



HIGH COUNTRY

COUNCIL OF GOVERNMENTS



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Presentation of Audit Results

**Fiscal Year Ended
June 30, 2023**



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HIGH COUNTRY COUNCIL OF GOVERNMENTS
Presentation Agenda

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October 31, 2023

To the Board of Directors
High Country Council of Governments
Boone, North Carolina

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of High Country Council of Governments, Inc. for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 12, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by High Country Council of Governments, Inc. are described in Note 1 to the financial statements. The Council adopted GASB statement 96 "Subscription-Based Information Technology Arrangements," effective for fiscal year ended June 30, 2023. We noted no transactions entered into by High Country Council of Governments, Inc. during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant estimate(s) or assumptions noted during the audit.

Certain financial statement disclosures are particularly sensitive because of their significance to the financial statement users. There are no such disclosures identified.

The financial statement disclosures are neutral, consistent, and clear.

Members

American Institute of CPAs - N.C. Association of CPAs - AICPA Division of Firms

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Some of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 31, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Auditing Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the High Country Council of Governments, Inc.'s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Schedule of Funding Progress –Proportionate Share of the Net Pension Liability (Asset) – Local Government Employees' Retirement System, Schedule of Contributions – Local Government Employees' Retirement System, and the Schedule of Changes in the Total OPEB Liability and Related Ratios, which is Required Supplementary Information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining statements and the individual fund statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board and management of the High Country Council of Governments, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

