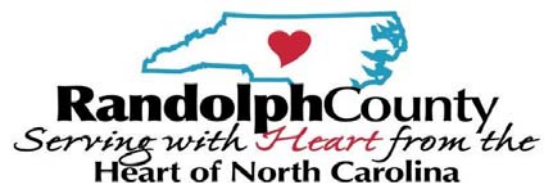




RANDOLPH COUNTY, NORTH CAROLINA

Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2020



This Comprehensive Annual Financial Report was prepared by:

Randolph County Finance Office

William L. Massie, CPA

Assistant County Manager/Finance Officer

Suzanne H. Dale, CPA

Deputy Finance Officer

A copy of this document is available on the County's website: www.RandolphCountyNC.gov

County Seal On the Cover:

In 1973, the Randolph County Board of Commissioners selected the design of Randolph County citizen Audrey Beck for its new official county seal. The seal depicts the Old Plank Road, local Indian history, a covered bridge and Purgatory Mountain, which is the location of the North Carolina Zoo.

RANDOLPH COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2020

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INTRODUCTORY SECTION

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RANDOLPH COUNTY ADMINISTRATION DEPARTMENT

Randolph County Office Building ♦ 725 McDowell Road
Asheboro, North Carolina 27205

November 30, 2020

To The Board of Commissioners and Citizens of Randolph County, North Carolina

State law requires that all local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of Randolph County (County) for the fiscal year ended June 30, 2020. This CAFR was prepared by County Administration for readers to gain an understanding of the County's financial activities over the last fiscal year, by presenting financial information which conforms to high reporting standards.

County management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

The County's financial statements have been audited by Cherry Bekaert LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for fiscal year ended June 30,

2020, are fairly presented in conformity with GAAP. The report of the independent auditor is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federal and state mandated, “Single Audit” designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These compliance letters, along with the schedule of expenditures of federal and state awards, findings and recommendations, if any, are published in a separate report.

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 MD&A and should be read in conjunction with it. The County’s MD&A can be found immediately following the report of independent auditors.

Financial Reporting Entity

The Financial Statements include all funds and account groups of the County, including all activities considered to be part of (controlled by or dependent on) the County. Control by, or dependence on, the County was determined in accordance with the criteria established by the Governmental Accounting Standards Board (GASB) and included in the GASB’s guidance in defining the governmental reporting entity.

The financial reporting entity includes all funds and account groups of Randolph County, as well as its component unit. Component units are legally separate entities for which Randolph County is financially accountable. The Randolph County Tourism Development Authority is included as a component unit and presented in the financial statements as if it is a separate governmental fund of the County. Additional information on this authority can be found in Note I.A. in the notes to the financial statements.

Profile of Randolph County

Randolph County is strategically located in the geographic center of North Carolina; it is a part of the Piedmont Triad region, a six-county area whose central location puts it within 90 miles of the Blue Ridge Mountains to the west and within 200 miles of the Atlantic Ocean to the east. The County sits in the middle of the Eastern Seaboard, within 500 miles of half of the nation's population and largest markets.

Randolph County contains 790 square miles of gently rolling hills, river valleys, and forest land. Randolph County is home to the Uwharrie Mountains, one of the world's oldest mountain ranges. Founded by Quaker settlers in the 1780's, the area offered rich farmland and rivers that provided abundant waterpower.

Randolph County was formed in 1779 from the southern section of Guilford County by an act of the NC General Assembly. The County was named for Peyton Randolph of Virginia, a popular leader and President of the Continental Congress of 1774 and 1775.

Randolph County is the 11th largest county in North Carolina and has the 19th highest population in the state. Nine municipalities are incorporated within the County with Asheboro as the county seat. Asheboro is approximately 70 miles from Raleigh, the State Capital, and from Charlotte, the state's largest city. Most county residents live outside of municipalities.

Randolph County has long been known as a manufacturing center; traditional industries have included textiles, apparel, and furniture. The area's economic base continues to transition with more diversified and technology-based manufacturing. Agriculture remains an important part of the local economy, with Randolph ranked near the top of the State in beef cattle, milk cows, and poultry production.

Randolph County is home to the North Carolina State Zoological Park, the nation's largest natural-habitat zoo with 500 acres of exhibits and over 1,000 animals. Also located in the County are the Richard Petty Museum (celebrating NASCAR's all-time career victory leader), the Uwharrie National Forest, and the Seagrove area potteries, which enjoy an international reputation for exceptional hand thrown pottery.

Randolph County is also proud to be the home of the Victory Junction Gang Camp, founded by NASCAR's famed Petty family. This facility provides camping experiences for chronically ill children on a 65-acre site near Randleman. Victory Junction is part of SeriousFun Children's Network (SFCN), an alliance of 9 camps nationally and 30 camps worldwide that serve children dealing with serious medical condition and chronic illnesses.

Profile of the County Government

The County has a commissioner/manager form of government. The five members of the Board of Commissioners are elected from districts, at-large, on a partisan basis and serve staggered four-year terms. Commissioners hold policy-making authority and are responsible for adopting the budget and hiring the manager. The county manager is responsible for implementing policies of the governing board, for overseeing the day-to-day operations of the government, and for appointing the heads of various departments. The assistant county manager functions as budget officer, ensuring fiscal compliance with the annual budget adopted by the Board.

Randolph County government provides a wide range of services, including public safety, environmental protection, human services (Social Services and Public Health), planning and zoning, cultural, general administration and others. This report includes all the County's activities in maintaining these services. The County also extends financial support to certain boards, agencies, and commissions to assist their efforts in serving citizens. Among these are Randolph County Board of Education, Asheboro City Board of Education, Randolph Community College, Sandhill Center, Randolph County Senior Adults Association, and Randolph County Economic Development Corporation.

Factors Affecting Financial Condition

Local economy

Randolph County has weathered the COVID crisis as well as can be expected, with a peak of cases during the summer. As of October 1, approximately 2,900 of our citizens have tested positive since the crisis began, or about 2% of our population. The economic outlook is stable, with widespread interest to explore opportunities for growth. The August 2020 unemployment rate in Randolph County stood at 6.5%, same as the statewide rate and better than the national rate of 8.4%.

The manufacturing sector provides the primary property tax base and is a major job sector with thirty-five percent of the county's employment. Services have grown to half of the job base with improved diversification. However, the financial difficulty faced by Randolph Health has limited growth in healthcare employment.

The fundamental strengths of our local economy remain healthy, and we continue to develop opportunities for our citizens and businesses continue to thrive. Companies continually reinvest in technology and cutting edge equipment, adding incremental and sustainable growth to the tax base. Constant investment in worker training results in increased productivity and growing incomes. Many Randolph County industries are export oriented, focused on products and services delivered across the US and global markets.

Agriculture continues to be a core part of the local economy, with Randolph County ranking #9 in total farm cash receipts in North Carolina, particularly in the top ten counties in the production of:

• All Cattle #2	• Layers (Chickens) #3
• Milk Cows #2	• Broilers (Chickens) #7
• Beef Cattle #1	• Egg production #5
• Goats #2	

Tourism plays a vital role in the County's economy. The Tourism Development Authority (RCTDA) is charged with representing the specific destination of Randolph County and assisting in the long-term development of its communities through a travel and tourism strategy. The County is proud to be the home of the North Carolina Zoo in Asheboro. Recognized as one of the nation's finest zoos, it is the largest "natural habitat" zoo in the United States. The Seagrove area, home to dozens of pottery shops and galleries, is the self-proclaimed pottery capital of the world where artisans create handcrafted pottery made in the same tradition that began here more than 200 years ago.

The famous Richard Petty Museum in Randleman showcases more than 14 race cars, awards, photos and an extensive collection of personal memorabilia honoring the King of NASCAR, a life-long resident of the County, his family and race team. The City of Archdale is located just four miles from High Point, home of the largest home furnishings industry trade show and shopping district in the world. Other area attractions include the NC Aviation Museum & Hall of Fame, American Classic Motorcycle Museum, John Deere Vintage Tractor Museum, and the NC Pottery Center.

Economic Development

Randolph County continues to partner in a regional effort to develop a large industrial site, which will be suitable for advanced manufacturing. The full 1,825-acre footprint is under the ownership of three megasite partners: Randolph County, the NC Railroad, and the Greensboro-Randolph Megasite Foundation. Dual site certification by both KPMG Global Location and Expansion Services and the State Department of Commerce lend additional credibility to the site and further raise its profile. The goal of site certification is to offer verification to prospective clients that any potential barriers to development have been removed and that full build-out can be achieved within 18 months of the site being selected for development. The City of Greensboro has completed the engineering plans to extend water and sewer to the site. Duke Energy is developing plans to deliver the necessary electrical power to the site.

With most of the major development, zoning, and certification hurdles cleared, the megasite partners are focused on marketing the site globally. The property has been visited by several site selection consultants, and was competitive for major projects such as the Toyota/Mazda project.

Many local companies have adapted to produce critically needed items for pandemic response. AEC Narrow Fabrics in Asheboro has seen a spike in orders for narrow elastic bands used in face masks and shields needed by medical personnel and potentially sick individuals. Thanks to new equipment, Aeolus is better prepared to offer HEPA filters and face mask media, both high demand items. Asheboro's Bossong Medical is involved in the production of antimicrobial masks. Other manufacturers have modified their production capacity to meet demand for personal protective equipment.

The County's economy is supported by strong commitment from Randolph Community College, which continues to broaden the skills of the local work force. Since 2010, Randolph County has used a portion of the proceeds of quarter-cent sales tax to fund capital needs of the community college, signifying a commitment to education and training that will yield future economic growth and vitality. The improvement to facilities will offer significant training opportunities for our citizens. The funds have financed the Continuing Education and Industrial Center, the Cosmetology Center, and the Photography Center. The College's Allied Health Center project is currently near completion.

For several years, Randolph Community College, Asheboro City Schools, and Randolph County Schools have developed a partnership called Pathways to Prosperity, to create seamless educational pathways for students to go from local high schools to community college, to prepare them for lucrative advanced manufacturing jobs, health care professions, and other career opportunities. This cooperative effort will be expanding to help students align their studies with available jobs and ensure that local employers will have the skilled workers needed to stay competitive in a global economy.

Infrastructure

Long-term investments in infrastructure continue to be made, with the new Highway 64 bypass around Asheboro under construction. Our County has developed water capacity that will meet our future needs for the next 40-50 years, and public water access has been extended into some rural areas. These infrastructure projects are promoting development in Randolph County, where affordable land, a skilled labor pool, and large transportation network create a competitive advantage.

Randolph County has also developed a regional solid waste landfill as a way to reduce disposal costs for our citizens and create a revenue source for the County.

Long-Range Financial Planning

Long-range planning involves both fiscal and policy analysis. Long-term strategies are critical to provide an adequate, effective, and sustainable level of services. Management prepares five-year financial projections in order to prepare for changes in operating expenditures or variances in available resources. Realistic economic projections create the proper foundation for effective operating budgets and assist in the determination of clear

priorities. These projections are also used for capital budgeting and consideration of further debt. The County regularly monitors actual revenues and expenditures in comparison with budgeted or estimated amounts.

Strategic policy planning provides critical information upon which to make tactical operational decisions which are in accordance with future goals. Randolph County completed a county-wide strategic planning process in June 2016. Many issues were identified through this process, along with the goals and initiatives recommended to address these issues. The Board of Commissioners will use the strategic planning report to determine future priorities, long-range goals, and budgeting levels. For the past several years, the Commissioners set aside a portion of the lease revenue from the regional landfill to fund strategic planning initiatives related to economic development, workforce development, and community well-being.

Financial Policies

Most County programs are considered critical to the quality of life of our citizens, with nearly all required under state and/or federal law. In addition, many outside organizations, including public schools and our community college, depend on significant financial support from the County. Randolph County has investment, debt and fiscal policies to help guide financial decisions, for both operating and capital needs. These financial management policies provide a stable framework from which sound financial decisions can be reached, which helps to insulate the County from fiscal crises and enhances the County's credit worthiness.

Capital Improvement Plan

For several years, Randolph County has developed plans for several large capital projects, which has been our major focus. The County carefully assesses its financial situation before proceeding with any new commitments. Each spring, the Board discusses its capital improvement plan, sets priorities for projects, develops realistic timetables, and evaluates financing methods. In June 2017, the Board of County Commissioners added priority projects to the Capital Improvement Plan (CIP). The Board adopted a capital improvement schedule to accelerate these projects from 2023 to recent years; this will require additional financial resources to be allocated for future debt service.

The CIP includes Asheboro High School addition financed in September 2018, a new Trinity Middle School in July 2019, various public school upgrades funded with current resources, and a Detention Center addition beginning in the fall of 2019. Renovations at Asheboro High School and the existing Detention Center are expected to begin in 2021.

The County purchased the Northgate Shopping Plaza in April 2017. It has been renovated for the Board of Elections, Adult Day Reporting Center, and Probation and Parole offices. There is remaining space for other departments and business continuity purposes. Moving Probation out of the county courthouse freed up space for the clerk of court that need additional room. This project is being designed and construction will begin in 2021.

Awards and acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Randolph County for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the 31th consecutive year that the County has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish 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 our 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.

Randolph County also received the GFOA's Distinguished Budget Presentation Award for its annual budget for the fiscal year ended June 30, 2020. This was the sixteenth consecutive year that the County has received this prestigious award. In order to receive this award, the governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

We would like to recognize the cooperation of the County's departments in providing efficient financial operations throughout the year. Every year is challenging, but employees work hard to manage budgets while preserving the essential services expected by our citizens. We are very proud of the dedication and professionalism of County employees and greatly appreciate their efforts.

Also, the preparation of this report would not have been possible without the dedicated efforts of the entire staff of the Finance Office. We have set high standards of service, which is reflected in this report.

Finally, we would like to thank the members of the Board of Commissioners for their dedication to the citizens of Randolph County and for their continued interest and support throughout the past year. Their leadership makes possible the excellent financial position of the County through their support in planning and conducting the financial affairs of the County in a responsible manner.

Respectfully,

Hal C. Johnson

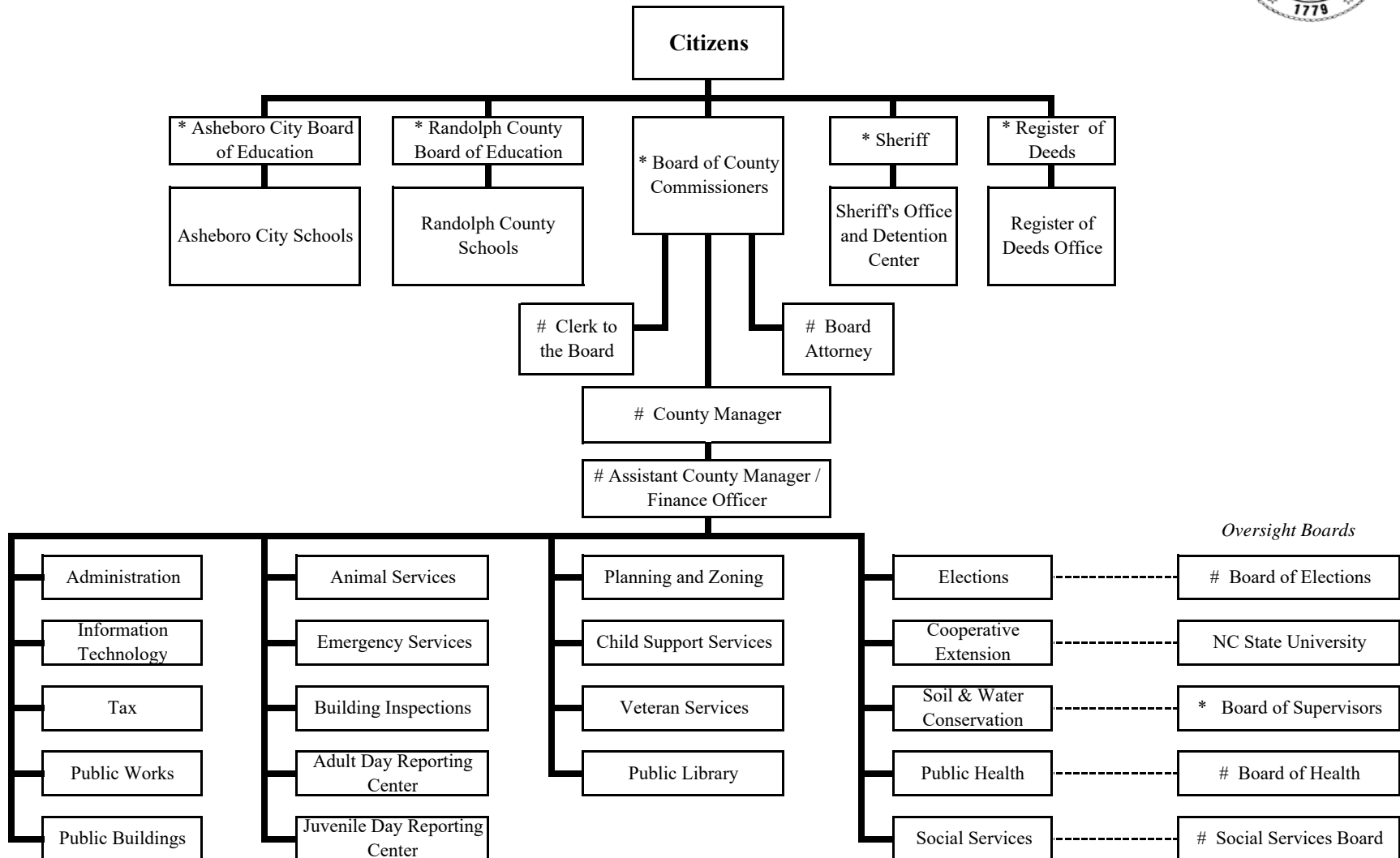
Hal C. Johnson
County Manager

William L. Massie

William L. Massie, CPA
Assistant County Manager / Finance Officer

RANDOLPH COUNTY, NORTH CAROLINA

ORGANIZATION CHART



* Elected Officials

Appointed Officials



Randolph County Board of Commissioners

Darrell L. Frye, Chairman

Term expires 12/2022

Representation: District 2 - Trinity/Archdale

David L. Allen, Vice-Chairman

Term expires 12/2022

Representation: District 3 - Staley, Franklinville, Ramseur, Liberty,

Townships - Columbia, Franklinville, Liberty, Providence

Hope Haywood

Term expires 12/2022

Representation: District 4 - Randleman/Level Cross

Townships - Back Creek, Level Cross, New Market, Randleman, Tabernacle

Kenny J. Kidd

Term expires 12/2020

Representation: District 1 - Asheboro

Maxton C. McDowell

Term expires 12/2020

Representation: District 5 - Seagrove

Townships - Brower, Cedar Grove, Coleridge, Concord, Grant, New Hope, Pleasant Grove, Richland, Union

