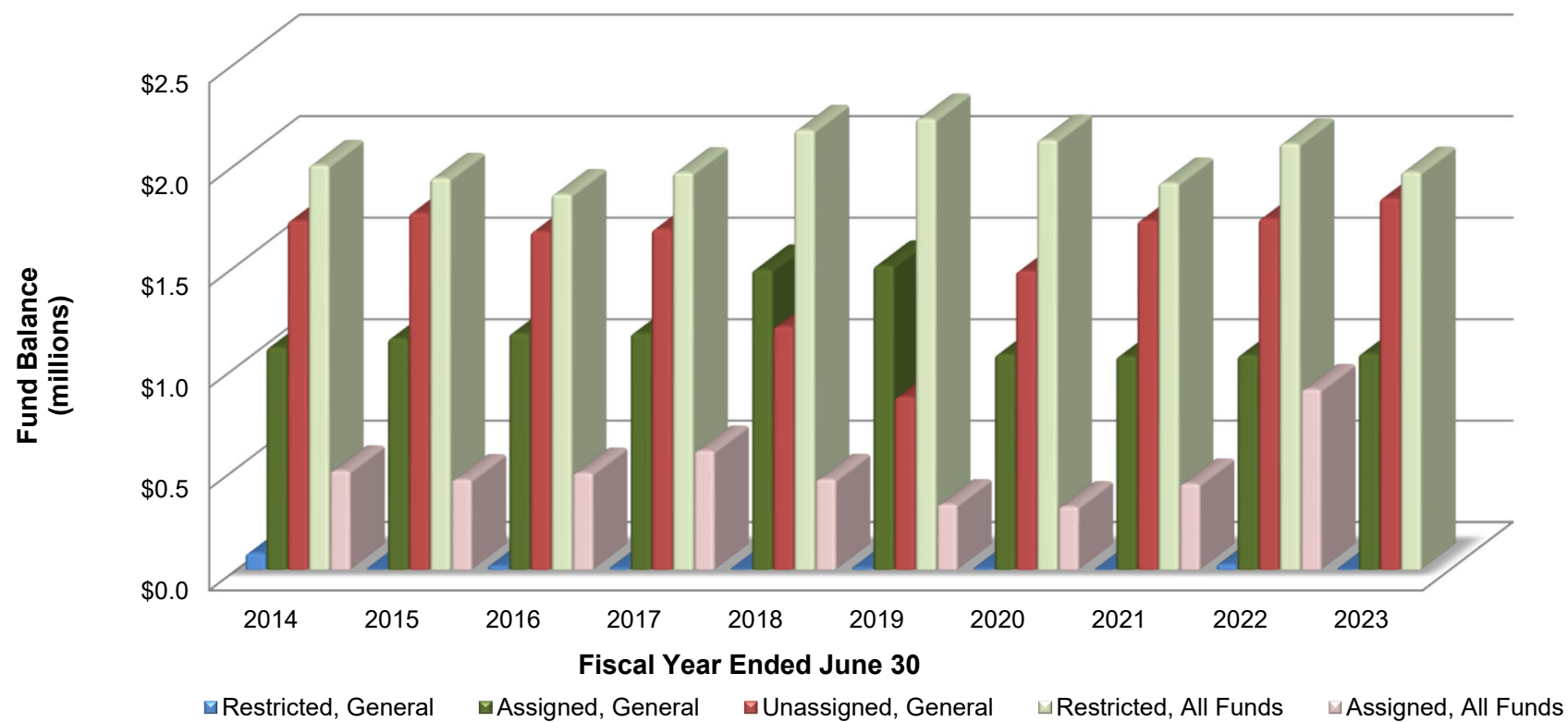
Note: Expenses for 2017 and before are not comparable to 2018 (and after) expenses due to the implementation of GASB 75 during the year ended June 30, 2018. The standard requires the Board to record its share of the Other Post employment Benefit (OPEB) liability and asset associated with the Board's participation in the statewide Retiree Health Benefit Fund (RHBF) and the Disability Income Plan of North Carolina (DIPNC).

**ASHE COUNTY SCHOOLS**  
**Governmental Funds**  
**Fund Balances**  
**Last Ten Fiscal Years**

<b>Year Ended June 30</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
General Fund:										
Restricted	\$ 82,042	\$ 5,880	\$ 20,405	\$ 10,938	\$ 5,686	\$ 13,510	\$ 10,070	\$ 3,135	\$ 27,490	\$ 6,205
Assigned	1,096,835	1,140,777	1,166,428	1,166,428	1,479,468	1,499,212	1,061,923	1,053,087	1,058,691	1,065,622
Unassigned	1,720,710	1,758,586	1,666,548	1,678,811	1,199,230	852,213	1,472,686	1,720,766	1,731,010	1,831,264
Total General Fund	<u>\$ 2,899,587</u>	<u>\$ 2,905,243</u>	<u>\$ 2,853,381</u>	<u>\$ 2,856,177</u>	<u>\$ 2,684,384</u>	<u>\$ 2,364,935</u>	<u>\$ 2,544,679</u>	<u>\$ 2,776,988</u>	<u>\$ 2,817,191</u>	<u>\$ 2,903,091</u>
All other governmental funds:										
Restricted	\$ 1,994,315	\$ 1,930,022	\$ 1,851,062	\$ 1,958,257	\$ 2,166,902	\$ 2,222,596	\$ 2,118,658	\$ 1,907,295	\$ 2,100,570	\$ 1,960,885
Assigned	488,818	446,121	478,343	587,060	447,369	323,326	312,559	424,896	890,404	1,236,576
Total all other governmental funds	<u>\$ 2,483,133</u>	<u>\$ 2,376,143</u>	<u>\$ 2,329,405</u>	<u>\$ 2,545,317</u>	<u>\$ 2,614,271</u>	<u>\$ 2,545,922</u>	<u>\$ 2,431,217</u>	<u>\$ 2,332,191</u>	<u>\$ 2,990,974</u>	<u>\$ 3,197,461</u>