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

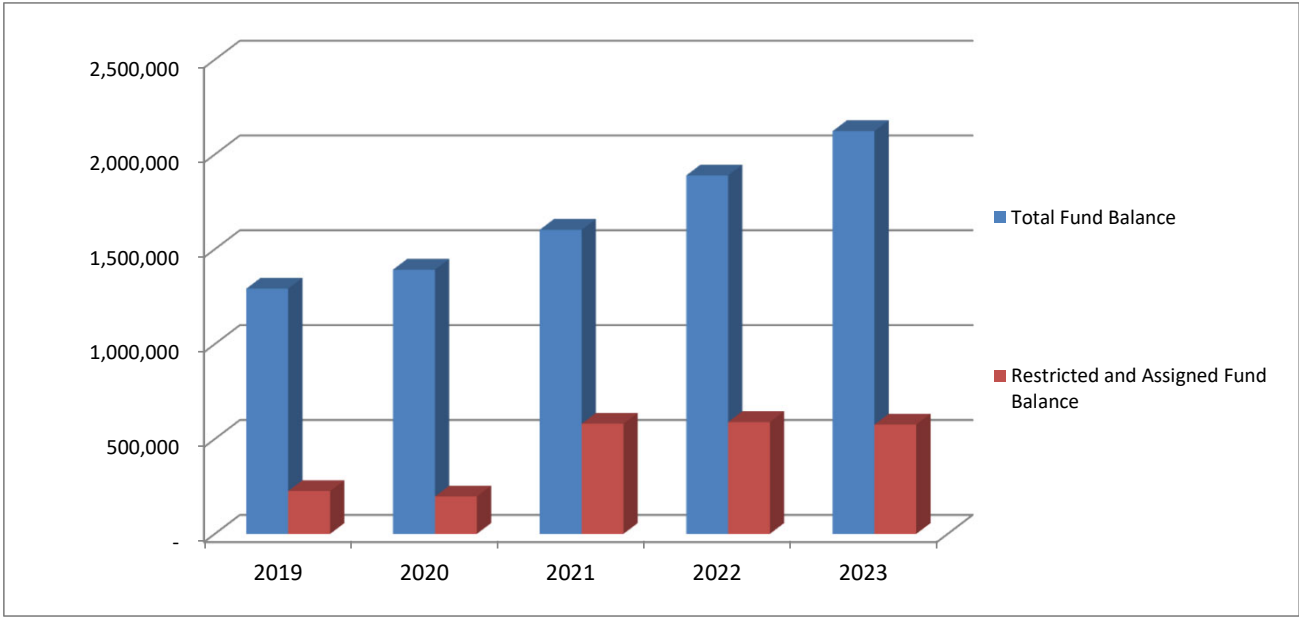
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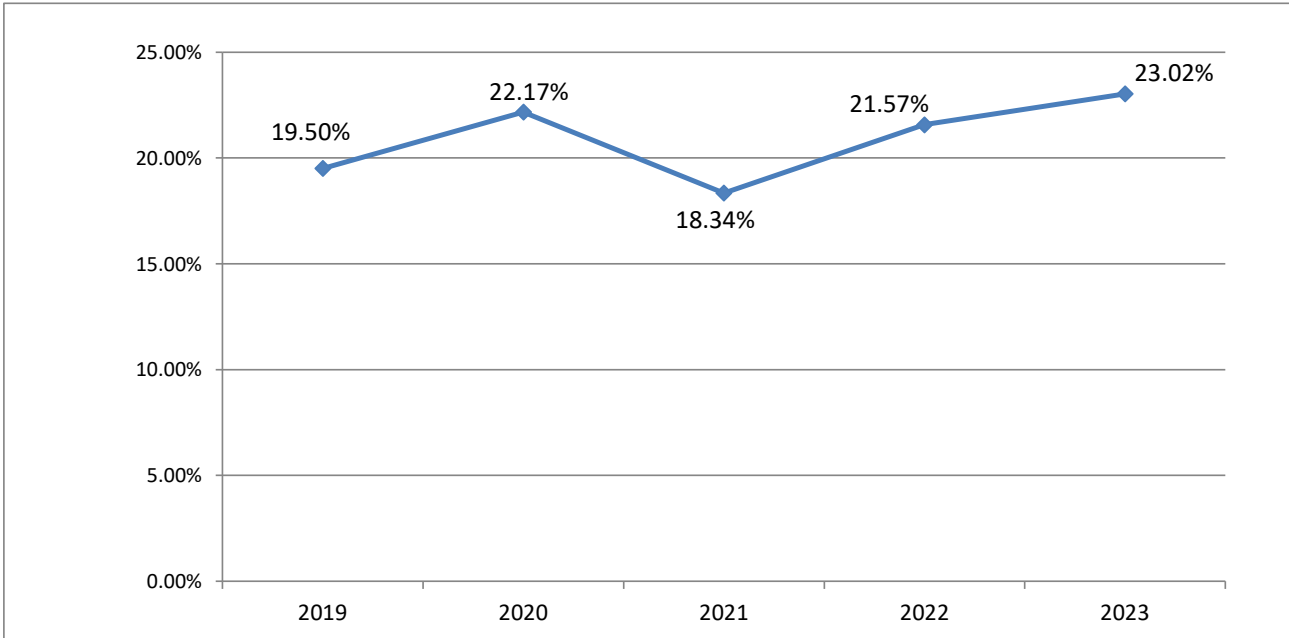
FINANCIAL INFORMATION FOR 5 YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total Fund Balance - Governmental Funds	2,122,917	1,889,108	1,602,480	1,392,247	1,291,827
Restricted Fund Balance - GF	22,457	71,514	360,862	112,360	202,601
Assigned Fund Balance - GF	553,514	517,457	219,359	84,579	23,000
Unassigned Fund Balance - GF	1,546,946	1,300,137	1,022,259	1,195,308	1,066,226
Total Expenditures (including transfers)	6,719,237	6,027,586	5,572,839	5,392,193	5,466,733
Total Fund Balance as % of Governmental Fund	31.59%	31.34%	28.76%	25.82%	23.63%
Unassigned Fund Balance as % of Governmental Fund Expenditures	23.02%	21.57%	18.34%	22.17%	19.50%
Revenues over (under) expenditures before transfers					
General Fund	122,752	63,530	75,453	15,841	(75,725)
Special Revenue Funds	111,057	223,098	134,750	(28,569)	42,935
Year End Cash vs. Fund Balance					
Cash - General	1,594,933	1,415,827	1,104,148	1,285,256	1,161,118
Cash - Special Revenue Funds	613,453	241,177	14,260	-	-
Fund Balance - General	1,569,403	1,446,651	1,383,121	1,307,668	1,291,827
Fund Balance - Special Revenue Funds	553,514	442,457	219,359	84,579	113,148
Breakdown of General Fund Revenues					
Local Activities	543,302	229,293	191,265	128,155	130,432
Miscellaneous	26,050	20,142	29,542	38,122	40,874
Interest	55,117	2,212	210	9,950	6,738
Total	624,469	251,647	221,017	176,227	178,044
Breakdown of General Fund Expenditures					
General Government	514,506	203,554	145,564	160,386	253,769
Total Revenue					
General Fund	624,469	251,647	221,017	176,227	178,044
Federal Funds	5,051,528	5,140,707	4,908,201	4,524,417	4,604,063
State Funds	250,996	202,712	235,462	221,179	242,537
Local Funds	766,376	624,842	418,392	457,642	409,299
Total Revenues	6,693,369	6,219,908	5,783,072	5,379,465	5,433,943
Total Expenditures (before transfers)					
General Fund	514,506	203,554	145,564	160,386	253,769
Transportation	166,843	159,563	159,563	159,563	169,046
Economic and Community Development	1,011,279	811,805	627,982	624,792	530,871
Human Services	3,141,395	3,135,311	3,200,781	2,776,091	2,750,669
Workforce Development	1,885,214	1,717,353	1,438,949	1,671,361	1,762,378
Total Expenditures	6,719,237	6,027,586	5,572,839	5,392,193	5,466,733