Randolph County, North Carolina
List of Principal Officials



Elected Officials

County Commissioner
County Commissioner
County Commissioner
County Commissioner
County Commissioner

Darrell L. Frye, *Chairman*
David Allen, *Vice Chairman*
Hope Haywood
Kenny Kidd
Maxton McDowell

Sheriff
Register of Deeds

Gregory Seabolt
Krista Lowe

Appointed County Officials

County Manager
Assistant County Manager / Finance Officer
Clerk to the Board
Tax Administrator

Hal Johnson
William Massie
Dana Crisco
Debra Hill

Department Heads

County Attorney
Human Resources
Adult Day Reporting Center
Animal Services
Building Inspections
Child Support Services
Cooperative Extension
Elections
Emergency Services
Information Technology
Juvenile Day Reporting Center
Planning /Zoning
Public Buildings
Public Health
Public Library
Public Works
Social Services
Soil & Water Conservation District
Veteran Services

Aimee Scotton
Jill Williams
Julie Alston
Heather Wood
David Bryant
Damon Brown
Kenneth Sherin
Melissa Johnson
Donovan Davis
Michael Rowland
Pamela Resch
Jay Dale
Robert Cross
Susan Hayes
Ross Holt
Paxton Arthurs
Tracie Murphy
Jenny Parks
Chad Gurley



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

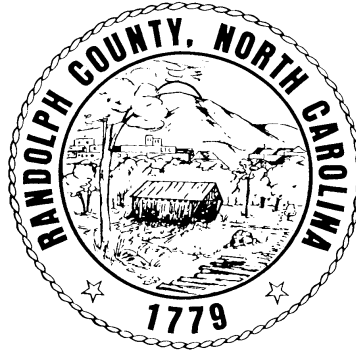
**Randolph County
North Carolina**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION

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Report of Independent Auditor

To the Board of County Commissioners
Randolph County, North Carolina

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Randolph County, North Carolina (the "County"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements 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 the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of June 30, 2020, and the respective changes in financial position and cash flows, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplemental Financial Data, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the County. The introductory section, combining and individual financial statements and schedules, other supplemental information and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual financial statements and schedules and other supplemental information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2020 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose 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 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 the County's internal control over financial reporting and compliance.

A handwritten signature in dark ink that reads "Cheryl Bekaert LLP". The signature is written in a cursive, flowing style.

Raleigh, North Carolina
November 30, 2020

Randolph County, North Carolina

Management's Discussion and Analysis

As management of Randolph County, we offer readers of Randolph County's financial statements this narrative overview and analysis of the financial activities of Randolph County for the fiscal year ended June 30, 2020. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR ENDED JUNE 30, 2020

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year, resulting in net position of \$61,350,527. Under North Carolina law, counties are responsible for providing public school facilities. At June 30, 2020, Randolph County had outstanding debt of \$93,557,126 associated with assets owned by the Randolph County Board of Education, the Asheboro City Board of Education, and Randolph Community College. Although this debt is reported in the financial statements as liabilities of Randolph County, the school facilities are not considered capital assets of the County and are not included in the financial statements. This has the effect of reducing total net position for the County.
- The County's total net position decreased by \$17,062,613, primarily due to the construction expenditures for public school and community college capital projects (\$33,634,589), which did not result in county-owned assets.
- As of the close of the current fiscal year, Randolph County's governmental funds reported combined ending fund balances of \$123,290,552, an increase of \$32,656,443 in comparison with the prior year. During the year, the County issued debt for the construction of the Trinity Middle School and Detention Center capital projects, with restricted proceeds remaining at year-end. Approximately forty-nine percent of total governmental fund balances, or \$60,324,110, is restricted. Another \$19,377,699 is authoritatively committed for specific purposes.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$32,251,115 or twenty-five percent of total general fund expenditures and transfers for the fiscal year. Amounts in excess of twenty-four percent of the subsequent year's budgeted expenditures are assigned for capital improvements.
- Total government-wide liabilities increased by \$63,739,454 during the past fiscal year. The County issued limited obligation bonds of \$31,550,000 to finance the construction of Trinity Middle School and \$24,530,000 to finance the expansion of the County detention center. Outstanding installment debt increased by \$57,690,149, as a result of this new debt less all required principal payments.
- Randolph County received \$2,587,509 in CARES Act funding, passed through from the State of North Carolina. Of that amount, \$1,367,232 was expended.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements - The first two statements (Exhibits 1 and 2) in the basic financial statements are the Statement of Net Position and the Statement of Activities. The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances and provide short- and long-term information about the County's financial status as a whole. The government-wide statements are reported under the accrual basis of accounting and are similar in format to a financial statement of a private-sector business.

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the County's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Measuring net position is one way to gage the County's financial condition. The Statement of Net Position reports the financial condition at year end.

Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the County is improving or deteriorating. The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation or sick leave).

The government-wide statements are divided into three categories:

- 1) Governmental activities of the primary government (the County) include most of the County's basic services such as public safety, human services, and general administration. Property taxes, sales taxes, and state and federal grant funds finance most of these activities.
- 2) The business-type activities are those that the County charges customers to provide. These consist of the bulk sale of treated water to municipal water systems.

- 3) Component units over which the County exercises some degree of control. Financial information for component units is reported separately from the financial information presented for the primary government itself. Randolph County Tourism Development Authority (TDA) is a public authority created by the County to promote tourism and is funded primarily by an occupancy tax assessed by the County. The County Commissioners appoint the board of directors for the TDA.

Fund Financial Statements - The next statements (Exhibits 3 through 10) focus on the activities of the individual parts of the County's government. The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Randolph County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance.

All of the funds of Randolph County can be classified within the governmental funds, proprietary funds, or fiduciary funds categories.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs.

The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities*. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Randolph County maintains eighteen individual governmental funds, including the General Fund, nine special revenue funds, and eight capital projects. The General Fund, County Facilities Capital Project, Randolph County Schools Capital Project Fund, and the Asheboro City Schools Capital Project Fund meet the definition of a major fund for reporting purposes. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for these major funds.

As required by N.C. General Statutes, the Board of County Commissioners adopts an annual budget for the General Fund, which is the primary operating fund of the County. The budget is a legally adopted document that incorporates recommendations from the management of the County, input from citizens, and the priorities of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the board, 2) the final budget as amended by the board, 3) the actual resources, charges to appropriations, and ending balances in the General Fund, and 4) the difference or variance between the final budget and the actual resources and charges. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

Financial information for the other governmental funds is combined into single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds – Randolph County has one kind of proprietary fund. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Randolph County uses enterprise funds to account for its water activity. This fund is the same as those separate activities shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. Randolph County has nineteen fiduciary funds, which are agency funds.

Notes to the Financial Statements - The notes explain in detail some of the data contained in those statements and provide additional financial disclosures that are necessary to fully understand the financial status of the County. The notes to the financial statements start on page 35 of this report.

Other Information - Following the notes is the required supplementary information. This section contains funding information about the County's Law Enforcement Separation Allowance plan and Post-employment Health Benefits. It also includes Randolph County's progress in funding its obligation to provide pension benefits to its

employees. Required supplementary information can be found beginning on page 101 of this report.

Next, additional supplemental information is provided to show details about the County's non-major governmental funds, all of which are added together in one column and carried forward to the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as one useful indicator of a government's financial condition over time. However, Randolph County's statutory obligation to finance school construction results in significant liabilities without any corresponding assets. As with many counties in North Carolina, the County's deficit in unrestricted net position is due primarily to the portion of the County's outstanding debt incurred for the two Boards of Education within Randolph County and the Community College. Under North Carolina law, the County is responsible for providing capital funding for these school systems. The County meets its legal obligation to provide school system capital funding through both current appropriations and issuance of installment purchase debt. Although certain asset purchases and construction projects are funded by the County, all such facilities are owned and utilized by the school systems.

Since the County, as the issuing government, acquires no capital assets, the County has incurred liability without a corresponding increase in assets. As of June 30, 2020, \$93,557,126 of the outstanding debt on the County's financial statements was related to assets included in the school systems' financial statements.

The assets and deferred outflows of resources of Randolph County exceeded liabilities and deferred inflows of resources by \$61,350,527 as of June 30, 2020. The County's net position decreased by \$17,062,613 from operations for the fiscal year then ended.

One of the largest portions of net position, \$65,365,537, reflects the County's net investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. Randolph County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Randolph County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Randolph County's net position, \$19,168,808, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$(23,183,818) is unrestricted.

Current and other assets increased by 34%, primarily due to favorable operating results in the General Fund and unspent proceeds for capital projects. Capital assets increased due to vehicle and equipment replacement, as well as construction in progress. Long term liabilities increased by \$58,989,507, primarily due to the construction debt, net of principal payments. Deferred outflows and deferred inflows increased as a result of pension and other post-employment benefits (OPEB) transactions.

Overall, net position provided from revenues and expenses declined by \$17,062,613 over the prior year due to capital project expenditures. Deferred outflows of resources, primarily pension and OPEB items, decreased by \$946,293, and deferred inflows increased by \$2,519,733; this also had a negative effect on net position. The County's financial operations were positively influenced by continued diligence in the collection of property taxes by maintaining a collection percentage of 99.08%, despite the negative effects of the coronavirus. This rate compares favorably with the 2019 statewide average of 99.07%.

Randolph County's Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 149,181,640	\$ 111,072,312	\$ 626,931	\$ 610,877	\$ 149,808,571	\$ 111,683,189
Capital assets	83,716,624	70,192,521	10,713,928	11,000,269	94,430,552	81,192,790
Total assets	232,898,264	181,264,833	11,340,859	11,611,146	244,239,123	192,875,979
Deferred outflows of resources	12,387,376	13,305,063	243,138	271,744	12,630,514	13,576,807
Long-term liabilities outstanding	172,548,693	112,760,734	7,744,120	8,542,572	180,292,813	121,303,306
Other liabilities	10,907,074	4,938,238	41,175	39,787	10,948,249	4,978,025
Total liabilities	183,455,767	117,698,972	7,785,295	8,582,359	191,241,062	126,281,331
Deferred inflows of resources	4,278,048	1,758,315	-	-	4,278,048	1,758,315
Net position:						
Net investment in capital assets	62,152,591	59,374,043	3,212,946	2,729,441	65,365,537	62,103,484
Restricted	19,168,808	18,249,478	-	-	19,168,808	18,249,478
Unrestricted	(23,769,574)	(2,510,912)	585,756	571,090	(23,183,818)	(1,939,822)
Total net position	\$ 57,551,825	\$ 75,112,609	\$ 3,798,702	\$ 3,300,531	\$ 61,350,527	\$ 78,413,140

The following schedule reflects the portion of governmental net position attributable to school facilities, capital assets, and the portion from all other governmental activities:

		Net investment in capital assets	Other governmental activities	Total net position related to school facilities	Total
Net Position of					
Governmental Activities	6/30/2019	\$ 59,374,043	\$ 60,217,215	\$ (44,478,649)	\$ 75,112,609
Increase (decrease) in net position		2,778,548	(5,903,678)	(14,435,654)	(17,560,784)
Net Position of					
Governmental Activities	6/30/2020	\$ 62,152,591	\$ 54,313,537	\$ (58,914,303)	\$ 57,551,825

Randolph County Changes in Net Position

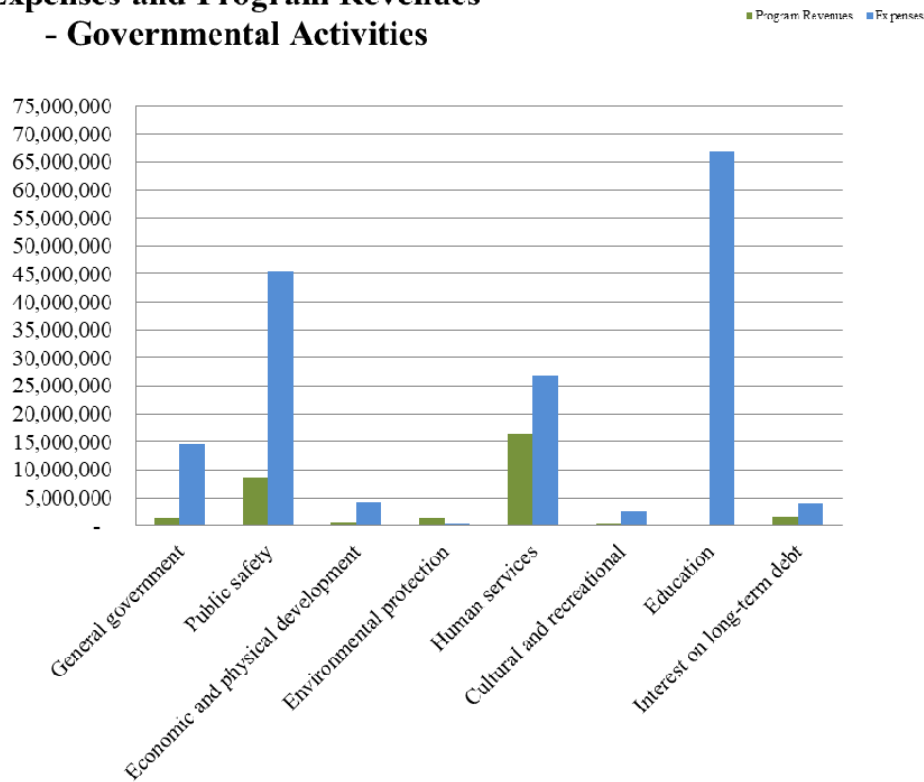
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 11,933,875	\$ 10,648,742	\$ -	\$ -	\$ 11,933,875	\$ 10,648,742
Operating grants and contributions	18,825,030	16,536,806	-	-	18,825,030	16,536,806
General revenues:						
Property taxes	84,275,473	81,443,065	-	-	84,275,473	81,443,065
Local option sales taxes	30,527,908	28,304,796	-	-	30,527,908	28,304,796
Other taxes and licenses	1,333,216	1,565,853	-	-	1,333,216	1,565,853
Investment earnings	2,172,415	1,876,880	10,055	18,519	2,182,470	1,895,399
Miscellaneous	809,200	1,026,946	-	-	809,200	1,026,946
Total revenues	<u>149,877,117</u>	<u>141,403,088</u>	<u>10,055</u>	<u>18,519</u>	<u>149,887,172</u>	<u>141,421,607</u>
Expenses:						
General government	14,659,014	13,283,521	-	-	14,659,014	13,283,521
Public safety	45,634,434	41,915,472	-	-	45,634,434	41,915,472
Economic and physical development	4,208,113	3,952,828	-	-	4,208,113	3,952,828
Environmental protection	471,946	473,992	-	-	471,946	473,992
Human services	26,835,752	24,806,520	-	-	26,835,752	24,806,520
Cultural and recreational	2,585,372	2,711,009	-	-	2,585,372	2,711,009
Education	67,055,642	39,308,013	-	-	67,055,642	39,308,013
Interest on long-term debt	4,128,628	2,788,294	-	-	4,128,628	2,788,294
Water	-	-	1,370,884	1,367,763	1,370,884	1,367,763
Total expenses	<u>165,578,901</u>	<u>129,239,649</u>	<u>1,370,884</u>	<u>1,367,763</u>	<u>166,949,785</u>	<u>130,607,412</u>
Increase (decrease) in net position before transfer	<u>(15,701,784)</u>	<u>12,163,439</u>	<u>(1,360,829)</u>	<u>(1,349,244)</u>	<u>(17,062,613)</u>	<u>10,814,195</u>
Transfers	<u>(1,859,000)</u>	<u>(1,854,500)</u>	<u>1,859,000</u>	<u>1,854,500</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position after transfer and contributed capital	<u>(17,560,784)</u>	<u>10,308,939</u>	<u>498,171</u>	<u>505,256</u>	<u>(17,062,613)</u>	<u>10,814,195</u>
Net position July 1	<u>75,112,609</u>	<u>64,803,670</u>	<u>3,300,531</u>	<u>2,795,275</u>	<u>78,413,140</u>	<u>67,598,945</u>
Net position, June 30	<u>\$ 57,551,825</u>	<u>\$ 75,112,609</u>	<u>\$ 3,798,702</u>	<u>\$ 3,300,531</u>	<u>\$ 61,350,527</u>	<u>\$ 78,413,140</u>