Source: Ashe County Board of Education, North Carolina, Annual Financial Report for the year ended June 30, 2023

### Governmental Funds Fund Balances - After GASB 54 Implementation



# ASHE COUNTY SCHOOLS

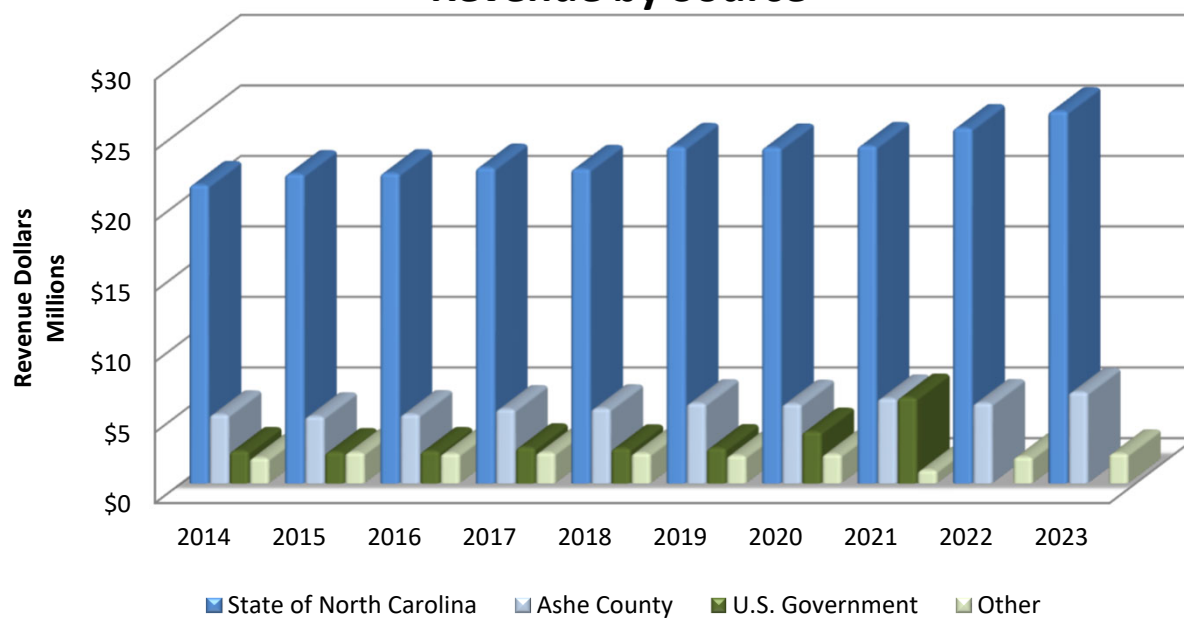
## Governmental Funds Changes in Fund Balances Last Ten Fiscal Years

Year Ended June 30	2014	2015	2016	2017	2018
<b>Revenues</b>					
State of North Carolina	\$ 21,164,661	\$ 21,933,271	\$ 22,001,401	\$ 22,393,747	\$ 22,306,212
Ashe County	4,901,404	4,765,097	4,915,104	5,278,156	5,329,437
U.S. Government	2,310,164	2,233,691	2,306,490	2,567,490	2,440,380
Other	1,828,138	2,210,803	2,144,566	2,208,789	2,165,521
Total revenues	30,204,367	31,142,862	31,367,561	32,448,182	32,241,550
<b>Expenditures</b>					
Instructional Services	23,456,045	24,354,416	24,724,477	25,181,603	25,525,877
System-wide Support Services	6,387,664	6,534,210	6,411,947	6,382,641	6,442,344
Ancillary Services	45,157	48,203	56,120	52,467	56,089
Non-Programmed Charges	83,838	88,007	119,884	124,900	97,416
Capital Outlay	235,299	105,957	404,182	280,883	100,047
Debt service - principal	81,976	122,574	20,299	213,648	129,274
Total expenditures	30,289,979	31,253,367	31,736,909	32,236,142	32,351,047
Revenues over (under) expenditures	(85,612)	(110,505)	(369,348)	212,040	(109,497)
<b>Other financing sources (uses)</b>					
Transfers to other funds	(72,569)	(72,024)	(72,984)	(79,265)	(80,775)
Installment purchase obligations	-	81,195	343,732	85,933	87,433
	(72,569)	9,171	270,748	6,668	6,658
Net change in fund balances	\$ (158,181)	\$ (101,334)	\$ (98,600)	\$ 218,708	\$ (102,839)
Ratio of debt service expenditures to total non-capital expenditures	0.29%	0.40%	0.06%	0.67%	0.41%
Year Ended June 30	2019	2020	2021	2022	2023
<b>Revenues</b>					
State of North Carolina	\$ 23,860,742	\$ 23,823,001	\$ 23,928,714	\$ 25,200,068	\$ 26,396,863
Ashe County	5,696,619	5,652,397	6,034,859	5,711,140	6,491,163
U.S. Government	2,495,728	2,513,680	3,677,671	6,097,091	6,799,278
Other	1,999,019	2,090,436	963,253	1,896,263	2,141,310
Total revenues	34,052,108	34,079,514	34,604,497	38,904,562	41,828,614
<b>Expenditures</b>					
Instructional Services	27,194,568	26,620,812	26,971,753	30,047,325	31,327,910
System-wide Support Services	6,905,354	6,964,419	7,325,558	7,140,954	9,160,962
Ancillary Services	37,882	114,528	26,646	88,255	48,764
Non-Programmed Charges	114,680	131,010	163,195	182,314	211,899
Capital Outlay	103,200	32,601	476,772	242,577	448,573
Debt service - principal	173,772	112,733	280,196	404,864	239,866
Total expenditures	34,529,456	33,976,103	35,244,120	38,106,289	41,437,974
Revenues over (under) expenditures	(477,348)	103,411	(639,623)	798,273	390,640
<b>Other financing sources (uses)</b>					
Transfers to other funds	(88,442)	(137,950)	(86,982)	(99,287)	(98,253)
Installment purchase obligations	177,992	99,578	859,888	-	-
	89,550	(38,372)	772,906	(99,287)	(98,253)
Net change in fund balances	\$ (387,798)	\$ 65,039	\$ 133,283	\$ 698,986	\$ 292,387
Ratio of debt service expenditures to total non-capital expenditures	0.51%	0.34%	0.85%	1.13%	0.61%