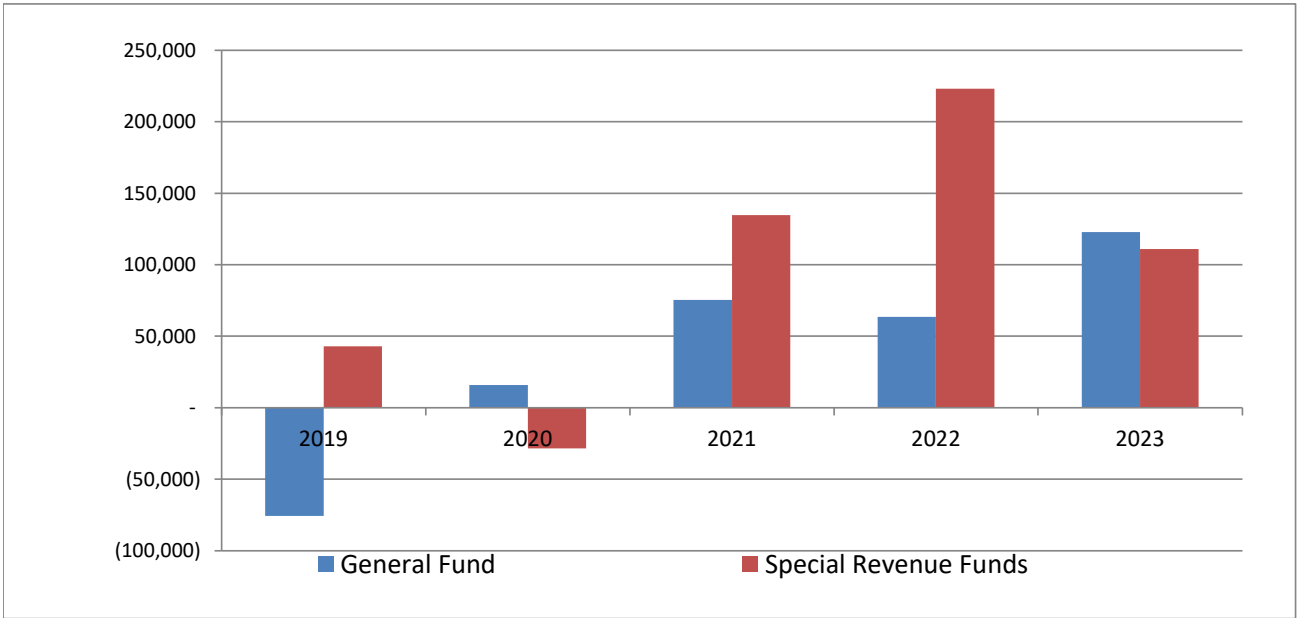
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Analysis of Fund Balance - General Fund



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Analysis of Unassigned Fund Balance as a % of General Fund Expenditures

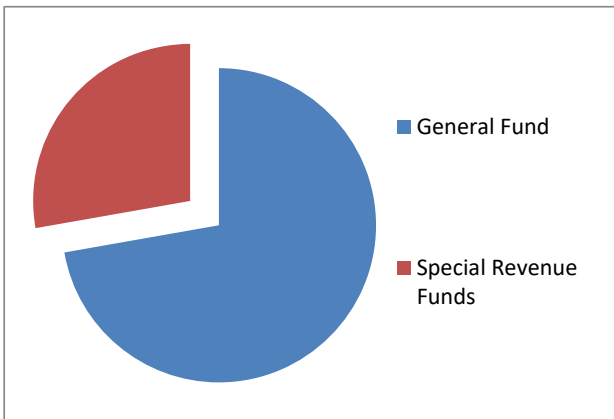


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Analysis of Revenues Over (Under) Expenditures before Transfers