Governmental activities. Governmental activities decreased the County's net position \$17,560,784 for the year. Key elements in several areas affected the County's 2020 results:

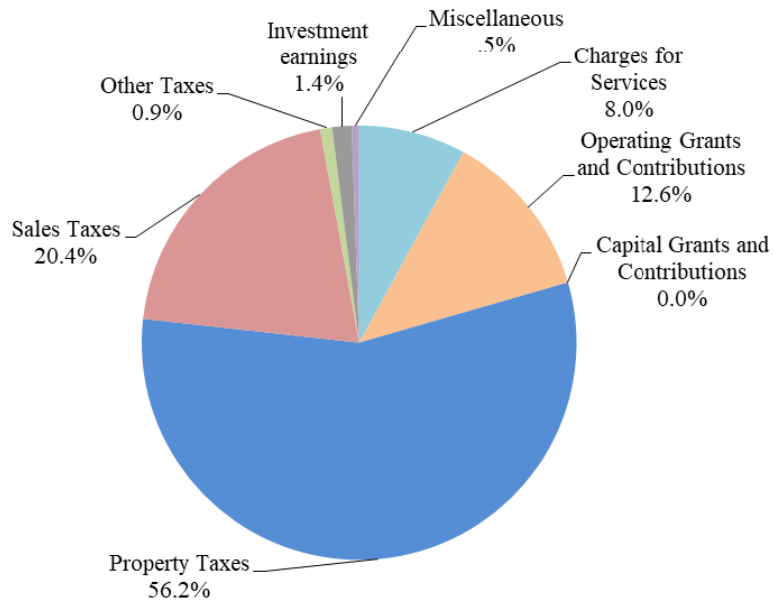
- Total Revenues increased nearly six percent due to strength in property and sales tax collections. These revenues were trending higher before the pandemic began to affect economic conditions. Property taxes rose 3.5% due to higher property valuations. Revenues from motor vehicle taxes were flat for the year due to a state-wide delay in deadlines for vehicle registrations. Total sales tax distributions, including hold harmless allocations, increased 7.8% over the prior year. Federal stimulus payments and expanded unemployment benefits helped to stabilize the local economy during the spring.
- Charges for services covered 7.2% and federal and state operating grants funded 11.4% of governmental expenses in 2020 compared to 8.2% and 12.8% in 2019, respectively.
- Randolph County received \$2,587,508 in CARES Act funding, passed through from the State of North Carolina. Of that amount, \$1,367,231 was expended during the fiscal year. The remaining \$1,220,277 is reported as a liability until expended under the requirements of the CARES Act. The County received another \$5,288,281 subsequent to year end. Of the total received, \$1,343,948 is limited for municipal response to the coronavirus, and another \$2,500,000 for hospital support.
- The County was involved in several capital projects in 2019-20, completing the renovation of Northgate Plaza and continuing construction of the Asheboro High School addition. The County also began construction on the new Trinity Middle School, which was financed in July 2019. The Detention Center project was financed in October 2019. The County also authorized the renovation of the county courthouse, but has suspended work until the health crisis is over.
- Total Expenses increased by \$36,339,252 due to several factors. Primarily, the additional school construction costs resulted in an increase in Education expenditures of 71%. Education also increased as a result of higher appropriations to public schools for current expense. Public safety increased due to the initial phases of hiring additional personnel, detention officers for the Sheriff and paramedics for Emergency Services. Economic and physical development increased due to a one-time \$600,000 contribution to assist with site development at the mega-site. Interest expenses were higher as a result of the additional debt balances. Other expense categories combined were slightly higher.

Business-type activities. Business-type activities began in October 2010 with the establishment of the Water Fund to account for the transactions related to the County's allotment of treated water. The County has no direct customers, and intends to sell in bulk to municipal systems.

Expenses and Program Revenues - Governmental Activities



Revenues By Source - Governmental Activities



FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds. The focus of Randolph County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Randolph County's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

General Fund *[Major Fund]*

The General Fund is the primary operating fund of Randolph County, and is always reported as a major fund. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$32,251,115, while total fund balance increased to \$59,437,494. The Randolph County Board of Commissioners has determined that the County should maintain a minimum unassigned fund balance of 20% of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the County. The County currently has an unassigned fund balance of 24% of 2020-21 budgeted general fund expenditures (including transfers), while total fund balance represents 44% of that same amount. Not all fund balance is available for appropriation. Under state statutes, available fund balance represents 35.75 percent of total 2020 expenditures (including transfers), with \$5,143,046 of that amount assigned for use in the 2020-21 budget ordinance and another \$6,086,071 assigned for capital improvements.

Revenues for the General Fund increased by \$5,468,259 in the fiscal year.

- Property tax revenues increased 2.9%, due to growth in property valuations. The total tax rate was 63.27 cents per \$100 valuation, which due to the revaluation was lowered from 65.25 in the prior year. The County maintained a high tax collection rate of 99.08%, even with limited collection during the final three months.
- Sales tax collections increased in total by 7.85%. This included Medicaid hold-harmless payments from the state. Over the past few years, there have been major legislative changes which increased the distributions to the County. As a result of stay at home orders in the spring, occupancy taxes were 22% lower than last year. This decline was a reflection of the loss of the spring furniture market in High Point.
- Restricted intergovernmental revenues, which include federal and state grants, increased by 7.11%. Several departments received special CARES Act funding to respond to the health crisis.
- Total Permit Fees increased by 20%, primarily building inspection fees. Register of Deed fees rose 18% as low interest rates spurred mortgage refinancings.
- Sales and services improved slightly. The County's ambulance service fees collected were three percent higher than 2019.

Compared with the prior year, General Fund operating expenditures increased \$4,976,557 (4.30%) in 2020. Total expenditures were 8.6% under budget; some of this was unspent funding for human service programs, some for lapsed salaries and fringe benefits due to turnover, but most was cautious management of departmental services. By continuing to enforce budgetary restraint, departments operated far below fiscal limits while maintaining existing services.

- General government expenditures increased 7.1%; in addition to increases in employee health and retirement benefits, there were additional costs related to the property reappraisal. General government makes up 10.7% of total expenditures.
- Public safety represents 25.8% of total expenditures; these expenditures increased 7.1% due in part to new positions approved for the Sheriff's Office and Emergency Services.
- Human services expenditures remained approximately 21% of total expenditures. These costs are substantially dependent on federal and state funding.
- The annual appropriations to public schools and the community college were 4.9% higher than the prior year.
- Debt service increased \$1,528,623; the County issued additional debt for a new middle school and detention center. Principal and interest payments generally decline as outstanding debt is paid off. The County maintained its strong bond ratings, which allows issuance of debt at a lower interest cost.
- Due to the County's aggressive Capital Improvement Plan, fiscal year 2019 transfers to other funds were significant. By contrast, transfers out were \$4,273,421 lower in 2020. Inter-fund transfers in 2020 included to the Water Fund (\$1,859,000), the Site Development Capital Project (\$600,000), \$500,000 in Article 46 sales tax collections moved to the Community College Capital Project, the County Capital Reserve (\$2,656,960), and the County Facilities Capital Projects (\$700,000). A \$2,000,000 transfer to finance the courthouse renovation was delayed due to the coronavirus.

County Facilities Capital Project Fund [Major Fund]

The County Facilities Capital Project Fund accounts for costs of construction and renovation of public buildings. They are funded with a combination of existing reserves and debt issuances. The Northgate Commons renovation was completed during the year. In October 2019, the County issued \$24,530,000 in limited obligation bonds with premiums of another \$5,610,772, to finance the expansion of the detention center. The project was approximately one-third completed at June 30. There was fund balance of \$17,151,733 at year end.

The courthouse renovation budget was approved to be financed with General Fund reserves held for capital improvements, but was later delayed due to the coronavirus.

Randolph County Schools Capital Project Fund [Major Fund]

This project consists of a new Trinity Middle School. This project was funded with \$31,550,000 million in limited obligation bonds in July 2019, with \$6,235,451 in premiums. Construction of the school is anticipated to be completed in summer 2021. Fund balance at year end was \$27,201,941.



Asheboro City Schools Capital Project Fund [Major Fund]

This project consists primarily of a new addition at Asheboro High School, along with some initial renovation work. This project was funded with \$17.235 million in limited obligation bonds in September 2018. Construction of the additional classroom space was completed in summer 2020; the major facility renovation will begin in March 2021. There are also some other school upgrades that were funded with current resources. Fund balance at year end was \$2,000,032 for this fund.



AHS ADDITION - EXTERIOR RENDERING

smithsinnett
ARCHITECTURE

Special Revenue Funds [Nonmajor]

The Emergency Telephone System Fund is required to account for financial resources distributed by the state for E-911 telephone system. The Commissioners are accumulating monies for future economic incentive projects in the Economic Development Reserve. The County is also separately accumulating resources for library services, waste management, and well-being programs. The Coronavirus Relief Fund is federal assistance, passed through from the State of N.C., to allow local governments to respond to the health crisis. At June 30, \$1,220,277 of the original CARES Act allocation remained unspent. Fund balances for all special revenue funds were \$4,775,969 at year end.

Capital Project Funds [Nonmajor]

Revenues and spending for capital projects fluctuates from year to year due to the cycle of projects being started and completed. A significant amount of resources have been

devoted directly to several capital projects as part of the County's adopted capital improvement plan. In order to meet the increased debt service requirements from the Capital Improvement Plan, financial resources have been transferred to the County Capital Reserve Fund for future use.

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available, 2) amendments made to recognize new funding amounts from external sources, such as federal and state grants, and 3) increases in appropriations that become necessary to maintain services.

Total amendments to the General Fund which increased revenues and expenditures were \$9,469,112 or 7.2% of the original adopted budget. These amendments were primarily to transfer resources to capital projects and reserves (\$3,915,574), transfer reserves back to the General Fund for disbursement on specific projects (\$586,127), recognize additional grant revenues (\$1,296,112) and record encumbrances carried forward from 2018-19 fiscal year (\$2,893,292).

Randolph County traditionally takes a conservative approach to financial management, budgeting revenues prudently and operating within budgetary limits for expenditures. However, the County had budgeted \$7,588,962 as an appropriation of available fund balance to finance interfund transfers, certain appropriations, encumbrances, and other expenditures. Nevertheless, during the year, departmental expenditures were substantially less than budgetary levels and certain revenue collections exceeded projections. As a result, no use of reserves was required for departmental operations.

General Fund Summary

Comparison of Actual Results with Final Budget

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Ad valorem taxes	\$ 73,465,026	\$ 73,880,620	0.57%
Local option sales taxes	29,055,093	30,527,908	5.07%
Other taxes and licenses	1,974,000	1,877,844	-4.87%
Unrestricted intergovernmental	333,000	339,736	2.02%
Restricted intergovernmental	16,802,702	16,630,442	-1.03%
Permits and fees	1,231,200	1,546,443	25.60%
Sales and services	7,686,988	8,459,111	10.04%
Investment earnings	901,000	982,359	9.03%
Miscellaneous	634,106	549,132	-13.40%
	<u>132,083,115</u>	<u>134,793,595</u>	<u>2.05%</u>
Expenditures			
County services	81,995,805	75,947,598	7.38%
Education	32,910,793	28,921,400	12.12%
Debt service	12,728,464	11,857,915	6.84%
Appropriations to outside agencies	4,480,095	4,096,553	8.56%
	<u>132,115,157</u>	<u>120,823,466</u>	<u>8.55%</u>
Other financing sources (uses):			
Transfers from other funds	759,040	356,509	
Transfers to other funds	(8,315,960)	(6,315,960)	
Fund Balance Appropriated	<u>7,588,962</u>	<u>-</u>	
Net change in fund balance	<u>\$ -</u>	<u>\$ 8,010,678</u>	

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. Randolph County's capital assets for its governmental-type activities as of June 30, 2020, totals \$83,716,624 (net of accumulated depreciation). These assets include buildings, land, land improvements, machinery and equipment, and vehicles. It also includes intangible assets such as water rights and computer software. Construction in progress is also a capital asset, but is not depreciated until placed in service.

Major capital asset transactions during the year include:

- Purchased new ambulance vehicles for Emergency Services and patrol cars for the Sheriff's Office.
- Obtained new ambulance stretchers through a capital lease.
- Constructed new convenience sites in Trinity and Randleman.
- Continued construction of the Asheboro High School Addition project.
- Initiated construction on the detention center and Trinity Middle School capital projects.
- Completed a pay-as-you-go renovation project, the Northgate Commons complex, for relocation of probation and parole and Board of Elections, storage, and future expansions.

**Randolph County's Capital Assets
(net of depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 7,278,986	\$ 7,278,986	\$ -	\$ -	\$ 7,278,986	\$ 7,278,986
Water rights	16,522,680	16,522,680	10,713,928	11,000,269	27,236,608	27,522,949
Land improvements	62,108	70,462	-	-	62,108	70,462
Buildings	34,952,173	30,993,010	-	-	34,952,173	30,993,010
Machinery and equipment	5,292,574	5,541,613	-	-	5,292,574	5,541,613
Software	384,654	523,139	-	-	384,654	523,139
Vehicles	3,355,367	3,414,063	-	-	3,355,367	3,414,063
Construction in progress	<u>15,868,082</u>	<u>5,848,568</u>	<u>-</u>	<u>-</u>	<u>15,868,082</u>	<u>5,848,568</u>
Total	<u>\$ 83,716,624</u>	<u>\$ 70,192,521</u>	<u>\$ 10,713,928</u>	<u>\$ 11,000,269</u>	<u>\$ 94,430,552</u>	<u>\$ 81,192,790</u>

Additional information on the County's capital assets can be found in note II.A.6 of the Basic Financial Statements.

Long-term Debt. As of June 30, 2020, Randolph County had no outstanding general obligation bonds, which is debt backed by the full faith and credit of the County. Instead, the County was obligated under several installment purchase agreements and a Clean Drinking Water note payable to the State of North Carolina. In order to encourage economic development in rural areas, Randolph County assists local municipalities with certain water line projects; debt service for those commitments is included with governmental activities.

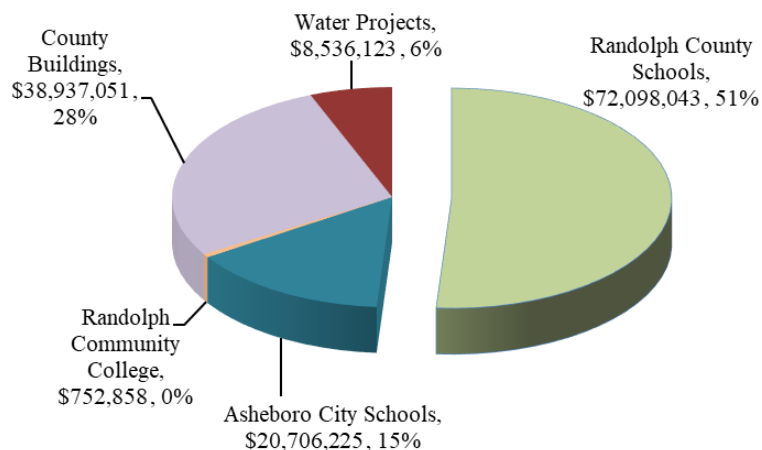
Randolph County's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Installment purchase obligations	\$117,458,820	\$ 69,751,780	\$ -	\$ -	\$117,458,820	\$ 69,751,780
Unamortized premium on debt	15,372,530	5,070,569	-	-	15,372,530	5,070,569
Notes payable - State of N.C.	43,022	86,044	-	-	43,022	86,044
Capital lease	411,808	687,638	-	-	411,808	687,638
Contract payable	-	-	7,744,120	8,542,572	7,744,120	8,542,572
	<u>\$133,286,180</u>	<u>\$ 75,596,031</u>	<u>\$ 7,744,120</u>	<u>\$ 8,542,572</u>	<u>\$141,030,300</u>	<u>\$ 84,138,603</u>

During the past fiscal year, Randolph County's governmental debt increased by \$57,690,149:

New debt issued	\$ 56,080,000
New premium	11,846,223
Lease payments	(275,831)
Required principal payments	(8,415,982)
Amortization of premium	(1,544,261)
	<u>\$ 57,690,149</u>

Outstanding County Debt By Purpose



Business-type debt decreased by \$798,452, the amount of principal payments.