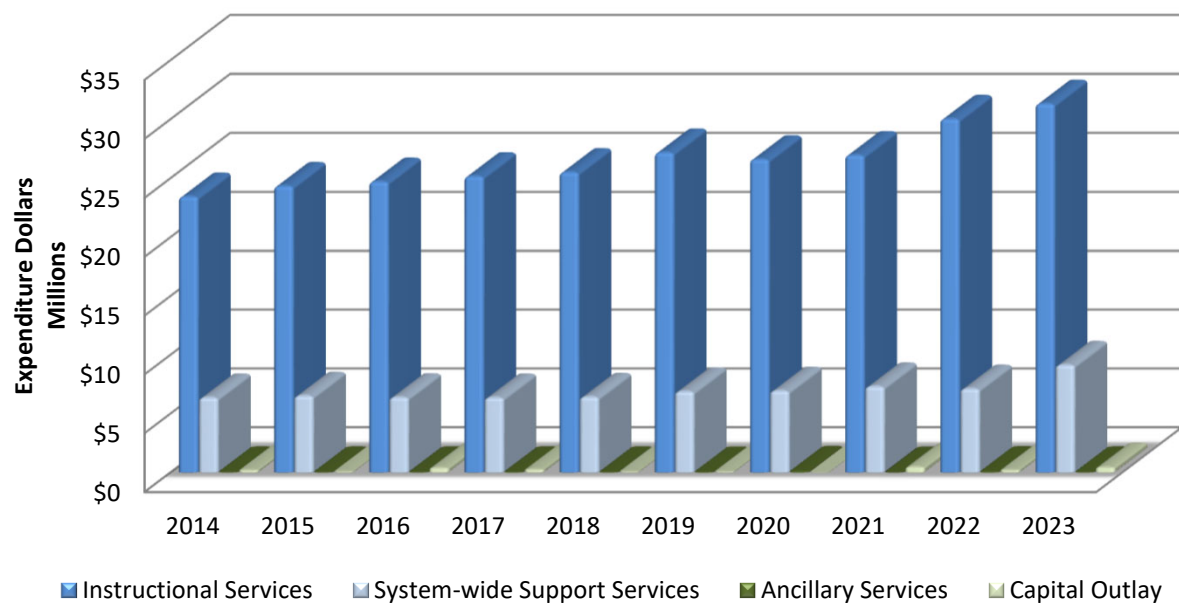
Source: Ashe County Board of Education, North Carolina, Annual Financial Report for the year ended June 30, 2023



## Governmental Funds Revenue by Source



## Expenditures by Function



# ASHE COUNTY SCHOOLS

## Operational Expenditures Per Pupil

### Expenditures by Function

#### Last Ten Fiscal Years

EXPRESSED IN NOMINAL DOLLARS					
Year Ended June 30	2014	2015	2016	2017	2018
Average Daily Membership	3,120	3,096	3,151	2,981	2,966
Instructional	\$ 7,518	\$ 7,866	\$ 7,847	\$ 8,447	\$ 8,606
System-wide support	2,047	2,111	2,035	2,141	2,172
Ancillary	14	16	18	18	19
<b>Total Expenditures</b>	<b>\$ 9,579</b>	<b>\$ 9,993</b>	<b>\$ 9,900</b>	<b>\$ 10,606</b>	<b>\$ 10,797</b>

EXPRESSED IN NOMINAL DOLLARS					
Year Ended June 30	2019	2020	2021	2022	2023
Average Daily Membership	2,946	2,899	2,830	2,721	2,705
Instructional	\$ 9,231	\$ 9,183	\$ 9,531	\$ 11,043	\$ 11,581
System-wide support	2,344	2,402	2,589	2,624	3,387
Ancillary	13	40	9	32	18
<b>Total Expenditures</b>	<b>\$ 11,588</b>	<b>\$ 11,625</b>	<b>\$ 12,129</b>	<b>\$ 13,699</b>	<b>\$ 14,986</b>

