

# REQUEST FOR BOARD ACTION

DATE OF MEETING: February 17 2025

TO: COUNTY COMMISSIONERS ITEM NUMBER \_\_\_\_\_

FROM:

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**REQUEST:**

Approval of letter to NC Department of State Treasurer, Local Government Commission, in response to the Financial Performance Concerns that were identified based on the information presented in the audited financial statements as of June 30, 2024.

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**FUNDING SOURCE:**

- \_\_\_\_\_ Money is in current budget
- \_\_\_\_\_ New appropriation requested
  - Federal
  - State - Grant
  - County
  - Other

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**MANAGER'S RECOMMENDATION:**

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**\*\*ALL REQUESTS THAT REQUIRE BUDGET REVISION MUST BE ACCOMPANIED BY "BUDGET CHANGE REQUEST" FORM THAT HAS BEEN APPROVED BY THE FINANCE OFFICER!!!**



# ROCKINGHAM COUNTY BOARD OF COMMISSIONERS

February 4, 2024

NC Department of State Treasurer  
Local Government Commission

In accordance with **20 NCAC 20 03 .0508-Response to The Independent Auditor's Findings, Recommendations and Fiscal Matters**, we offer the following response to the Financial Performance Indicators of Concern (FPIC) that were identified based on the information presented in the audited financial statements as of June 30, 2024.

#### **FPIC 12: Finance Officer Fidelity Bond – TDA**

For the fiscal year ended June 30, 2024, the Tourism Development Authority (TDA) Finance Officer was not properly bonded in accordance with NC General Statute 15-29(a). The TDA Finance Officer was bonded for \$50,000; however, NC General Statute requires the bond to be the greater of fifty thousand dollars (\$50,000) or an amount equal to ten percent (10%) of the unit's annually budgeted funds, up to one million (\$1,000,000). The TDA Finance Officer bond should have been a minimum of \$72,765. The TDA Finance Officer immediately worked to increase the bond to one hundred thousand (\$100,000) to meet this requirement and will monitor all budget amendments that may occur during and at fiscal year-end to ensure this requirement is met.

#### **FPIC 13: Excess of Expenditures over Appropriation**

The County experienced a budget violation in the Internal Service Fund designated for insurance claims and expenses. The June 30, 2024 invoices received after fiscal year-end of \$13,511 were higher than projected causing the department expenditures to exceed the approved by \$218. Future adopted budgets will be increased sufficiently and closely monitored to cover increasing year-end invoices.

Sincerely,

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Kevin Berger, Chairman

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Houston Barrow, Vice Chairman

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Mark Richardson

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Jeffrey Kallam

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Charlie G. Hall

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Lance Metzler, County Manager

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Mandy McGhee, Finance Director