Randolph County maintained its Aa2 bond rating from Moody's Investor Service (which was upgraded in 2013) and its AA- rating from Standard and Poor's Corporation (19th consecutive year). These bond ratings are a clear indication of the sound financial condition of Randolph County. This achievement is a primary factor in keeping interest costs low on the County's outstanding debt.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Randolph County is \$819,503,834. The County had no general obligation bonds authorized but unissued at June 30, 2020.

For any outstanding debt that is general obligation debt, the full faith, credit and taxing power of the County is responsible for ensuring repayment. Accordingly, the County is authorized and required by state law to levy ad valorem taxes, without limit as to rate or amount, as may be necessary to pay the debt service on its general obligation bonds. All of the County's debt, however, is installment purchase obligations, which uses the asset itself as collateral for the outstanding debt balances. Regardless of the type of financing, the County is responsible for all repayment of issued debt.

Additional information regarding Randolph County's long-term debt can be found in note II.B.8, beginning on page 84 of this audited financial report.

ECONOMIC FACTORS

The following key economic indicators reflect the growth and prosperity of the County.

- The County maintains a moderate property tax rate compared to other counties in the state.
- Randolph County has partnered with Waste Management to operate a regional landfill, which will lower local solid waste disposal costs and also provide a stable new revenue source to the County. The lease revenue has been used for initiatives that support the County's strategic plan, rather than operating costs.
- Recognizing Randolph's central location in the state, regional partners have worked to assemble a mega-site to attract a large advanced manufacturing operation. Efforts over the past few years have resulted in control of over 1,800 acres. The profile of the site was raised by being a finalist for the 2017 Toyota/Mazda project. The site is being actively and globally marketed. When this site is chosen for manufacturing development, the citizens of the County will have the opportunity for stable jobs that will lead to a higher standard of living.
- Locally and regionally, workforce development is one of the major issues that communities face. We see good cooperation between both public school systems, the community college, and business leaders to seek ways to prepare our community for economic success.

BUDGET HIGHLIGHTS FOR THE FISCAL YEAR ENDING JUNE 30, 2021**Governmental Activities:**

The Final 2020-21 General Fund Budget totals \$134,379,644, a 2.6% increase over last year. The 2019-20 Budget levies a 63.27¢ property tax rate with a countywide valuation of \$11,843,000,000. Real estate was last reappraised as of 1/1/19; the FY20 calculated revenue neutral rate was maintained by the County in FY21.

The COVID-19 health crisis and the economic effects of business closures and stay at home orders is causing great stress for individuals, families and employers. For local governments, it is forcing change in how we interact with citizens now and in the future. These events certainly highlight the importance of county government to the health and welfare of our citizens.

Due to uncertainties, the budget was planned in stages. Each stage has its own goal, and has to balance expected expenditures with financial resources. Some of these stages will be considered later in the fiscal year, after we get a better picture of our actual revenues.

The unique economic effects of the coronavirus made revenue projections especially difficult. The County's 2020-21 General County Revenues have assumed a negative impact will last through most of the fiscal year. While property tax collections are somewhat stable, sales tax collections are expected to be down significantly. For 2020-21, interest income was also budgeted lower due to actions of the Federal Reserve. In order to satisfy operating needs, a total of \$5,143,046 of fund balance was appropriated to accomplish the County's budget priorities.

Randolph County prepared its budget with public safety as a primary objective. For several years, adequate staffing issues were the primary concerns of several County departments. Our goal is always to maintain services at a level that protects citizen's safety, health and well-being. That duty is always balanced with making budgeting decisions that are financially sustainable. This Budget includes a number of initiatives to make operational improvements intended to meet current and future demand for services. The 2020-21 Budget also includes a one percent cost of living adjustment for employees.

The Board desired to provide additional school funding in 2020-21, noting that the key to the economic development engine is a well-educated workforce. Randolph County provided an additional \$712,439 (2.76%) for public school current expense compared to the 2019-20 fiscal year.

Business-type Activities:

Randolph County has an allocation of treated water from its involvement in the Piedmont Triad Regional Water Authority. The County will sell its allotment to municipal systems. The total budget is \$1,893,000, and includes a transfer of \$1,892,000 from the General Fund. The County continues to work on contracts to sell our allotment of treated water.

IMPACT OF CORONAVIRUS ON THE COUNTY

During the fiscal year, the world was affected by the spread of a coronavirus. Randolph County did not experience severe fiscal difficulties through June 30, 2020, in part due to federal stimulus and financial assistance programs. County departments continued to provide all critical services.

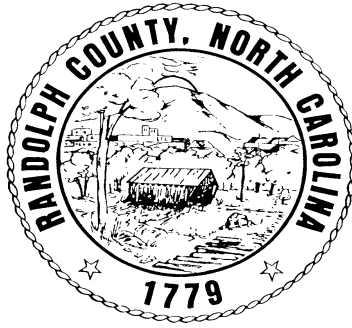
However, in order to protect employees and citizens, we responded to the emergency by activating our Crisis Management Team and implementing business continuity procedures, restricting access to county buildings where possible, adopting work-from-home arrangements, providing personal protective gear, and assisting local municipalities and businesses with information, resources, and funding.

The County also provided regular video updates from our Health Director and other officials to keep the public informed of the emergency.

REQUESTS FOR INFORMATION

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Officer, Randolph County, 725 McDowell Road, Asheboro, NC 27205.

This report and additional information is available on the County's website www.randolphcountync.gov.



Randolph County, North Carolina
Statement of Net Position
June 30, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Randolph County Tourism Development Authority
ASSETS				
Cash and cash equivalents	\$ 72,372,672	\$ 626,931	\$ 72,999,603	\$ 419,264
Receivables (net)	13,914,550	-	13,914,550	108,789
Prepaid items	23,685	-	23,685	-
Notes receivable	84,826	-	84,826	-
Restricted cash	48,993,229	-	48,993,229	-
Land held for development	13,588,267	-	13,588,267	-
Net pension asset	204,411	-	204,411	-
Capital assets:				
Intangible assets	16,522,680	10,713,928	27,236,608	-
Land, improvements, and construction in progress	23,147,068	-	23,147,068	-
Other capital assets, net of depreciation	44,046,876	-	44,046,876	39,263
Total capital assets	83,716,624	10,713,928	94,430,552	39,263
Total assets	232,898,264	11,340,859	244,239,123	567,316
DEFERRED OUTFLOWS OF RESOURCES				
	12,387,376	243,138	12,630,514	54,536
LIABILITIES				
Accounts payable and accrued expenses	3,707,723	41,175	3,748,898	75,574
Liabilities payable from restricted assets	5,939,956	-	5,939,956	-
Accrued interest payable	1,259,395	-	1,259,395	-
Long-term liabilities:				
Net pension liability - LGERS	14,360,877	-	14,360,877	98,263
Total pension liability - LEOSSA	4,058,115	-	4,058,115	-
Total OPEB Liability	14,853,068	-	14,853,068	150,571
Due within one year	13,353,581	820,560	14,174,141	22,891
Due in more than one year	125,923,052	6,923,560	132,846,612	-
Total liabilities	183,455,767	7,785,295	191,241,062	347,299
DEFERRED INFLOWS OF RESOURCES				
	4,278,048	-	4,278,048	26,919
NET POSITION				
Net investment in capital assets	62,152,591	3,212,946	65,365,537	-
Restricted for:				
General government	549,683	-	549,683	-
Public safety	1,875,995	-	1,875,995	-
Human services	1,105,595	-	1,105,595	-
Cultural and recreational	197,137	-	197,137	-
Register of Deeds Pension Plan	204,411	-	204,411	-
Stabilization by State Statute	15,235,987	-	15,235,987	108,789
Unrestricted (deficit)	(23,769,574)	585,756	(23,183,818)	138,845
Total net position	\$ 57,551,825	\$ 3,798,702	\$ 61,350,527	\$ 247,634

The notes to the financial statements are an integral part of this statement.

Randolph County, North Carolina
Statement of Activities
For the Fiscal Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Randolph County Tourism Development Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental Activities:								
General government	\$ 14,659,014	\$ 1,420,439	\$ -	\$ -	\$ (13,238,575)	\$ -	\$ (13,238,575)	
Public safety	45,634,434	7,002,494	1,577,382	-	(37,054,558)	-	(37,054,558)	
Economic and physical development	4,208,113	190,935	461,186	-	(3,555,992)	-	(3,555,992)	
Environmental protection	471,946	1,520,440	-	-	1,048,494	-	1,048,494	
Human services	26,835,752	1,580,698	14,825,671	-	(10,429,383)	-	(10,429,383)	
Cultural and recreation	2,585,372	218,869	348,491	-	(2,018,012)	-	(2,018,012)	
Education	67,055,642	-	12,300	-	(67,043,342)	-	(67,043,342)	
Interest on long-term debt	4,128,628	-	1,600,000	-	(2,528,628)	-	(2,528,628)	
Total governmental activities	165,578,901	11,933,875	18,825,030	-	(134,819,996)	-	(134,819,996)	
Business-type activities:								
Water and Sewer	1,370,884	-	-	-	-	(1,370,884)	(1,370,884)	-
Total business-type activities	1,370,884	-	-	-	-	(1,370,884)	(1,370,884)	
	<u>\$ 166,949,785</u>	<u>\$ 11,933,875</u>	<u>\$ 18,825,030</u>	<u>\$ -</u>	<u>(134,819,996)</u>	<u>(1,370,884)</u>	<u>(136,190,880)</u>	
Component unit:								
Randolph County Tourism Development Authority	\$ 1,154,644	\$ -	\$ 185,716	\$ -				\$ (968,928)
General revenues:								
Taxes:								
Property taxes, levied for general purpose					84,275,473	-	84,275,473	-
Local option sales tax					30,527,908	-	30,527,908	-
Other taxes and licenses					1,333,216	-	1,333,216	849,971
Investment earnings, unrestricted					2,172,415	10,055	2,182,470	8,799
Miscellaneous, unrestricted					809,200	-	809,200	12,675
Total general revenues					119,118,212	10,055	119,128,267	871,445
Transfers					(1,859,000)	1,859,000	-	-
Change in net position					(17,560,784)	498,171	(17,062,613)	(97,483)
Net position, beginning					75,112,609	3,300,531	78,413,140	345,117
Net position, ending					<u>\$ 57,551,825</u>	<u>\$ 3,798,702</u>	<u>\$ 61,350,527</u>	<u>\$ 247,634</u>

The notes to the financial statements are an integral part of this statement.

Randolph County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2020

	Major Funds				Non-Major Funds	Total
		Randolph	Asheboro City			
	County Facilities	County Schools	Schools	Other		
	Capital Project	Capital Project	Capital	Governmental		
	Fund	Fund	Project Fund	Funds		
General Fund						All Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 49,598,489	\$ 1,824,428	\$ 1,172,820	\$ 1,817,219	\$ 17,959,716	\$ 72,372,672
Accounts receivables, net	1,144,644	86,051	93,475	295,693	3,910	1,623,773
Taxes receivable, net	877,305	-	-	-	132,597	1,009,902
Due from other governments	10,967,406	-	-	-	167,592	11,134,998
Due from other funds	-	-	-	-	786,863	786,863
Prepaid items	23,685	-	-	-	-	23,685
Notes receivable	84,826	-	-	-	-	84,826
Restricted cash and cash equivalents	1,989,403	17,335,224	28,368,230	1,300,372	-	48,993,229
Total assets	<u>\$ 64,685,758</u>	<u>\$ 19,245,703</u>	<u>\$ 29,634,525</u>	<u>\$ 3,413,284</u>	<u>\$ 19,050,678</u>	<u>\$ 136,029,948</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$ 2,307,053	\$ -	\$ -	\$ -	\$ 1,400,670	\$ 3,707,723
Due to other funds	786,863	-	-	-	-	786,863
Liabilities payable from restricted assets	150	2,093,970	2,432,584	1,413,252	-	5,939,956
Total liabilities	<u>3,094,066</u>	<u>2,093,970</u>	<u>2,432,584</u>	<u>1,413,252</u>	<u>1,400,670</u>	<u>10,434,542</u>
Deferred Inflows of Resources	<u>2,154,198</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,656</u>	<u>2,304,854</u>
Fund balances:						
Nonspendable:						
Prepaid items and notes receivable	108,511	-	-	-	-	108,511
Restricted:						
Stabilization by state statute	13,860,335	86,051	93,475	295,693	900,433	15,235,987
Register of deeds	549,683	-	-	-	-	549,683
Public safety	333,138	-	-	-	1,542,857	1,875,995
Health services	1,105,595	-	-	-	-	1,105,595
Library services	-	-	-	-	197,137	197,137
Capital improvements	-	15,241,254	25,935,646	182,813	-	41,359,713
Committed:						
Solid waste management	-	-	-	-	1,328,598	1,328,598
Economic development	-	-	-	-	1,351,790	1,351,790
Human services	-	-	-	-	274,462	274,462
Water improvements	-	-	-	-	107,868	107,868
Capital improvements	-	1,824,428	1,172,820	1,521,526	8,380,362	12,899,136
Capital improvements - Community college	-	-	-	-	3,415,845	3,415,845
Assigned:						
Capital improvements	6,086,071	-	-	-	-	6,086,071
Subsequent year's expenditures	5,143,046	-	-	-	-	5,143,046
Unassigned	32,251,115	-	-	-	-	32,251,115
Total fund balances	<u>59,437,494</u>	<u>17,151,733</u>	<u>27,201,941</u>	<u>2,000,032</u>	<u>17,499,352</u>	<u>123,290,552</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 64,685,758</u>	<u>\$ 19,245,703</u>	<u>\$ 29,634,525</u>	<u>\$ 3,413,284</u>	<u>\$ 19,050,678</u>	<u>\$ 136,029,948</u>

The notes to the financial statements are an integral part of this statement.

Exhibit 3
Concluded

Randolph County, North Carolina
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2020

Total Fund Balance for Governmental Funds	\$ 123,290,552
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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.	67,193,944
Net pension asset	204,411
Contributions to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position	3,246,751
Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	81,157
Deferred outflows of resources related to OPEB are not reported in the funds	700,874
The investment in water rights is reported as an intangible asset but are not considered financial resources in the funds.	16,522,680
The investment in land for economic development during the current year is reported as an asset on the Statement of Net Position but is considered a financial use in the funds.	13,588,267
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds.	8,504,471
Deferred inflows of resources for taxes and accounts receivable	2,057,953
Deferred inflows of resources related to OPEB are not reported in the funds	(2,592,594)
Pension related deferrals	(1,438,553)
Net pension liability - LGERS	(14,360,877)
Total pension liability - LEOSSA	(4,058,115)
Total OPEB Liability	(14,853,068)
Some liabilities, including long-term debt, are not due and payable in the current period and therefore are not reported in the funds.	<u>(140,536,028)</u>
Net position of governmental activities	<u>\$ 57,551,825</u>

The notes to the financial statements are an integral part of this statement.