EXPRESSED IN CONSTANT DOLLARS					
Year Ended June 30	2014	2015	2016	2017	2018
Instructional	\$ 3,154	\$ 3,296	\$ 3,256	\$ 3,448	\$ 3,415
System-wide support	859	885	844	874	862
Ancillary	6	7	7	7	8
<b>Total Expenditures</b>	<b>\$ 4,019</b>	<b>\$ 4,188</b>	<b>\$ 4,107</b>	<b>\$ 4,329</b>	<b>\$ 4,285</b>

EXPRESSED IN CONSTANT DOLLARS					
Year Ended June 30	2019	2020	2021	2022	2023
Instructional	\$ 3,604	\$ 3,562	\$ 3,508	\$ 3,727	\$ 3,796
System-wide support	915	932	953	886	1,110
Ancillary	5	16	3	11	6
<b>Total Expenditures</b>	<b>\$ 4,524</b>	<b>\$ 4,510</b>	<b>\$ 4,464</b>	<b>\$ 4,624</b>	<b>\$ 4,912</b>

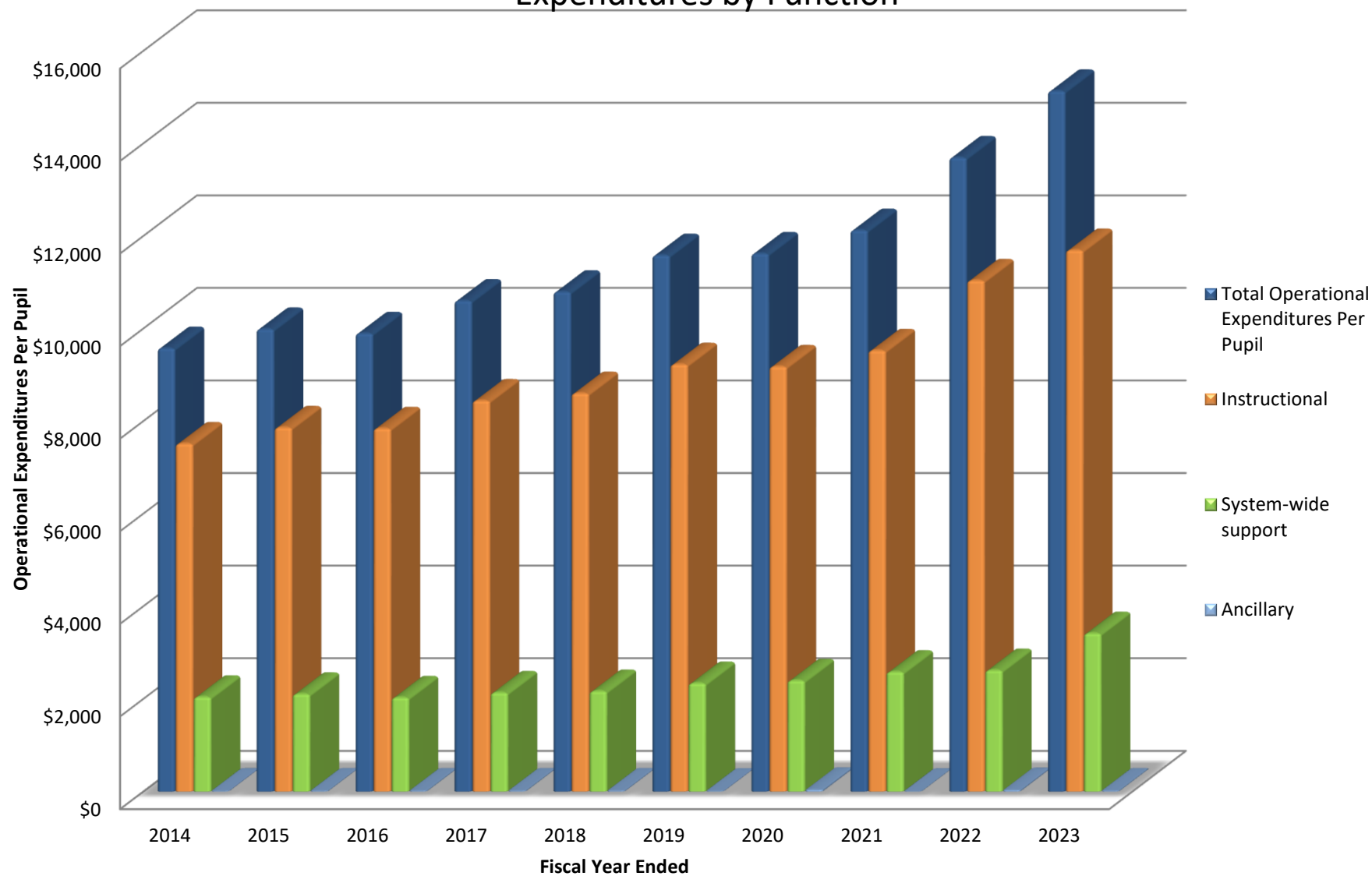
Source: Ashe County Board of Education, North Carolina, Annual Financial Report for the year ended June 30, 2023.

The above operational expenditures per pupil include all governmental funds.

Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for All Urban Consumers (CPI-U) (Calendar years 1982-1984=100).