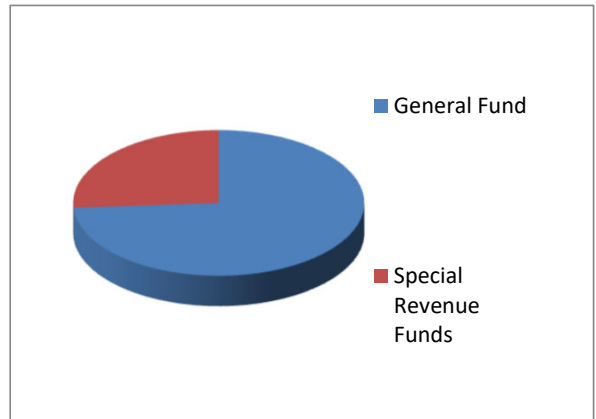


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Analysis of Cash and Fund Balances
at June 30, 2023

CASH BALANCES



FUND BALANCES



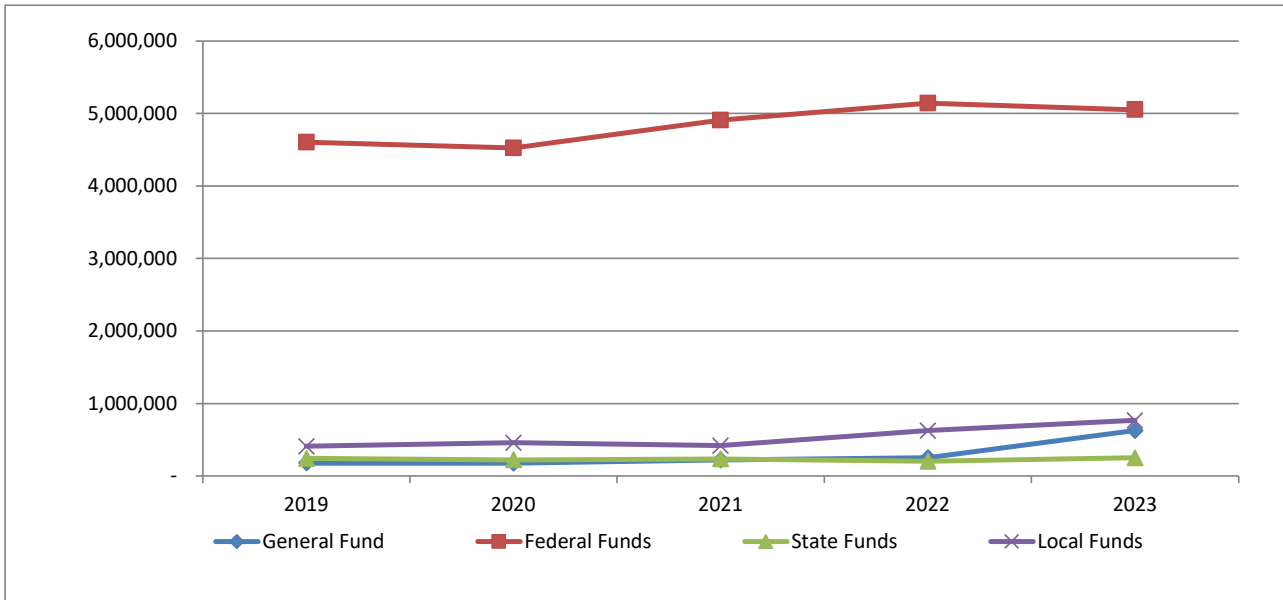
2023

General Fund
 Special Revenue Funds
 Total

<u>Cash Balances</u>	
\$	1,594,933
	613,453
\$	2,208,386

<u>Fund Balances</u>	
\$	1,569,403
	553,514
\$	2,122,917

HIGH COUNTRY COUNCIL OF GOVERNMENTS Analysis of Total Revenues



HIGH COUNTRY COUNCIL OF GOVERNMENTS Analysis of Total Expenses