Randolph County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2020

	Major Funds				Non-Major Funds	Total
		Randolph	Asheboro			
	County Facilities	County Schools	City Schools	Other		
	Capital Project	Capital Project	Capital Project	Governmental		
	Fund	Fund	Fund	Funds		
	General Fund					
REVENUES						
Ad valorem taxes	\$ 73,880,620	\$ -	\$ -	\$ -	\$ 10,111,012	\$ 83,991,632
Local option sales taxes	30,527,908	-	-	-	-	30,527,908
Other taxes and licenses	1,877,844	-	-	-	-	1,877,844
Unrestricted intergovernmental	339,736	-	-	-	-	339,736
Restricted intergovernmental	16,630,442	-	-	-	2,341,615	18,972,057
Permits and fees	1,546,443	-	-	-	-	1,546,443
Sales and services	8,459,111	-	-	-	274,870	8,733,981
Investment earnings	982,359	257,779	541,673	213,111	164,211	2,159,133
Miscellaneous	549,132	-	-	-	1,312,660	1,861,792
Total revenues	<u>134,793,595</u>	<u>257,779</u>	<u>541,673</u>	<u>213,111</u>	<u>14,204,368</u>	<u>150,010,526</u>
EXPENDITURES						
Current:						
General government	12,966,858	-	-	-	-	12,966,858
Public safety	31,155,827	-	-	-	12,017,037	43,172,864
Economic and physical development	3,143,507	-	-	-	976,005	4,119,512
Environmental protection	153,414	-	-	-	355,604	509,018
Human services	25,386,747	-	-	-	-	25,386,747
Culture and recreation	2,385,239	-	-	-	24,655	2,409,894
Intergovernmental:						
Education	32,910,792	-	-	-	-	32,910,792
Capital outlay	-	15,050,393	10,855,495	14,578,491	8,229,899	48,714,278
Debt service:						
Principal	8,415,982	-	-	-	-	8,415,982
Interest and other charges	4,305,100	-	-	-	-	4,305,100
Bond issuance costs	-	240,556	269,705	-	-	510,261
Total expenditures	<u>120,823,466</u>	<u>15,290,949</u>	<u>11,125,200</u>	<u>14,578,491</u>	<u>21,603,200</u>	<u>183,421,306</u>
Excess (deficiency) of revenues over expenditures	<u>13,970,129</u>	<u>(15,033,170)</u>	<u>(10,583,527)</u>	<u>(14,365,380)</u>	<u>(7,398,832)</u>	<u>(33,410,780)</u>
OTHER FINANCING SOURCES (USES)						
Installment purchase debt issued	-	24,530,000	31,550,000	-	-	56,080,000
Premium on issued debt	-	5,610,772	6,235,451	-	-	11,846,223
Transfers from other funds	356,509	700,000	-	-	3,756,960	4,813,469
Transfers to other funds	(6,315,960)	-	-	-	(356,509)	(6,672,469)
Total other financing sources and uses	<u>(5,959,451)</u>	<u>30,840,772</u>	<u>37,785,451</u>	<u>-</u>	<u>3,400,451</u>	<u>66,067,223</u>
Net change in fund balances	8,010,678	15,807,602	27,201,924	(14,365,380)	(3,998,381)	32,656,443
Fund balances - beginning	<u>51,426,816</u>	<u>1,344,131</u>	<u>17</u>	<u>16,365,412</u>	<u>21,497,733</u>	<u>90,634,109</u>
Fund balances - ending	<u>\$ 59,437,494</u>	<u>\$ 17,151,733</u>	<u>\$ 27,201,941</u>	<u>\$ 2,000,032</u>	<u>\$ 17,499,352</u>	<u>\$ 123,290,552</u>

The notes to the financial statements are an integral part of this statement.

Randolph County, North Carolina
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Fiscal Year Ended June 30, 2020

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

Net changes in fund balances - total governmental funds	\$ 32,656,443
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 exceeded capital outlays in the current period.	13,723,011
Cost of capital assets disposed of during the year, not recognized on modified accrual basis.	(198,908)
Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	81,157
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	2,650,404
OPEB benefit payments and administrative costs made in the current fiscal year are not included on the Statement of Activities	596,347
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	65,499
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 and related items.	(58,187,073)
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.	<u>(8,947,664)</u>
Total changes in net position of governmental activities	<u><u>\$ (17,560,784)</u></u>

The notes to the financial statements are an integral part of this statement.

Exhibit 6

Randolph County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2020

	General Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Ad valorem taxes	\$ 73,465,026	\$ 73,465,026	\$ 73,880,620	\$ 415,594
Local option sales tax	28,505,093	29,055,093	30,527,908	1,472,815
Other taxes and licenses	1,974,000	1,974,000	1,877,844	(96,156)
Unrestricted intergovernmental	333,000	333,000	339,736	6,736
Restricted intergovernmental	15,506,590	16,802,702	16,630,442	(172,260)
Permits and fees	1,231,200	1,231,200	1,546,443	315,243
Sales and services	7,627,519	7,686,988	8,459,111	772,123
Investment earnings	901,000	901,000	982,359	81,359
Miscellaneous	447,909	634,106	549,132	(84,974)
Total revenues	<u>129,991,337</u>	<u>132,083,115</u>	<u>134,793,595</u>	<u>2,710,480</u>
Expenditures				
Current:				
General government	13,264,787	15,118,528	12,966,858	2,151,670
Public safety	32,994,451	35,114,541	31,155,827	3,958,714
Economic and physical development	3,405,060	4,282,324	3,143,507	1,138,817
Environmental protection	168,953	170,953	153,414	17,539
Human services	28,628,676	29,122,216	25,386,747	3,735,469
Culture and recreation	2,407,161	2,667,338	2,385,239	282,099
Intergovernmental:				
Education	32,898,493	32,910,793	32,910,792	1
Debt service:				
Principal retirement	8,415,982	8,415,982	8,415,982	-
Interest and other charges	4,378,056	4,312,482	4,305,100	7,382
Total expenditures	<u>126,561,619</u>	<u>132,115,157</u>	<u>120,823,466</u>	<u>11,291,691</u>
Revenues over (under) expenditures	<u>3,429,718</u>	<u>(32,042)</u>	<u>13,970,129</u>	<u>14,002,171</u>
Other financing sources (uses):				
Transfers from other funds	172,913	759,040	356,509	(402,531)
Transfers to other funds	<u>(4,400,386)</u>	<u>(8,315,960)</u>	<u>(6,315,960)</u>	<u>2,000,000</u>
Total other financing sources (uses)	<u>(4,227,473)</u>	<u>(7,556,920)</u>	<u>(5,959,451)</u>	<u>1,597,469</u>
Fund Balance Appropriated	<u>797,755</u>	<u>7,588,962</u>	<u>-</u>	<u>(7,588,962)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>8,010,678</u>	<u>\$ 8,010,678</u>
Fund balance - beginning			51,426,816	
Fund balance - ending			<u>\$ 59,437,494</u>	

The notes to the financial statements are an integral part of this statement.

Randolph County, North Carolina
Statement of Net Position
Proprietary Fund
June 30, 2020

	<u>Major</u>
	<u>Water Fund</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 626,931
Receivables, net	-
Total current assets	<u>626,931</u>
Noncurrent assets:	
Capital assets:	
Intangible asset, net of amortization	10,713,928
Total noncurrent assets	<u>10,713,928</u>
Total assets	<u>11,340,859</u>
 DEFERRED OUTFLOWS OF RESOURCES	 <u>243,138</u>
 LIABILITIES	
Current liabilities:	
Accounts payable	41,175
Current portion of contract payable	820,560
Total current liabilities	<u>861,735</u>
Noncurrent liabilities:	
Contract payable	6,923,560
Total noncurrent liabilities	<u>6,923,560</u>
Total liabilities	<u>7,785,295</u>
 NET POSITION	
Net investment in capital assets	3,212,946
Unrestricted	<u>585,756</u>
Total net position	<u><u>\$ 3,798,702</u></u>

The notes to the financial statements are an integral part of this statement.

Randolph County, North Carolina
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2020

	<u>Major</u> <u>Water Fund</u>
OPERATING REVENUES	
Charges for services	\$ -
Total operating revenues	<u>-</u>
OPERATING EXPENSES	
Administration	324,134
Bulk water purchases	502,335
Amortization	286,341
Total operating expenses	<u>1,112,810</u>
Operating income (loss)	<u>(1,112,810)</u>
NONOPERATING REVENUES (EXPENSES)	
Interest paid on contract commitment	(258,074)
Interest and investment revenue	10,055
Total nonoperating revenues (expenses)	<u>(248,019)</u>
Income (loss) before transfers	(1,360,829)
Transfers from other funds	<u>1,859,000</u>
Change in net position	498,171
Total net position, beginning	<u>3,300,531</u>
Total net position, ending	<u><u>\$ 3,798,702</u></u>

The notes to the financial statements are an integral part of this statement.

Randolph County, North Carolina
Statement of Cash Flows
Enterprise Fund
For The Fiscal Year Ended June 30, 2020

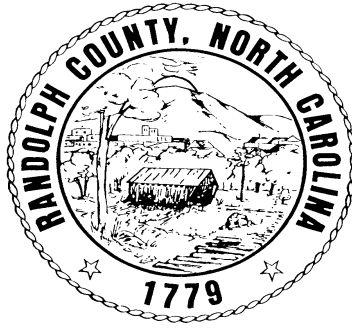
	<u>Major</u> <u>Water Fund</u>
Cash flows from operating activities:	
Cash paid for goods and services	\$ (825,081)
Net cash provided (used) by operating activities	<u>(825,081)</u>
Cash flows from noncapital financing	
Transfers in	<u>1,859,000</u>
Cash flows from capital and related financing activities:	
Interest paid on contract commitments	(229,468)
Principal paid on contract commitments	<u>(798,452)</u>
Net cash used by capital and related financing activities	<u>(1,027,920)</u>
Cash flows from investing activities:	
Interest on investments	<u>11,571</u>
Net increase in cash and cash equivalents	17,570
Cash and cash equivalents, beginning	<u>609,361</u>
Cash and cash equivalents, ending	<u><u>\$ 626,931</u></u>
Reconciliation of operating income (loss) to net cash provided by operating activities:	
Operating loss	\$ (1,112,810)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Amortization	286,341
Changes in assets and liabilities:	
Increase (decrease) in accounts payable and accrued liabilities	<u>1,388</u>
Total adjustments	<u>287,729</u>
Net cash provided (used) by operating activities	<u><u>\$ (825,081)</u></u>

The notes to the financial statements are an integral part of this statement.

Randolph County, North Carolina
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	\$ 847,308
Due from other governments	229,000
Taxes receivable, net	<u>477,322</u>
 Total assets	 <u>\$ 1,553,630</u>
 Liabilities	
Liabilities:	
Miscellaneous liabilities	\$ 646,808
Intergovernmental payables	<u>906,822</u>
 Total liabilities	 <u>\$ 1,553,630</u>

The notes to the financial statements are an integral part of this statement.



Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies

The accounting policies of Randolph County, North Carolina (the County) and its component units conform to generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

A. Reporting Entity

Randolph County was created from a portion of Guilford County in 1779, and is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. Randolph County's governing body is a five-member Board of Commissioners elected at large; the County operates under a county manager form of government. The County provides services which are classified into the following functions in the financial statements: General Government, Public Safety, Economic and Physical Development, Environmental Protection, Human Services, Culture and Recreation, and Education.

Many public services are provided by other governmental agencies that are supported through County appropriations. Mental health programs are provided in part through the County's contribution to Sandhill Center. Elementary and secondary education is provided by two public school systems; professional, technical and vocational training beyond the secondary level is available through the community college.

As required by generally accepted accounting principles, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable. The Randolph County Tourism Development Authority (the *Tourism Development Authority*) is a public authority under the North Carolina General Statutes, created to promote activities and programs which encourage travel and tourism to the area. The County is financially accountable for the Tourism Development Authority because it appoints board members and levies the occupancy tax which is the major source of the Authority's revenues. The Tourism Development Authority has a June 30 year-end and is presented as if it is a separate governmental fund of the County (discrete presentation).

Randolph County Tourism Development Authority	Discrete	The Randolph County Tourism Development Authority was created to promote travel and tourism within the County. Its primary revenue is a room occupancy tax. The County is financially accountable for the Authority. The Authority is governed by a nine-member board, all of which are appointed by the Randolph County Board of Commissioners. Randolph County collects the occupancy tax for the Authority, and performs administrative functions. However, the County does not provide any direct financial support to the Authority.	Randolph County Tourism Development Authority 145-B Worth Street Asheboro, N.C. 27203
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Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

A. Reporting Entity (concluded)

Randolph County Industrial Facility and Pollution Control Financing Authority (the *Financing Authority*) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Financing Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements.

In February 2008, the Board of County Commissioners authorized the formation of four county water and sewer districts: the Eastern Randolph Water and Sewer District, the Northwest Randolph Water and Sewer District, the Randleman Lake Water and Sewer District, and the Uwharrie Water and Sewer District. These four districts were created to provide and maintain water and sewer systems for the County residents within the district; however, the districts have not conducted any operations since their formation. These four districts have no financial transactions or account balances; accordingly, they are not presented in the basic financial statements.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Eastern Randolph Water and Sewer District	Blended	Under State law [NCGS 162A-89], the County's board of commissioners also serve as the governing board for the District. The County would be financially accountable and would have operational responsibility for the District.	None issued.
Northwest Randolph Water and Sewer District	Blended	Under State law [NCGS 162A-89], the County's board of commissioners also serve as the governing board for the District. The County would be financially accountable and would have operational responsibility for the District.	None issued.
Randleman Lake Water and Sewer District	Blended	Under State law [NCGS 162A-89], the County's board of commissioners also serve as the governing board for the District. The County would be financially accountable and would have operational responsibility for the District.	None issued.
Uwharrie Water and Sewer District	Blended	Under State law [NCGS 162A-89], the County's board of commissioners also serve as the governing board for the District. The County would be financially accountable and would have operational responsibility for the District.	None issued.
Randolph County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven-member board of commissioners that is appointed by the county commissioners. The County can remove any commissioner of the Authority with or without cause.	None issued.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation, Basis of Accounting

Basis of Presentation, Measurement Focus – Basis of Accounting

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government net position (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County'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, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category – *governmental, proprietary and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental 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. Non-operating revenues, such as subsidies, result from non-exchange transactions. Other non-operating items such as investment earnings are ancillary activities.

The County reports the following four major governmental funds:

General Fund. This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

County Facilities Capital Project Fund. This fund accounts for new construction and major renovation of various county facilities, financed primarily through installment purchase agreements and transfers from the General Fund.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation, Basis of Accounting (continued)

Randolph County Schools Capital Project Fund. This fund accounts for new construction and major renovation of Randolph County School facilities, financed primarily through installment purchase agreements.

Asheboro City Schools Capital Project Fund. This fund accounts for new construction and major renovation of Asheboro City School facilities, financed primarily through installment purchase agreements.

The County reports the following major enterprise fund:

Water Fund. This fund is used to account for wholesale water operations within the County.

The County reports the following fund types:

Agency Funds. Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains the following agency funds: the Social Services Custodial Fund, which accounts for monies deposited with the Department of Social Services for the benefit of certain individuals; the Fines and Forfeitures Fund – Public Schools, which accounts for various legal fines and forfeitures that the County is required to remit to Randolph County and Asheboro City Boards of Education; the Municipal Tax Districts Funds and the School Tax Districts Funds, which account for ad valorem property taxes that are billed and collected by the County for the respective municipalities and special school districts within the County but that are not revenues to the County; the Town Library Fund which accounts for monies held by the County as trustee for certain town libraries in the County; the Detention Center Commissary Fund, which accounts for monies held by the County as agent for inmates of the Detention Center; the Deed of Trust Fund which accounts for the five dollars of each fee collected by the register of deeds for registering or filing a deed of trust or mortgage and remitted to the State Treasurer on a monthly basis; and the Tourism Authority Trust Fund which accounts for the unused occupancy taxes held by the County until disbursed by the Tourism Authority.

Nonmajor Funds. The County maintains another fourteen legally budgeted funds. The Fire Districts Fund, the Emergency Telephone System Fund, the Solid Waste Management Fund, Library Trust Fund, and Coronavirus Relief Fund are reported as annually budgeted nonmajor special revenue funds. The Economic Development Reserve Fund, the Well-Being Reserve Fund, Solid Waste Capital Reserve Fund, 2016 Essential Single Family Rehabilitation Loan Pool Fund are multi-year non-major special revenue funds. The Rural Water Infrastructure Capital Project Fund, Technology Capital Project Fund, Site Development Capital Project Fund, Randolph Community College Capital Project Fund and Capital Reserve Fund are reported as capital projects funds.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation, Basis of Accounting (continued)

Measurement Focus, Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

Government-wide, Proprietary, and Fiduciary Fund Financial Statements. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds, which have no measurement focus. The government-wide, proprietary, and fiduciary fund financial statements are reported using 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 County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise fund are charges to wholesale customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation, Basis of Accounting (continued)

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. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, 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. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

C. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, and for the Emergency Telephone System, Fire Districts, Solid Waste Management, Library Trust Fund, and Coronavirus Relief Special Revenue Funds. All annual appropriations lapse at the fiscal year-end.

Project ordinances are adopted for the Well-Being Reserve Fund, Economic Development Reserve Fund, Solid Waste Capital Reserve Fund, Rural Water Infrastructure Capital Project Fund, Randolph Community College Capital Project Fund, County Facilities Capital Project Fund, Technology Capital Project Fund, Site Development Capital Project Fund, Asheboro City Schools Capital Project Fund, Randolph County Schools Capital Project Fund and Capital Reserve Fund.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the object level for the multi-year funds. The County Manager is authorized to transfer appropriations within a department; however, all revisions that alter the total expenditures of any department must be approved by the governing board. 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.

During the year, several amendments to the original General Fund budget were necessary.

Encumbrance carryovers from prior year	\$ 2,893,292
Federal and State grants and reimbursements	1,296,112
Interfund transfers in	586,127
Interfund transfers out	3,915,574
Other	778,007
	<u>\$ 9,469,112</u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity

1. Deposits and Investments

All deposits of the County and Randolph County Tourism Development Authority are made in board-designated official depositories and are secured as required by G.S. 159-31. The County and the Tourism Development Authority may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County and the Tourism Development Authority may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the County and the Tourism Development Authority 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 and the North Carolina Capital Management Trust (NCCMT).