## Operational Expenditures Per Pupil

### Expenditures by Function



# ASHE COUNTY SCHOOLS

## Average Daily Membership

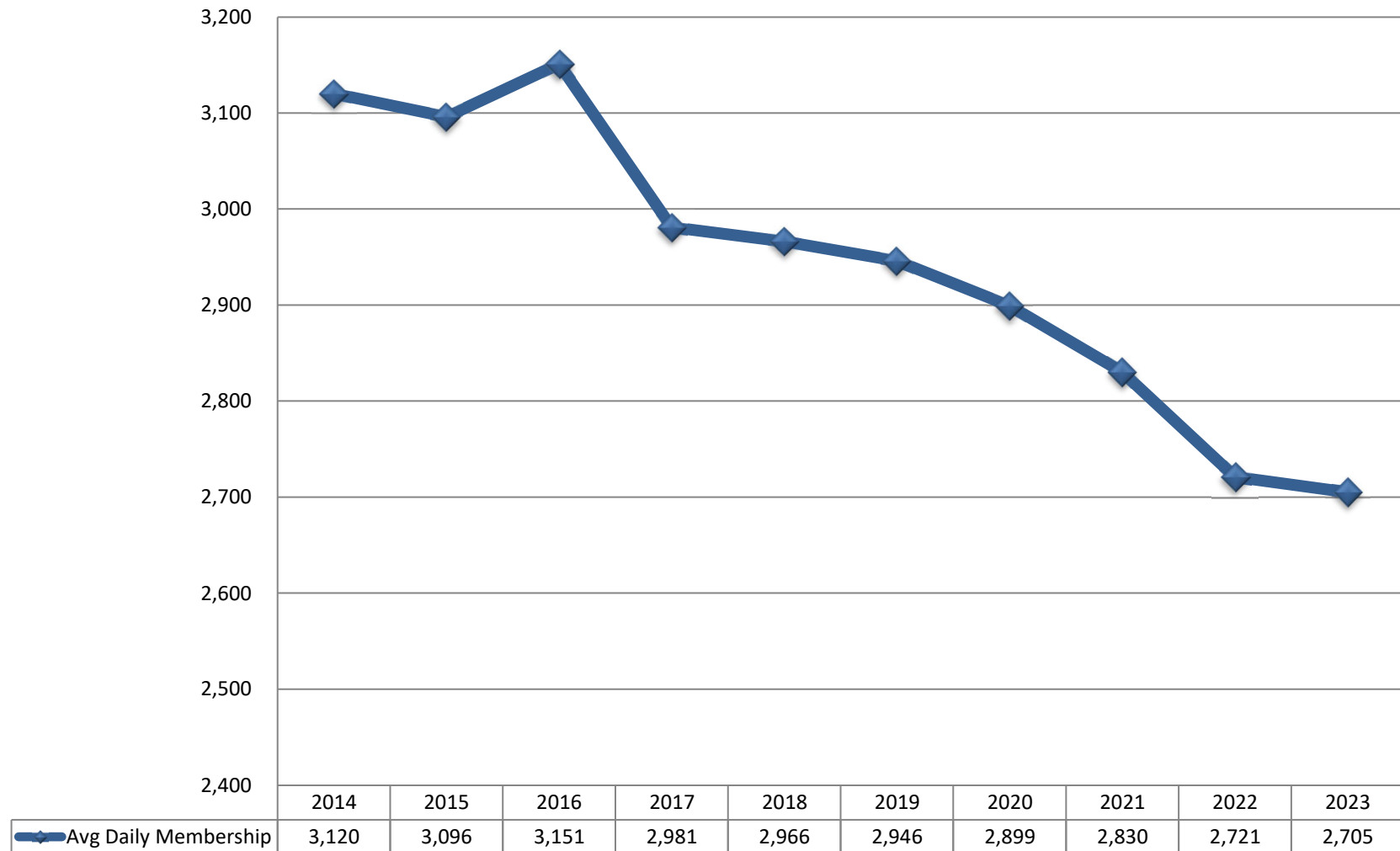
### By School

### Last Ten Fiscal Years

Year Ended June 30	2014	2015	2016	2017	2018
Elementary Schools					
Blue Ridge	492	508	534	502	509
Mountain View	587	584	589	558	548
Westwood	620	587	573	542	558
Total Elementary Schools	1,699	1,679	1,696	1,602	1,615
Middle School					
Ashe County Middle	481	496	508	460	436
High School					
Ashe County High	940	921	947	919	915
<b>Total Average Daily Membership</b>	<b>3,120</b>	<b>3,096</b>	<b>3,151</b>	<b>2,981</b>	<b>2,966</b>
Year Ended June 30	2019	2020	2021	2022	2023
Elementary Schools					
Blue Ridge	472	445	422	355	361
Mountain View	548	525	506	533	491
Westwood	548	542	509	477	483
Total Elementary Schools	1,568	1,512	1,437	1,365	1,335
Middle School					
Ashe County Middle	473	510	503	456	442
High School					
Ashe County High	905	877	890	900	928
<b>Total Average Daily Membership</b>	<b>2,946</b>	<b>2,899</b>	<b>2,830</b>	<b>2,721</b>	<b>2,705</b>

Source: North Carolina Average Daily Membership Report, North Carolina Department of Public Instruction

**ASHE COUNTY SCHOOLS  
Average Daily Membership  
Last Ten Fiscal Years**



**Ashe County Schools**  
**Student Statistics**  
**Last Ten Fiscal Years**

Year Ended June 30	Teaching Staff	Students	Pupil/ Teacher ratio	Student Attendance Percentage	Students receiving free/ reduced lunch percentage
2023	197	2,705	1/14	N/A	62%
2022	207	2,673	1/13	94.09%	51%
2021	213	2,830	1/13	94.98%	51%
2020	216	2,899	1/13	96.27%	57%
2019	223	2,946	1/13	95.18%	57%
2018	235	2,948	1/13	95.04%	59%
2017	226	2,966	1/13	95.54%	60%
2016	228	2,981	1/14	95.34%	61%
2015	229	3,151	1/14	95.19%	63%
2014	225	3,096	1/14	94.85%	63%

Source: Ashe County Board of Education Student Data.