The North Carolina Capital Management Trust (NCCMT), which consists of two SEC registered funds, is authorized by G.S. 159-30(c)(8). One of these funds, the Government Portfolio, is a 2a7 fund which invests in treasuries and government agencies and is rated AAAM by S&P. The second fund, the Term Portfolio, is a short-term bond fund investing in treasuries, government agencies, and money market instruments allowed under G.S. 159-30. The Term Portfolio has no rating. Both the Government Portfolio and the Term Portfolio are reported at fair value.

2. Cash and Cash Equivalents

The County pools monies 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. The Randolph County Tourism Development Authority considers demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (continued)

3. Restricted Assets

The unexpended balance of debt proceeds are classified as restricted assets within the County Facilities, Randolph County Schools, and Asheboro City Schools Capital Project Funds because their use is completely restricted to the purpose for which the debt was originally issued. In the General Fund, customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. Monies set aside for future debt service payments are held by trustees for only that purpose, and are also reported as restricted. Register of Deeds, Public Safety, and Public Health monies are also classified as restricted assets because their use is restricted by law for those specific program expenditures. The following table illustrates the breakdown of restricted cash at year-end.

Governmental Activities

General Fund	Unexpended program revenues	\$ 1,988,416
General Fund	Cash with trustees	837
General Fund	Deposit on property sale	150
County Facilities Capital Projects Fund	Unexpended debt proceeds	17,335,224
Randolph County Schools Capital Projects Fund	Unexpended debt proceeds	28,368,230
Asheboro City Schools Capital Projects Fund	Unexpended debt proceeds	1,300,372
Total Restricted Cash - Governmental Activities		<u>\$ 48,993,229</u>

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2019. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

5. Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (continued)

6. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These costs are recorded as expenditures when consumed.

7. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to July 1, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value. Minimum capitalization costs are \$5,000 for the following types of assets: land, buildings, land improvements, equipment, software and vehicles. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The County holds title to certain Randolph County Board of Education and Randolph Community College properties that have not been included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education and the College give these organizations full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to them, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Randolph County Board of Education and the Randolph Community College, respectively.

Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

- Buildings - 40 years
- Improvements - 15 years
- Furniture and equipment – 10 years
- Computer equipment – 3 years
- Computer software – 10 years
- Vehicles – 5 years

Capital assets include raw water rights, which are not amortized since they have an indefinite useful life. Rights to treated water are amortized over the term of the delivery contract with the Piedmont Triad Regional Water Authority, which is 47 years.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (continued)

8. Deferred outflows/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 position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has several items that meet this criterion - a charge on refunding, OPEB and pension related deferrals, and contributions made to the OPEB and pension plans in the current fiscal year. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has several items that meet the criterion for this category - prepaid property taxes, annuity receipts, miscellaneous deposits and other OPEB and pension related deferrals.

9. Long-term Obligations

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed in the reporting period in which they are incurred.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (continued)

10. Compensated Absences

The vacation policies of the County and the Tourism Development Authority provide for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the County's government-wide funds and the Tourism Development Authority, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.

The sick leave policies of the County and the Tourism Development Authority provide 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 none of the entities have any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County or its component unit.

11. Net Position/Fund Balances

Net Position

Net position in 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 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 five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The governmental fund types classify fund balances as follows:

Nonspendable Fund Balance - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

- Prepaid items - portion of fund balance that is not an available resource because it represents the year-end balance of prepaid expenses, which are not spendable resources.
- Notes receivable – portion of fund balance that is not an available resource as a result of long-term advances to other organizations providing fire protection and health services.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (continued)

11. Net Position/Fund Balances (continued)

Restricted Fund Balance - This classification includes revenue sources that are restricted to specific purposes externally imposed by creditors or imposed by law.

- Restricted for Stabilization by State Statute - North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget. Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.
- Restricted for Register of Deeds (general government) - portion of fund balance that is restricted by revenue source to pay for the computer equipment and imaging technology for the Register of Deeds office.
- Restricted for Law Enforcement (public safety) - portion of fund balance that was restricted by revenue sources to improve law enforcement operations.
- Restricted for Emergency Communications (public safety) - portion of fund balance that was restricted by revenue sources to provide upgrades to 911 emergency telephone technology.
- Restricted for Health Services (human services) - portion of fund balance that is restricted by revenue source for public health purposes.
- Restricted for Library Services (cultural and recreational) - portion of fund balance that is restricted by revenue source for fire protection expenditures.
- Restricted for Capital Improvements – portion of fund balance remaining from unspent debt proceeds that is restricted to be disbursed for the specific construction project for which the debt was issued.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (continued)

11. Net Position/Fund Balances (continued)

Committed Fund Balance - Portion of fund balance that can only be used for specific purpose imposed by majority vote of Randolph County's governing body (highest level of decision-making authority). The governing body can, by adoption of an ordinance, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

- Committed for Solid Waste Management – Portion of fund balance remaining from past service fees, committed for solid waste management, including post-closure costs at the regional landfill.
- Committed for Economic Development – Portion of fund balance remaining from dedicated revenues, committed for financial incentive programs, site development, and other economic development initiatives.
- Committed for Human Services – Portion of landfill lease revenue that has been placed in reserve for community well-being initiatives.
- Committed for Water Improvements – Portion of fund balance committed for future County water line projects.
- Committed for Capital Improvements – Portion of fund balance committed for specific County capital projects.
- Committed for Capital Improvements - Community College - Portion of fund balance committed to future facility improvements at the community college.

Assigned Fund Balance - portion of fund balance that the Randolph County governing board or management has identified for a particular purpose.

- Assigned for Capital Improvements – portion of fund balance assigned for future capital needs in accordance with the Board approved Fiscal Policy.
- Assigned for Subsequent Year's Expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation.

Unassigned Fund Balance - 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.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (continued)

11. Net Position/Fund Balances (concluded)

Randolph County has a revenue spending policy 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-county funds, and county funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the County.

Randolph County has also adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the County in such a manner that unassigned fund balance is at least equal to or greater than 20% of budgeted expenditures for the subsequent year.

12. Defined Benefit Pension Plans

The County participates in two cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees' Retirement System (LGERS) and the Registers of Deeds' Supplemental Pension Fund (RODSPF) (collectively, the "state-administered defined benefit pension plans"). For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions to/deductions from the state-administered defined benefit pension plans' fiduciary net positions have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. Investments are reported at fair value.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

E. Reconciliation of Government-wide and Fund Financial Statements

1. 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 for governmental activities as reported in the government-wide statement of net position. The net adjustment of (\$65,738,727) consists of several elements as follows:

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)	\$ 109,234,253
Less Accumulated Depreciation	<u>(42,040,309)</u>
Net Capital Assets	<u>67,193,944</u>
Water rights are an intangible asset reported in governmental activities, but is not a financial resource and therefore not reported in the fund statements	16,522,680
Net pension asset	204,411
Contributions to the pension plan in the current fiscal year	3,246,751
Benefit payments and pension administration costs for LEOSA	81,157
Contributions to OPEB plan in the current fiscal year	596,347
Deferred charges related to debt issuance costs - included on government-wide statement of net position but are not current financial resources	2,141,124
The investment in land for economic development is reported as an asset but is considered a financial use in the funds	13,588,267
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are not available in the fund statements	145,877
Liabilities for deferred inflows of resources reported in the fund statements but not the government-wide statements	2,057,953
Pension related deferrals	5,770,988
OPEB related deferrals	(3,480,138)
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:	
Bonds, capital leases, and installment financing	(133,286,180)
Accrued interest payable	(1,259,395)
Compensated absences	(3,777,672)
Net pension liability	(14,360,877)
Total pension liability	(4,058,115)
Postemployment benefits	(14,853,068)
Accrued landfill post-closure costs	<u>(2,212,781)</u>
Total Adjustment	<u><u>\$ (65,738,727)</u></u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

E. Reconciliation of Government-wide and Fund Financial Statements (continued)

2. 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 balances includes 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 \$(50,217,227) as follows:

(continued on next page)

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Summary of Significant Accounting Policies (continued)

E. Reconciliation of Government-wide and Fund Financial Statements (continued)

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the government-wide statement of net position	\$ 17,382,611
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements.	(3,659,600)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net assets	(56,080,000)
Premium received on debt issued is recorded as a source of funds on the fund statements but deferred on the government-wide statements	(11,846,223)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net position in the government-wide statements	8,691,812
Benefit payments and administration costs for LEOSA are deferred outflows of resources on the Statement of Net Position	81,157
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	2,650,404
Contributions to the OPEB plan are deferred outflows of resources on the Statement of Net Position	596,347
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:	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)	176,472
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	(496,593)
County's portion of collective pension expense	(6,841,438)
Increase in postemployment benefits	(520,394)
Landfill post-closure costs are accrued in the government-wide statements but not in the fund statements because they do not use current resources	(218,373)
Cost of capital assets disposed of during the year	(198,908)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements:	
Decrease in deferred inflows of resources - taxes receivable - at end of year	283,841
Increase in accrued interest on taxes receivable	12,403
Increase in accrued interest receivable on investments	28,743
Increase in unavailable service revenues	(259,488)
Total adjustment	<u>\$ (50,217,227)</u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds

A. Assets

1. Deposits

All of the County's and the Tourism Development Authority'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 County's and the Tourism Development Authority's agents in these units' names. 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 County and the Tourism Development Authority, these deposits are considered to be held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or the Tourism Development Authority or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County or the Tourism Development Authority under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County and Authority rely on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2020, the County's deposits had a carrying amount of \$28,963,787 and a bank balance of \$32,165,804. Of the bank balance, \$938,863 was covered by federal depository insurance, and \$31,226,940 in interest bearing deposits were covered by collateral held under the Pooling Method.

At June 30, 2020, Randolph County had \$ 6,402 cash on hand.

At June 30, 2020, the carrying amount of deposits for Randolph County Tourism Development Authority was \$419,164 and the bank balance was \$419,164. All of the bank balance was covered by collateral held under the Pooling Method. At June 30, 2020, the Authority had \$100 cash on hand.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

A. Assets (continued)

2. Investments

At June 30, 2020, the County's investments consisted of the North Carolina Capital Management Trust's Government Portfolio, which carried a credit rating of AAAM by Standard and Poor's, and the NC Capital Management Trust Term Portfolio, which is not rated. The County has no policy on credit risk.

Investment Type	Valuation Measurement Method	Fair Value	Less Than 6 Months	6-12 Months
NC Capital Management Trust-Government Portfolio	Fair Value-Level 1	\$ 1,441,502	\$ 1,441,502	N/A
NC Capital Management Trust-Term Portfolio *	Fair Value-Level 1	92,428,449	\$ 92,428,449	\$ -
Total:		\$ 93,869,951	\$ 93,869,951	\$ -

* As of June 30, 2020, the NCCMT Term Portfolio has a duration of .15 years. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months. The NCCMT Government Portfolio has an AAAM rating from S&P. The NCCMT Term Portfolio has no rating.

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

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

Credit Risk. The County's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2020. The County's investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the US government and agencies, and in high grade money market instruments as permitted under North Carolina General Statutes 159-30 as amended.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

A. Assets (continued)

3. Receivables

Receivables at the government-wide level at June 30, 2020 were as follows:

	Accounts	Taxes and Related Accrued Interest	Due from Other Governments	Total
Governmental Activities:				
General	\$ 2,307,486	\$ 1,903,440	\$ 10,967,406	\$ 15,178,332
Other Governmental	479,129	182,197	167,592	828,918
Total receivables	2,786,615	2,085,637	11,134,998	16,007,250
Allowance for doubtful accounts	(1,269,100)	(823,600)	-	(2,092,700)
Total-governmental activities	<u>\$ 1,517,515</u>	<u>\$ 1,262,037</u>	<u>\$ 11,134,998</u>	<u>\$ 13,914,550</u>
Business-type Activities:				
Water	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The County's accounts receivable are presented net of the allowance for uncollectible accounts of:

Ambulance Billings	\$ 1,237,000
Health service fees	32,100
Total allowance for uncollectible accounts	<u>\$ 1,269,100</u>

The due from other governments that is owed to the County consists of the following:

Local option sales tax	\$ 7,909,957
Motor vehicle taxes and interest	693,416
Social service grant reimbursements	1,360,034
Other grants and reimbursements	92,681
Refund of sales and use tax	911,318
Total due from other governments	<u>\$ 10,967,406</u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

A. Assets (continued)

4. Notes Receivable

The note from Davidson Water, Inc. was a loan to construct water lines in the Glenola area of Randolph County. The funds were provided by a State Clean Drinking Water Revolving Loan to the County. The terms for Davidson Water are the same as the repayment terms for the state's loan to the County. The company has provided an annuity contract to the County to fund the annual payments. The promissory note from Family Healthcare at MERCE, Inc. is a loan up to \$215,000 for operating capital. The note contains no interest and is due in monthly payments of \$2,986 beginning September 15, 2015. In addition, four volunteer fire departments requested financial assistance to purchase emergency communication equipment; these loans will be paid back over three years.

A summary of changes in notes receivable follows:

Due from	Balance June 30, 2019	Advances	Collections	Balance June 30, 2020
Davidson Water, Inc.	\$ 86,044	\$ -	\$ 43,022	\$ 43,022
Family Healthcare	77,637	-	35,833	41,804
Total	<u>\$ 163,681</u>	<u>\$ -</u>	<u>\$ 78,855</u>	<u>\$ 84,826</u>

5. Property Tax - Use-Value Assessment on Certain Lands

In accordance with the general statutes, agriculture, horticulture, and forestland may be taxed by the County at the present-use value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with the accrued interest from the original due date. This tax is immediately due and payable. The following are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

Year Levied	Tax	Interest	Total
2016 - 17	\$3,160,253	\$1,034,868	\$4,195,121
2017 - 18	3,213,580	763,226	3,976,806
2018 - 19	3,254,806	480,083	3,734,889
2019 - 20	3,585,828	206,185	3,792,013

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

A. Assets (continued)

6. Capital Assets

Capital asset activity for the year ended June 30, 2020, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Water rights	\$ 16,522,680	\$ -	\$ -	\$ 16,522,680
Land	7,278,986	-	-	7,278,986
Construction in progress	5,848,568	15,152,394	5,132,880	15,868,082
Total capital assets not being depreciated	<u>29,650,234</u>	<u>15,152,394</u>	<u>5,132,880</u>	<u>39,669,748</u>
Capital assets being depreciated:				
Buildings	52,614,867	5,264,854	-	57,879,721
Land improvements	615,586	-	-	615,586
Equipment	12,605,081	681,907	1,182,865	12,104,123
Software	2,612,515	-	-	2,612,515
Vehicles and motor equipment	11,906,287	1,416,336	447,383	12,875,240
Total capital assets being depreciated	<u>80,354,336</u>	<u>7,363,097</u>	<u>1,630,248</u>	<u>86,087,185</u>
Less accumulated depreciation for:				
Buildings	21,621,857	1,305,691	-	22,927,548
Land improvements	545,124	8,354	-	553,478
Equipment	7,063,468	867,090	1,119,009	6,811,549
Software	2,089,376	138,485	-	2,227,861
Vehicles and motor equipment	8,492,224	1,339,980	312,331	9,519,873
Total accumulated depreciation	<u>39,812,049</u>	<u>3,659,600</u>	<u>1,431,340</u>	<u>42,040,309</u>
Total capital assets being depreciated, net	<u>40,542,287</u>	<u>\$ 3,703,497</u>	<u>\$ 198,908</u>	<u>44,046,876</u>
Governmental activity capital assets, net	<u>\$ 70,192,521</u>			<u>\$ 83,716,624</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

General government	\$ 1,288,562
Public safety	2,227,799
Economic and physical development	7,415
Environmental protection	32,651
Human services	79,937
Cultural and recreational	23,236
Total depreciation expense	<u>\$ 3,659,600</u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

A. Assets (continued)

6. Capital Assets (concluded)

As disclosed further in Note V, the County is a member of the Piedmont Triad Regional Water Authority. According to the joint governmental agreement, the participating governments have rights to a pre-determined portion of water in the reservoir, but no equity interest. Accordingly, a \$16,522,680 intangible asset was recorded at cost in the government-wide financial statements. No amortization has been charged against this asset.