Note: Student Attendance Percentage data was not available at report release date.

**Ashe County Schools  
Student Statistics  
Last Ten Fiscal Years**

Year Ended June 30	Ethnic Distribution Percentage					Graduates	Graduates Continuing Education Percentage
	White	Black	Asian	Hispanic	Other		
2023	82%	1%	-	15%	2%	207	76%
2022	84%	-	-	13%	2%	173	69%
2021	84%	1%	-	13%	2%	204	73%
2020	83%	1%	1%	13%	2%	204	70%
2019	85%	-	1%	12%	2%	213	78%
2018	86%	1%	1%	11%	2%	202	94%
2017	88%	1%	1%	10%	-	227	81%
2016	88%	1%	-	10%	1%	210	85%
2015	89%	-	-	9%	2%	207	81%
2014	89%	-	-	9%	2%	209	83%

Source: Ashe County Board of Education Student Data.

**Ashe County Schools  
Instructional Personnel  
Last Ten Fiscal Years**

Year Ended June 30	Teacher Salaries			Bachelors Degree	Masters Degree	Sixth Year Degree	Doctorate Degree
	Minimum	Maximum	Average				
2023	\$ 37,000	\$ 68,410	\$ 52,705	131	87	7	1
2022	35,460	66,800	51,241	140	101	6	1
2021	35,000	65,970	50,073	137	101	6	1
2020	35,000	65,970	50,035	140	103	6	1
2019	35,000	65,970	50,375	138	97	6	1
2018	35,000	62,590	49,625	131	111	6	1
2017	35,000	62,220	45,190	128	108	6	1
2016	35,000	61,000	46,695	133	110	4	1
2015	33,000	61,000	43,694	131	116	3	0
2014	30,800	61,000	44,795	137	120	3	0

The above tabulation represents total salaries including both state base and the system-wide local supplement, but does not include the following:

- ( a ) Payments of varying amounts for performing extra duties.
- ( b ) Bonus payments

Source: Ashe County Board of Education Payroll Data



**ASHE COUNTY SCHOOLS**  
**School Building Data**  
**June 30, 2023**

<b>Site</b>	<b>Year Built</b>	<b>Capacity</b>	<b>Current Membership</b>	<b>Over/(Under) Capacity</b>	<b>Condition</b>
Blue Ridge Elementary	1995	600	346	-42%	Good
Mountain View Elementary	1990	700	527	-25%	Good
Westwood Elementary	2004	600	474	-21%	Excellent
Ashe County Middle	1965	650	452	-30%	Poor
Ashe County High	2000	1,000	874	-13%	Very Good

Source: Ashe County Schools N. C. Public Schools Facility Needs Report, 2023

**ASHE COUNTY SCHOOLS**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

<b>Year Ended June 30</b>	<b>Installment Purchases</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>
2023	\$ 120,501	\$ 120,501	N/A	N/A
2022	360,367	360,367	0.03%	13
2021	765,231	765,231	0.06%	29
2020	185,539	185,539	0.02%	7
2019	198,694	198,694	0.02%	7
2018	194,474	194,474	0.02%	7
2017	236,315	236,315	0.02%	9
2016	364,030	364,030	0.04%	9
2015	40,597	40,597	0.04%	3
2014	81,976	81,976	0.02%	6

N/A = Not available

Source: Ashe County Board of Education, North Carolina, Annual Financial Report for the year ended June 30, 2023

Note: This table is a ten year schedule. However, current year county level annual population estimates are not released by the U.S. Census Bureau until the spring of the following year. Therefore, June 30, 2023 population based information will be shown above as "N/A", and the information will be reported for the year ended June 30, 2024, if applicable.

Note: This table is a ten year schedule. However, county level annual income data is not released by the U.S. Bureau of Economic Analysis until the month of April of the following year. Therefore, June 30, 2023 income based information will be shown above as "N/A", and the June 30, 2023 information will be reported for the year ended June 30, 2024, if applicable.

**ASHE COUNTY**  
**North Carolina**  
**Demographic Statistics**  
**Last Ten Fiscal Years**

<b>Year Ended June 30</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Population Estimate (1)	27,126	27,020	26,924	26,957	27,109
Personal Income (2)	\$831,961,000	\$846,742,000	\$851,635,000	\$962,567,000	\$984,056,700
Per Capita Income (2)	\$30,670	\$31,338	\$31,631	\$35,707	\$36,300
Median Age (3)	45.84	45.98	46.21	47.03	47.21
School Enrollment (4)	3,120	3,096	3,151	2,981	2,966
Unemployment Rate (5)	11.3%	7.4%	6.6%	4.9%	3.8%
<b>Year Ended June 30</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Population Estimate (1)	27,797	26,533	26,711	27,110	N/A
Personal Income (2)	\$1,018,565,471	\$1,101,094,764	\$1,180,706,333	\$1,204,578,630	N/A
Per Capita Income (2)	\$36,643	\$39,612	\$44,203	\$44,433	N/A
Median Age (3)	47.81	48.13	47.58	48.14	48.25
School Enrollment (4)	2,946	2,899	2,830	2,808	N/A
Unemployment Rate (5)	4.3%	5.4%	4.1%	3.8%	3.1%

N/A = Not Available

Sources:

- 1 Based upon estimates issued by the U.S. Census Bureau as of July 1
- 2 Bureau of Economic Analysis
- 3 Office of State Budget and Management
- 4 North Carolina Department of Public Instruction
- 5 North Carolina Employment Security Commission

Note: This table is a ten year schedule. However, current year county level annual population estimates are not released by the U.S. Census Bureau until the spring of the following year. Therefore, June 30, 2023 population based information will be shown above as "N/A", and the information will be reported for the year ended June 30, 2024, if applicable.