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental activities:				
Capital assets:				
Intangible asset- treated water rights	<u>\$ 16,522,680</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,522,680</u>

Capital assets of business-type activities are as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Business-type activities:				
Capital assets being depreciated:				
Intangible asset- treated water rights	<u>\$ 13,505,753</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,505,753</u>
Less accumulated depreciation for:				
Intangible asset- treated water rights	<u>2,505,484</u>	<u>286,341</u>	<u>-</u>	<u>2,791,825</u>
Total capital assets being depreciated, net	<u>11,000,269</u>	<u>(286,341)</u>	<u>-</u>	<u>10,713,928</u>
Business-type activities capital assets, net	<u>\$ 11,000,269</u>	<u>\$ (286,341)</u>	<u>\$ -</u>	<u>\$ 10,713,928</u>

7. Construction commitments

Randolph County had several active capital projects as of June 30, 2020. At year-end, the remaining commitments with contractors are as follows:

<u>Project</u>	<u>Spent to date</u>	<u>Remaining commitment</u>
Asheboro High School	\$ 17,697,986	\$ 748,099
Trinity Middle School	10,363,533	23,932,200
Detention Center	<u>13,285,308</u>	<u>22,969,339</u>
	<u>\$ 41,346,827</u>	<u>\$47,649,638</u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

A. Assets (concluded)

8. Land Held for Development

Randolph County is partnering in a regional effort to develop a large industrial site which exceeds 1,800 acres, suitable for a major manufacturing operation. The Randolph County Board of Commissioners authorized the purchase of approximately 425 acres in 2015. The County also purchased an additional 140 acres in January 2018. The County has reported a total investment of \$13,588,267 in land held for development. The Greensboro-Randolph Megasite Foundation and the North Carolina Railroad own the remaining property at the site. The City of Greensboro has developed the engineering plans to extend water and sewer to the area. The property is being actively marketed for major projects.

B. Liabilities

1. Payables

Payables at the government-wide level at June 30, 2020, were as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Payable from Restricted Assets	Total
Governmental Activities:					
General	\$ 1,569,338	\$ 737,715	\$ 1,259,395	\$ 150	\$ 3,566,598
Other Governmental	<u>1,400,670</u>	<u>-</u>	<u>-</u>	<u>5,939,806</u>	<u>7,340,476</u>
Total - governmental activities	<u>\$ 2,970,008</u>	<u>\$ 737,715</u>	<u>\$ 1,259,395</u>	<u>\$ 5,939,956</u>	<u>\$ 10,907,074</u>
Business-type Activities:					
Water Fund	<u>\$ 41,175</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,175</u>

Payables include \$1,220,277 in unexpended CARES Act assistance.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations

a. Local Governmental Employees' Retirement System

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

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

a. Local Governmental Employees' Retirement System (continued)

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 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2020, was 9.70% of compensation for law enforcement officers and 8.95% for general employees and firefighters, 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 County were \$3,236,047 for the year ended June 30, 2020.

Refunds of Contributions – County employees who have terminated service as a contributing member of LGERS, 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 LGERS.

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

At June 30, 2020, the County reported a liability of \$14,360,877 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2019, the County's proportion was .52586%, which was an increase of .00505% from its proportion measured as of June 30, 2018.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

a. Local Governmental Employees' Retirement System (continued)

For the year ended June 30, 2020, the County recognized pension expense of \$6,427,357. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,458,946	\$ -
Changes in assumptions	2,340,585	-
Net difference between projected and actual earnings on pension plan investments	350,282	-
Changes in proportion and differences between County contributions and proportionate share of contributions	94,814	86,557
County contributions subsequent to the measurement date	3,236,047	
Total	<u>\$ 8,480,674</u>	<u>\$ 86,557</u>

The \$3,236,047 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	
2021	\$ 2,580,332
2022	822,254
2023	1,373,551
2024	381,933
	<u>\$ 5,158,070</u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

a. Local Governmental Employees' Retirement System (continued)

Actuarial Assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.5 percent
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

The plan actuary currently uses mortality rates based on the RP-2014 Total Data Set for Healthy Annuitants Mortality Table 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, 2018 valuation were based on the results of an actuarial experience study as of December 31, 2014.

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.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

a. Local Governmental Employees' Retirement System (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2018 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. 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 3.05%. All rates of return and inflation are annualized.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

a. Local Governmental Employees' Retirement System (concluded)

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate. The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	<u>1% Decrease</u> <u>(6.00%)</u>	<u>Discount Rate</u> <u>(7.00%)</u>	<u>1% Increase</u> <u>(8.00%)</u>
County's proportionate share of the net pension liability (asset)	\$ 32,845,952	\$ 14,360,877	\$ (1,003,965)

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

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

b. Law Enforcement Officers' Special Separation Allowance

Plan Description

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

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2018 the Separation Allowance's membership consisted of:

Retirees receiving benefits	13
Active plan members	185
Total	<u>198</u>

Summary of Significant Accounting Policies

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

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

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

b. Law Enforcement Officers' Special Separation Allowance (continued)

Actuarial Assumptions

The entry age actuarial cost method was used in the December 31, 2017 valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent per annum
Salary increases	3.50 to 7.35 percent per annum
Discount rate	3.26 percent per annum

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index determined at the end of each month.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five-year period ending December 31, 2014.

Mortality Rate

Deaths After Retirement (Healthy): Mortality rates are based on the RP-2014 Total Data Set for Healthy Annuitants Mortality Table. The RP-2014 annuitant tables have no rates prior to age 50. The RP-2014 Total Data Set Employee Mortality Table is used for ages less than 50.

Deaths After Retirement (Disabled): Mortality rates are based on the RP-2014 Total Data Set for Disabled Annuitants Mortality Table. Rates for male members are multiplied by 103% for all ages. Rates for female members are multiplied by 99% for all ages.

Deaths Before Retirement: Mortality rates are based on the RP-2014 Total Data Set Employee Mortality Table.

Mortality Projection: All mortality rates are projected from 2014 using generational improvement with Scale MP-2015.

Contributions.

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

b. Law Enforcement Officers' Special Separation Allowance (continued)

made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$163,876 as benefits came due for the reporting period.

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

At June 30, 2020, the County reported a total pension liability of \$4,058,115. The total pension liability was measured as of December 31, 2019 based on a December 31, 2018 actuarial valuation. The total pension liability was rolled forward to December 31, 2019 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2020, the County recognized pension expense of \$471,574.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 527,612	\$ 23,819
Changes of assumptions	224,908	130,374
County benefit payments and admin expenditures paid subsequent to the measurement date	81,157	-
Total	<u>\$ 833,677</u>	<u>\$ 154,193</u>

The County paid \$79,942 in benefit payments and \$1,215 in administrative expenditures subsequent to the measurement date that are reported as deferred outflows of resources related to pensions, which will be recognized as a decrease of the total pension liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30:	
2021	\$ 124,812
2022	124,812
2023	130,433
2024	111,319
2025	94,999
Thereafter	11,952
Total	<u>\$ 598,327</u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

b. Law Enforcement Officers' Special Separation Allowance (concluded)

Sensitivity of the County's total pension liability to changes in the discount rate. The following presents the County's total pension liability calculated using the discount rate of 3.26 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26) percent) or 1-percentage-point higher (4.26 percent) than the current rate:

	1% Decrease (2.26%)	Discount Rate (3.26%)	1% Increase (4.26%)
Total pension liability	\$ 4,442,523	\$ 4,058,115	\$ 3,710,082

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

	2020
Beginning balance	\$ 3,309,465
Service Cost	228,087
Interest on the total pension liability	117,541
Difference between expected and actual experience	427,272
Changes of assumptions or other inputs	136,404
Benefit payments	(160,654)
Ending balance of the total pension liability	<u>\$ 4,058,115</u>

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 3.64 percent at June 30, 2018 to 3.26 percent at June 30, 2019.

Changes in Benefit Terms. Benefit changes are reflected immediately. Benefit improvements for existing Plan members will increase pension expense, while benefit reductions will decrease pension expense. For the year ended December 31, 2019, there were no benefit changes to be recognized.

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

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

c. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to employees covered under the Local Government Employees Retirement System. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(K) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each law enforcement officer's salary. All covered employees may make voluntary contributions to the plan. For general employees who elect to contribute to the plan, the County also matches up to two percent of their salary. The County's contributions for each employee (and interest allocated to the employee's account) are fully vested immediately. Contributions for the year ended June 30, 2020 were \$2,204,035, which consisted of \$887,775 from the County and \$1,316,260 from employees.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

d. Registers of Deeds' Supplemental Pension Fund

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

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

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$10,704 for the year ended June 30, 2020.

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

At June 30, 2020, the County reported an asset of \$204,411 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2019. The total

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

d. Registers of Deeds' Supplemental Pension Fund (continued)

pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2019, the County's proportion was 1.03541%, which was a decrease of 0.14056% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the County recognized pension expense of \$24,777. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 9,857
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	2,092	-
Changes in proportion and differences between County contributions and proportionate share of contributions	22,356	-
County contributions subsequent to the measurement date	10,704	-
Total	<u>\$ 35,152</u>	<u>\$ 9,857</u>

\$10,704 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year ended June 30:

2021	\$ 4,765
2022	8,827
2023	5,036
2024	(4,037)
Total	<u>\$ 14,591</u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

d. Registers of Deeds' Supplemental Pension Fund (continued)

Actuarial Assumptions. The total pension asset in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.5 to 7.75 percent, including inflation and productivity factor
Investment rate of return	3.75 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study as of December 31, 2014.

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. 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 adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2019 is 1.4%.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

d. Registers of Deeds' Supplemental Pension Fund (concluded)

The information above is based on 30 year expectations developed with the consulting actuary for the 2020 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. 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 3.00%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 3.75%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.75 percent, as well as what the County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
County's proportionate share of the net pension asset	\$ 168,969	\$ 204,411	\$ 234,375

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

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (continued)

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

The net pension liability for LGERS and ROD was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability for LEOSSA was measured as of December 31, 2019, with an actuarial valuation date of December 31, 2018. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contribution of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
Proportionate Share of Net Pension Liability (Asset)	\$ 14,360,877	\$ (204,411)	\$ -	\$ 14,156,466
Proportion of the Net Pension Liability (Asset)	0.52586%	1.03541%	N/A	
Total Pension Liability	\$ -	\$ -	\$ 4,058,115	\$ 4,058,115
Pension Expense	\$ 6,427,357	\$ 24,777	\$ 471,574	\$ 6,923,708

At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Outflows of Resources</u>	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
Differences between expected and actual experience	\$ 2,458,946	\$ -	\$ 527,612	\$ 2,986,558
Changes of assumptions	2,340,585	-	224,908	2,565,493
Net difference between projected and actual earnings on pension plan investments	350,282	2,092		352,374
Changes in proportion and differences between County contributions and proportionate share of contributions	94,814	22,356		117,170
County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	3,236,047	10,704	81,157	3,327,908

Deferred Inflows of Resources

Differences between expected and actual experience	\$ -	\$ 9,857	\$ 23,819	\$ 33,676
Changes of assumptions	-	-	130,374	130,374
Changes in proportion and differences between County contributions and proportionate share of contributions	86,557	-	-	86,557

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

2. Pension Plan Obligations (concluded)

e. Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post employment benefit amount and the other benefit amount. The County considers these contributions to be immaterial.

3. Other Postemployment Benefits (OPEB)

Plan Description. Under the terms of a County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). The County Commissioners may amend the benefits provisions. A separate report was issued for the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits Provided: As of July 1, 1998, this plan provides postemployment healthcare benefits to retirees of the County until they are eligible for Medicare coverage, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least twenty years of creditable service with the County. The retiree pays a portion of the cost of coverage for these benefits unless they have at least thirty years of service.

Years of Service at Retirement	Age at Retirement	County Contribution
30 or more	Any age	100%
25 – 29	50	75%
20 – 24	50	50%

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

3. Other Postemployment Benefits (OPEB) (continued)

The HCB Plan is available to qualified retirees until the age of 65 or until Medicare eligible, whichever is sooner. Also, the County's retirees can purchase coverage for their dependents at the County's group rates.

Membership of the HCB Plan consisted of the following at June 30, 2019, the date of the latest actuarial valuation:

	<u>General Employees</u>
Retirees and dependents receiving benefits	45
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	<u>787</u>
Total	<u>832</u>

Total OPEB Liability

The County's total OPEB liability of \$14,853,068 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.5 percent
Salary increases, including inflation	3.5 percent - 7.75 percent
Discount rate	3.50 percent
Healthcare cost trend rates	7.00% for 2019 decreasing to an ultimate rate of 4.50% by 2026

The discount rate is based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by The Bond Buyer.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

I. Detail Notes on All Funds (continued)

B. Liabilities (continued)

3. Other Postemployment Benefits (OPEB) (continued)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2018	\$ 16,224,394
Changes for the year	
Service cost	963,578
Interest	630,982
Changes of benefit terms	-
Differences between expected and actual experience	(3,122,613)
Changes in assumptions or other inputs	258,140
Benefit payments	(101,413)
Net changes	(1,371,326)
Balance at June 30, 2019	\$ 14,853,068

Changes in assumptions and other inputs reflect a change in the discount rate from 3.89% to 3.50%. Mortality rates were based on the RP-2014 Total Data Set for Healthy Annuitants Mortality Table. The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period January 2010 through December 2014.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50 percent) or 1-percentage-point higher (4.50 percent) than the current discount rate:

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB liability	\$ 16,452,606	\$ 14,853,068	\$ 13,428,016

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

	1% Decrease (6.5%)	Discount Rate - Medical (7.5%)	1% Increase (8.5%)
Total OPEB liability	\$ 13,044,393	\$ 14,853,068	\$ 17,025,477

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

3. Other Postemployment Benefits (OPEB) (concluded)

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

For the year ended June 30, 2020, the County recognized OPEB expense of \$1,367,557. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 71,967	\$ 2,763,279
Changes of assumptions or other inputs	228,435	1,017,261
Benefit payments and administrative costs made subsequent to the measurement date	<u>596,347</u>	<u>-</u>
Total	<u>\$ 896,749</u>	<u>\$ 3,780,540</u>

\$596,347 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended June 30:	
2021	\$ (490,758)
2022	(490,758)
2023	(490,758)
2024	(490,758)
2025	(490,758)
Thereafter	<u>(1,026,348)</u>
Total	<u>\$ (3,480,138)</u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

4. Post-closure Care Costs - Closed County Road Landfill Facility

State and federal laws and regulations required the County to place a final cover on its landfill facility when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County closed its initial landfill on December 31, 1997 and completed closure requirements in 2000. From 1998 to 2016, solid waste collections were transported to a privately operated landfill facility.

The County has met the requirements of a local government financial test that is one option under State and federal laws and regulations that helps determine if a unit is financially able to meet closure and postclosure care requirements. In addition, the County has elected to establish a fund to accumulate resources for the payment of post-closure care and corrective action costs. The County expects that future inflation costs will be paid from the interest earnings on these designated funds. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by other County revenues.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

5. Post-closure Care Costs - Great Oak Regional Landfill Facility

Randolph County developed plans for a new regional landfill on County-owned property. In June, 2014, the County signed a contract with Waste Management of Carolinas, Inc. and awarded the company a thirty year franchise to operate the landfill. The County will retain ownership of the land throughout the term of the contract but will not be involved in setting rates, obtaining customers, or other operational aspects of the facility. Accordingly, the contract does not meet the definition of a service concession arrangement and will be reported as an operating lease. Future lease payments will be recognized when received.

The contract requires Waste Management to be fully responsible to fund the projected costs of post-closure care for the Great Oak Landfill. The County established a Capital Reserve Fund as a mechanism by which Waste Management can make annual payments during the operational life of the Landfill. Estimates for post-closure are reviewed by the NC Department of Environmental Quality and the future amounts to be deposited will be adjusted annually upon updated post-closure costs. In addition, Waste Management provides an annual performance bond to the County to cover the difference between the amounts in the County's Capital Reserve Fund and the current post-Closure cost estimate for the total permitted area. The Company is directly responsible for future costs for landfill closure and any corrective action.

Construction of the facility was completed in January 2017. The initial permit was for ten years with a beginning post-closure estimate of \$1,768,167 for those acres, which was adjusted to \$2,260,270 in July 2019. Waste Management has made four annual payments for future post-closure costs, which are held in the Capital Reserve Fund. Those funds are invested in a dedicated account with the NCCMT Term Portfolio with a cost of \$830,425 (market value, \$830,425) at year-end. The County expects that future inflation costs will be paid from the interest earnings on these annual contributions. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs will be funded by Waste Management.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

6. Deferred Outflows and Inflows of Resources

The following items are reported as deferred outflows and deferred inflows for governmental activities and governmental funds as of June 30, 2020.

	Deferred Outflows	Deferred Inflows	
	Exhibit 1	Exhibit 1	Exhibit 3
Charge on refunding of debt	\$ 2,141,124	\$ -	\$ -
Pensions - difference between expected and actual experience			
LGERS	2,458,946	-	-
Register of Deeds	-	9,857	-
LEOSSA	527,612	23,819	
OPEB - difference between expected and actual experience	71,967	2,763,279	-
Changes of assumptions	2,793,928	1,147,635	-
Pensions - difference between projected and actual investment earnings	352,374	-	-
Pensions - change in proportion and difference between employer contributions and proportionate share of contributions	117,170	86,557	-
Benefit payments/administration costs paid subsequent to the measurement date (LEOSSA)	81,157	-	-
Contributions and administrative fees to pension plan in current fiscal year	3,246,751	-	-
Benefit payments and administrative fees to OPEB plan in current fiscal year	596,347	-	-
Net receivables recorded in governmental fund financial statements for which the revenue is not available:			
Property taxes (General Fund)	-	-	877,305
Property taxes (Special Revenue)	-	-	132,597
Ambulance billings	-	-	959,114
Health service fees	-	-	40,669
Notes receivable	-	-	43,022
Animal licenses	-	-	5,246
Resources received in advance:			
Prepaid taxes not yet earned (General)	-	173,023	173,023
Prepaid taxes not yet earned (Special Revenue)	-	18,059	18,059
Deferred annuity on Drinking Water Loan (General)	-	44,119	44,119
Other collections	-	11,700	11,700
Total	<u>\$ 12,387,376</u>	<u>\$ 4,278,048</u>	<u>\$ 2,304,854</u>

The amount of deferred outflows of resources for business-type activities is a charge on refunding of debt of \$243,138.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

7. Risk Management

The County 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 County participates in two self-funded risk-financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$110 million for any one occurrence, general, auto, professional, and employment practices liability coverage of \$2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 per occurrence, and workers' compensation coverage up to the statutory limits.