Note: This table is a ten year schedule. However, county level annual income data is not released by the U.S. Bureau of Economic Analysis until the month of April of the following year. Therefore, June 30, 2023 income based information will be shown above as "N/A", and will be reported for the year ended June 30, 2024, if applicable.

Note: This table is a ten year schedule. However, school enrollment data was not released by NCDPI at the time of report. Therefore, June 30, 2023 income based information will be shown above as "N/A", and will be reported for the year ended June 30, 2024, if applicable.

**ASHE COUNTY**  
**North Carolina**  
**Principal Employers**  
**For Years Ended March 31, 2023 and 2014**

Employer	2023			2014		
	Employees	Rank	Approximate Percentage of Total County Employment	Employees	Rank	Approximate Percentage of Total County Employment
Ashe County Board of Education	500 - 999	1	7%+	500 - 999	1	7.4%+
American Emergency Vehicles	250 - 499	2	3.5%+	250 - 499	2	3.7%+
Ashe Memorial Hospital, Inc,	250 - 499	3	3.5%+	250 - 499	4	3.7%+
James R Vannoy & Sons Construction	250 - 499	4	3.5%+	100 - 249	9	1.5%+
General Electric Company	250 - 499	5	3.5%+	100 - 249	8	1.5%+
County of Ashe	250 - 499	6	3.5%+	250 - 499	3	3.7%+
Wal-Mart Associates Inc.	100 - 249	7	1.4%+	100 - 249	6	1.5%+
Ingles Market Inc.	100 - 249	8	1.4%+	-	-	-
United Chemi-Con Inc	100 - 249	9	1.4%+	100 - 249	10	1.5%+
Skyline Telephone Membership Corp.	100 - 249	10	1.4%+	-	-	-
Gates Rubber Company	-	-	-	100 - 249	5	1.5%+
Ashe Services for Aging Inc.	-	-	-	100 - 249	7	1.5%+
Total County Employment	<u>7,184</u>		<u>30.1%+</u>	<u>6,758</u>		<u>27.5%+</u>

Source: NC Department of Commerce Labor & Economic Analysis as of March 31st each year.

Note: Data for June 2023 was unavailable at the time of report.

**ASHE COUNTY, NORTH CAROLINA**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Assessed value (after exemption)	N/A	\$ 4,285,176,935	\$ 4,279,791,899	\$ 4,200,030,176
Debt limit rate	8%	8%	8%	8%
Debt limit	N/A	342,814,155	342,383,352	336,002,414
Less: Total net debt applicable to limit	N/A	14,365,832	13,944,110	6,576,046
Legal debt margin	N/A	328,448,323	328,439,242	329,426,368
Total net debt applicable to the limit as a percentage of debt limit	N/A	4%	4%	2%
<b>Legal Debt Margin Calculation for Fiscal Year 2023</b>				
Assessed value (after exemptions)				N/A
Debt limit (8% of assessed value)				8%
Debt applicable to limit:				
Installment purchase				N/A
Total net debt applicable to limit				N/A
Legal debt margin				N/A

Note: Ashe County Board of Education does not have debt levy authority.

Source: Ashe County's Financial Statements

N/A: This information was not available from Ashe County as of the ACFR report date.

Table 15 (Continued)

2019	2018	2017	2016	2015	2014
\$ 4,127,091,797	\$ 3,966,565,400	\$ 3,970,471,844	\$ 3,912,574,349	\$ 4,172,689,864	\$ 4,223,152,720
8%	8%	8%	8%	8%	8%
330,167,344	317,325,232	313,005,948	333,815,189	337,852,218	300,979,219
7,596,282	8,910,616	9,436,362	11,300,613	14,300,180	17,008,768
322,571,062	308,414,616	301,705,335	319,515,009	320,843,450	274,974,814
2%	3%	4%	4%	9%	9%

**ASHE COUNTY, NORTH CAROLINA**  
**Principal Property Taxpayers**  
**December 31, 2022 and December 31, 2013**

Taxpayer	December 31, 2022			December 31, 2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Blue Ridge Electrical Membership Corp.	\$90,168,805	1	2.10	\$130,287,318	1	3.04
General Electric Company	58,837,203	2	1.37	21,014,945	2	0.49
GE Industrial Financing Solutions	9,713,595	3	0.23	-	-	-
Wal-Mart Real Estate Business Trust	8,920,600	4	0.21	9,684,100	6	0.23
Smiths Aerospace Components Inc.	8,579,400	5	0.20	-	-	-
Henderson Health Care Facility	7,742,200	6	0.18	-	-	-
United Chemi-Con Inc.	7,693,166	7	0.18	13,447,539	4	-
Carolina West Wireless Inc.	6,894,230	8	0.16	-	-	-
Halcore Group Inc.	5,784,980	9	0.13	-	-	-
Jefferson Mountain Village Inc.	5,501,600	10	0.13	-	-	-
Gates Corporation - Ashe County Belt	-	-	-	16,251,905	3	0.38
JL Golf Management	-	-	-	10,629,400	5	0.25
Lowe's Home Center Inc.	-	-	-	8,708,800	7	0.20
Double M Ranch LLC	-	-	-	6,644,800	8	-
Church Sammy & Shirley	-	-	-	5,948,900	9	0.14
Gates Corporation	-	-	-	5,148,800	10	0.12
	<u>\$ 209,835,779</u>		<u>4.89</u>	<u>\$ 227,766,507</u>		<u>4.85</u>
Total Assessed Valuation	<u>\$ 4,285,176,935</u>			<u>\$ 4,120,184,730</u>		

Note: Information for 2023 was unavailable at time of report.

Source: Ashe County Tax Collector

<b>ASHE COUNTY</b> <b>North Carolina</b> <b>Property Tax Rates - All Overlapping Governments</b> <b>(PER \$100 OF ASSESSED VALUE)</b> <b>Last Ten Fiscal Years</b>					
<b>Year Ended June 30</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
ASHE COUNTY	0.4000	0.4330	0.4330	0.4330	0.4330
CITIES AND TOWNS					
Jefferson	0.3300	0.3300	0.3600	0.3700	0.3700
Lansing	0.3500	0.3500	0.3500	0.3500	0.3500
West Jefferson	0.4200	0.4200	0.4200	0.4200	0.4200
FIRE DISTRICTS					
Creston	0.0600	0.0600	0.0600	0.0600	0.0600
Deep Gap	0.0400	0.0400	0.0400	0.0400	0.0400
Fleetwood	0.0400	0.0400	0.0400	0.0400	0.0400
Glendale Springs	0.0300	0.0700	0.0700	0.0700	0.0700
Jefferson	0.0290	0.0290	0.0360	0.0290	0.0290
Lansing	0.0260	0.0400	0.0400	0.0400	0.0400
Laurel Springs	0.0400	0.0400	0.0400	0.0400	0.0400
New River	0.0400	0.0400	0.0400	0.0400	0.0400
Pond Mountain	0.0800	0.0800	0.0800	0.0800	0.0800
Todd	0.0800	0.0800	0.0800	0.0800	0.0800
Warrensville	0.0680	0.0680	0.0680	0.0680	0.0680
West Jefferson	0.0170	0.0170	0.0170	0.0170	0.0170



Table 17 (Continued)

Year Ended June 30	2019	2020	2021	2022	2023
ASHE COUNTY	0.4330	0.4330	0.4330	0.5110	0.4400
CITIES AND TOWNS					
Jefferson	0.3800	0.3800	0.4000	0.4100	0.2950
Lansing	0.3500	0.3500	0.4000	0.4000	0.3600
West Jefferson	0.4200	0.4200	0.4200	0.4200	0.4200
FIRE DISTRICTS					
Creston	0.0600	0.0600	0.0600	0.0600	0.0600
Deep Gap	0.0400	0.0400	0.0400	0.0400	0.0400
Fleetwood	0.0400	0.0400	0.0400	0.0400	0.0400
Glendale Springs	0.0700	0.0700	0.0700	0.0700	0.0700
Jefferson	0.0290	0.0290	0.0290	0.0290	0.0290
Lansing	0.0600	0.0600	0.0600	0.0600	0.0600
Laurel Springs	0.4000	0.0700	0.0700	0.0700	0.0700
New River	0.0400	0.0700	0.0700	0.0700	0.0700
Pond Mountain	0.0800	0.0800	0.0800	0.0800	0.0800
Todd	0.0800	0.0800	0.0800	0.0800	0.0700
Warrensville	0.0680	0.0800	0.0800	0.0800	0.1200
West Jefferson	0.0170	0.0300	0.0300	0.0300	0.0400

Source: NC Department of Revenue

**ASHE COUNTY**  
**North Carolina**  
**Property Tax Levies and Current Collections**  
**Last Ten Fiscal Years**

EXPRESSED IN NOMINAL DOLLARS			
FISCAL YEAR ENDED June 30	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED
2023	N/A	N/A	N/A
2022	\$ 21,611,852	\$ 21,066,393	97.48
2021	18,954,356	18,434,050	97.25
2020	18,602,517	17,925,977	96.36
2019	18,280,891	17,583,097	96.18
2018	17,955,443	17,250,534	96.07
2017	17,189,484	16,421,678	95.53
2016	16,914,863	16,147,057	95.46
2015	16,689,541	15,890,456	95.21
2014	16,891,170	16,024,893	94.87

EXPRESSED IN CONSTANT DOLLARS			
FISCAL YEAR ENDED June 30	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	
2023	N/A	N/A	
2022	\$ 7,293,638	\$ 7,109,555	
2021	6,976,310	6,784,807	
2020	7,215,956	6,953,524	
2019	7,136,986	6,864,563	
2018	7,125,487	6,845,749	
2017	7,017,405	6,703,957	
2016	7,017,509	6,698,967	
2015	6,993,664	6,658,812	
2014	7,086,917	6,723,459	

Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for All Urban Consumers (CPI-U) (Calendar years 1982-1984=100).

Source: Ashe County Tax Administration

N/A: This information was not available from Ashe County as of the ACFR report date.



*Challenging young minds to soar.*

**ASHE COUNTY BOARD OF EDUCATION  
320 SOUTH STREET  
JEFFERSON, NORTH CAROLINA 28640  
(336) 246-7175**