The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. Both of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000 up to a \$2 million limit for liability coverage, and \$1,750,000 of each loss in excess of a \$250,000 per occurrence retention for property, and auto physical damage. For workers compensation there is a per occurrence retention of \$750,000.

The County's employees, eligible retirees, and covered dependents are covered through a self-funded health care program to pay claims administration, medical services, and pharmacy costs. To limit the County's losses for the overall program, the County has specific stop-loss insurance for individual losses in excess of \$150,000 and aggregate annual losses in excess of 120% of expected claims.

The Randolph County Multi-jurisdictional Hazard Mitigation Plan, completed in August 2004, inventoried all County-owned property and determined that no County property was located in a Flood Plain. Accordingly, Randolph County has not obtained flood insurance on any of its property.

County employees are bonded in accordance with NC General Statutes. The Finance Officer and Deputy Finance Officer are individually bonded for \$500,000. The Tax Collector is individually bonded for \$300,000 and deputy tax collectors are each individually bonded for \$200,000. The Sheriff and Register of Deeds are bonded at the statutory limits. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

7. Risk Management (concluded)

The County has recorded accrued medical claims at June 30 based on the requirements of GASB Standard No. 10. The claims liability is not actuarially determined but includes an estimate for claims incurred but not reported. The entire amount is considered current and is recorded in both the fund financial statements and the government-wide statements.

Balance 6/30/18	\$ 975,576	Balance 6/30/19	\$ 1,073,466
Change in estimates	<u>97,890</u>	Change in estimates	<u>(729,921)</u>
Balance 6/30/19	<u>\$ 1,073,466</u>	Balance 6/30/20	<u>\$ 343,545</u>

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

The Randolph County Tourism Development Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Authority is included under Randolph County's insurance for property, general liability, auto liability, workers' compensation, and employee health coverage. The Finance Officer is individually bonded for \$100,000.

8. Long-Term Obligations

a. Note Payable – Revolving Loan

In 1999, the County received an \$860,440 State Clean Drinking Water Revolving Loan granted for the development of water lines to an area of the County. The funds were provided to Davidson Water, Inc., who will repay the County under the same repayment terms as those under the state loan. The agreement was executed on May 1, 2002 and requires twenty annual payments of \$43,022, plus interest at 2.550%. The outstanding balance at year end was \$43,022. The debt service requirements of the loan as of June 30, 2020 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2021	<u>\$43,022</u>	<u>\$ 1,097</u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

8. Long-Term Obligations (continued)

b. Capital Leases

The County entered into an agreement to lease certain equipment for the emergency telephone system. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The agreement was executed in December 2016 for the lease of computer equipment and requires 59 monthly payments of \$16,085. The equipment was placed in service on June 30, 2017.

The County also entered into an agreement to lease stretchers for emergency medical services. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The agreement was executed in February 2019 and requires two remaining annual payments of \$105,725. The equipment was placed in service on April 1, 2019.

At June 30, 2020, the County leased equipment valued at:

<u>Class of Property</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Computer equipment	\$ 825,103	\$ 247,531	\$ 577,572
Stretchers	\$ 317,466	\$ 37,303	\$ 280,163

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2020 were as follows:

<u>Year Ending June 30</u>	
2021	\$ 298,740
2022	<u>128,677</u>
Total minimum lease payments	427,417
Less: amount representing interest	<u>15,609</u>
Present value of the minimum lease payments	<u>\$ 411,808</u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

8. Long-Term Obligations (continued)

b. Installment Purchases

As authorized by State law (G.S. 160A-20 and 153A-158.1), the County financed various capital projects in a direct placement through an installment purchase issued in April 2000. The County financed the acquisition, construction and renovation of facilities for the Asheboro City and Randolph County Boards of Education, the Randolph Community College, and the Randolph County Courthouse. The installment purchase was issued pursuant to a deed of trust which requires that legal title for certain Randolph County Board of Education and Randolph Community College property remain with the County as long as the debt is outstanding because the property is pledged as collateral for the debt. The County has entered into leases with the Randolph County Board of Education and Randolph Community College, which transfer the rights and responsibilities for maintenance and insurance of the properties to them. The leases call for nominal annual lease payments and also contain a bargain purchase option. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the Boards of Education and the RCC projects are recorded by those organizations.

The original installment purchase required principal payments, which increased from \$925,000 in 2003 to \$3,235,000 through 2022. Semi-annual interest payments had rates ranging from 5.0% to 5.75%. This debt was included as part of the advance refundings conducted in March and May 2004. As of June 30, 2020, there is no remaining outstanding obligation under this agreement.

The 2004 refunding (direct placement) installment purchase (\$20,155,000) required principal payments, which increased from \$245,000 in 2005 to \$3,350,000 through 2015. Semi-annual interest payments had rates ranging from 2.0% to 5.0%. As of June 30, 2020, there is no remaining outstanding obligation under this agreement.

The 2004A refunding (direct placement) installment purchase (\$24,950,000) required principal payments, which increased from \$135,000 in 2005 to \$3,410,000 through 2022. Semi-annual interest payments had rates ranging from 2.0% to 5.0%. A portion of this debt was included as part of the advance refundings conducted in April 2013. As of June 30, 2020, there is no remaining outstanding obligation under this agreement.

The 2013A refunding (direct placement) installment purchase (\$25,195,000) requires principal payments, which increase from \$420,000 in 2014 to \$3,160,000 through 2022. Semi-annual interest payments have rates ranging from 0.758% to 2.924%. The outstanding balance at year end was \$6,415,000.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

8. Long-Term Obligations (continued)

b. Installment Purchases (continued)

Another (direct placement) installment purchase (\$41,195,000) was issued in August 2006 and is also authorized by G.S. 160A-20 and 153A-158.1. The County financed the acquisition, construction and renovation of facilities for the Asheboro City and Randolph County Boards of Education. The installment purchase was issued pursuant to a deed of trust which requires that legal title for certain Randolph County Board of Education property remain with the County as long as the debt is outstanding because the property is pledged as collateral for the debt. The County has entered into leases with the Randolph County and Asheboro City Boards of Education, which transfer the rights and responsibilities for maintenance and insurance of the properties to them. The leases call for nominal annual lease payments and also contain a bargain purchase option. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the Boards of Education are recorded by those organizations.

The original 2006 installment purchase required principal payments of \$2,060,000 from 2008 to 2026 and \$2,055,000 in 2027. Semi-annual interest payments had rates ranging from 4.0% to 5.0%. A portion of this debt was included as part of the advance refundings conducted in May 2013. As of June 30, 2020, there is no remaining outstanding obligation under this original agreement.

The 2013B refunding (direct placement) installment purchase (\$21,555,000) requires principal payments, which increase from \$1,970,000 in 2017 to \$1,980,000 through 2027. Semi-annual interest payments have rates ranging from 3.0% to 5.0%. The outstanding balance at year end was \$13,715,000.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

8. Long-Term Obligations (continued)

b. Installment Purchases (continued)

A separate (direct placement) installment purchase (\$36,345,000) was issued in September 2007 and is also authorized by G.S. 160A-20 and 153A-158.1. The County financed the acquisition, construction and renovation of facilities for the Randolph County Board of Education and to provide financial assistance to the Town of Franklinville for the construction of a water line to two county schools. The installment purchase was issued pursuant to a deed of trust which requires that legal title for certain Randolph County Board of Education property remain with the County as long as the debt is outstanding because the property is pledged as collateral for the debt. The County has entered into a lease with the Randolph County Board of Education, which transfer the rights and responsibilities for maintenance and insurance of the properties to them. The lease calls for nominal annual lease payments and also contains a bargain purchase option. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education.

The original 2007 installment purchase required principal payments, which increased from \$915,000 in 2009 to \$1,910,000 through 2028. Semi-annual interest payments have rates ranging from 4.0% to 5.0%. A portion of this debt was included as part of the advance refundings conducted in June 2013. As of June 30, 2020, there is no remaining outstanding obligation under this original agreement.

The 2013C refunding (direct placement) installment purchase (\$21,310,000) requires principal payments, which increase from \$175,000 in 2014 to \$1,895,000 through 2028. Semi-annual interest payments have rates ranging from 2.0% to 5.0%. The outstanding balance at year end was \$15,310,000.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

8. Long-Term Obligations (continued)

b. Installment Purchases (concluded)

A separate (direct placement) installment purchase (\$17,235,000) was issued in September 2018 and is also authorized by G.S. 160A-20 and 153A-158.1. The County financed the expansion and renovation of a high school facility for the Asheboro City Board of Education. The installment purchase was issued pursuant to a deed of trust which requires that legal title for certain Asheboro City Board of Education property remain with the County as long as the debt is outstanding because the property is pledged as collateral for the debt. The County has entered into a lease with the Asheboro City Board of Education, which transfer the rights and responsibilities for maintenance and insurance of the properties to them. The lease calls for nominal annual lease payments and also contains a bargain purchase option. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education.

The 2018 installment purchase requires principal payments, which increase from \$235,000 in 2021 to \$945,000 through 2039. Semi-annual interest payments have rates ranging from 3.375% to 5.0%. As of June 30, 2020, \$17,235,000 remains outstanding obligation under this agreement.

A separate (direct placement) installment purchase (\$31,550,000) was issued in July 2019 and is also authorized by G.S. 160A-20 and 153A-158.1. The County financed the construction of a new middle school facility for the Randolph County Board of Education. The installment purchase was issued pursuant to a deed of trust which requires that legal title for certain Randolph County Board of Education property remain with the County as long as the debt is outstanding because the property is pledged as collateral for the debt. The County has entered into a lease with the Randolph County Board of Education, which transfer the rights and responsibilities for maintenance and insurance of the properties to them. The lease calls for nominal annual lease payments and also contains a bargain purchase option. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Randolph County Board of Education.

The 2019A installment purchase requires principal payments, which range from \$1,660,000 to \$1,665,000 from 2022 through 2040. Semi-annual interest payments have rates ranging from 3.0% to 5.0%. As of June 30, 2020, \$31,550,000 remains outstanding obligation under this agreement.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

8. Long-Term Obligations (continued)

b. Installment Purchases (continued)

A separate (direct placement) installment purchase (\$24,530,000) was issued in October 2019 and is also authorized by G.S. 160A-20 and 153A-158.1. The County financed the expansion and renovation of its detention center. The property is pledged as collateral for the debt while the debt is outstanding.

The 2019B installment purchase requires principal payments, which range from \$1,290,000 to \$1,295,000 from 2022 through 2040. Semi-annual interest payments have rates ranging from 4.0% to 5.0%. As of June 30, 2020, \$24,530,000 remains outstanding obligation under this agreement.

In October 2012, a (direct borrowing) installment purchase (\$2,000,000) was issued to finance the renovation of a former elementary school into the Early Childhood Development Center. Biannual payments of \$66,667 are required for fifteen years, including interest of 2.42%. The outstanding balance at year end was \$1,000,000.

In order to acquire a vacant building for the community college, a seller-financed (direct borrowing) installment purchase (\$826,267) was completed in January 2015. Monthly payments of \$6,886 are required for ten years, with no stated interest. The outstanding balance at year end was \$371,820.

In January 2016, another (direct borrowing) installment purchase agreement (\$11,000,000) was issued to finance the construction of an Emergency Services Headquarters, which includes a new 9-1-1 communications center, and renovations to the animal shelter. The installment purchase requires principal payments of \$917,000 until 2024 and principal payments of \$916,000 through 2028. Payments are due semi-annually. The outstanding balance at year end was \$7,332,000; the contract has an interest rate of 2.32%.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

8. Long-Term Obligations (continued)

b. Installment Purchases (concluded)

The debt service requirements for installment purchases as of June 30, 2020, are:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2021	\$ 8,497,960	\$ 5,115,343
2022	12,052,960	4,709,799
2023	8,892,960	4,216,275
2024	8,887,960	3,810,899
2025	8,865,646	3,399,160
2026-30	32,231,333	11,579,826
2031-35	19,475,000	6,080,397
2036-40	18,555,000	1,736,111
Totals	<u>\$ 117,458,820</u>	<u>\$ 40,647,810</u>

c. Indebtedness

At June 30, 2020, Randolph County had a legal debt margin of \$819,503,834. There were no general obligation bonds authorized but unissued.

d. Other Commitments

Randolph County is party to an agreement with the other members of the Piedmont Triad Regional Water Authority to purchase treated water in a take or pay contract. The County's share of payments to be made for the water treatment plant are regarded as the value of the rights to treated water. The Water Authority refinanced the debt in June 2012. The future obligations under this agreement as of June 30, 2020 are:

Year Ending June 30	Principal	Interest
2021	\$ 820,560	\$ 207,360
2022	843,281	184,640
2023	866,630	161,290
2024	890,626	137,294
2025	915,287	112,633
2025-29	3,407,736	189,986
Totals	<u>\$ 7,744,120</u>	<u>\$ 993,203</u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

8. Long-Term Obligations (continued)

e. Long-Term Obligation Activity

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2020:

	Balance June 30, 2019	Increases	Decreases	Balance June 30, 2020	Current Portion of Balance
Governmental activities:					
Direct borrowings and direct placement					
installment purchase agreements	\$ 69,751,780	\$ 56,080,000	\$ 8,372,960	\$ 117,458,820	\$ 8,497,960
Unamortized premium on debt	5,070,569	11,846,223	1,544,262	15,372,530	1,918,788
Note Payable - State of NC	86,044	-	43,022	43,022	43,022
Capital leases	687,638	-	275,830	411,808	285,858
Compensated absences	3,281,079	3,050,281	2,553,688	3,777,672	2,553,688
Total pension liability (LEOSSA)	3,309,465	748,650		4,058,115	-
Net pension liability (LGERS)	12,355,357	2,005,520		14,360,877	-
Other postemployment benefits	16,224,394	-	1,371,326	14,853,068	-
Accrued landfill postclosure costs	1,994,408	272,638	54,265	2,212,781	54,265
Total governmental activities	<u>\$ 112,760,734</u>	<u>\$ 74,003,312</u>	<u>\$ 14,215,353</u>	<u>\$ 172,548,693</u>	<u>\$ 13,353,581</u>
Business-type activities:					
Contract payable	<u>\$ 8,542,572</u>	<u>\$ -</u>	<u>\$ 798,452</u>	<u>\$ 7,744,120</u>	<u>\$ 820,560</u>
Total business-type activities	<u>\$ 8,542,572</u>	<u>\$ -</u>	<u>\$ 798,452</u>	<u>\$ 7,744,120</u>	<u>\$ 820,560</u>

Compensated absences, net pension obligations, and other post-employment benefit obligations typically have been liquidated in the General Fund.

Debt Related to Capital Activities - Of the total Governmental Activities debt listed, only \$38,899,257 relates to assets the County holds title. There were no unspent restricted cash related to this debt at year end. For Business-type activities, \$7,500,982 of the total debt relates to assets the County holds title.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

B. Liabilities (continued)

8. Long-Term Obligations (concluded)

f. Conduit Debt Obligations

Randolph County Industrial Facility and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2020, there were no industrial revenue bonds outstanding.

9. Contingent Liabilities

At June 30, 2020, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (continued)

C. Interfund Balances and Activity

1. Interfund Receivables and Payables

The interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These interfund balances as of June 30, 2020 will be reimbursed when grant and other applicable funds are received, as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Purpose</u>	<u>Amount</u>
Randolph Capital Reserve Fund	General Fund	Distribution of Article 46 sales taxes, received from the State after year end	<u>\$ 786,863</u>

2. Transfers to/from other funds

Transfers to/from other funds during the fiscal year ended June 30, 2020, consist of the following:

From the General Fund to the Randolph Community College Capital Project for a portion of proceeds from the Article 46 sales tax to accumulate resources for the construction of facilities	\$ 500,000
From the General Fund to the Water Fund to accumulate resources for the enterprise fund	1,859,000
From the General Fund to the County Facilities Capital Project to accumulate resources for construction of facilities	700,000
From the General Fund to the County Capital Reserve to transfer resources to future capital projects	2,656,960
From the General Fund to the Site Development Capital Project Fund to improve land held for economic development	600,000
From the Economic Development Reserve Fund to the General Fund to transfer resources for the payment of economic development projects	339,604
From the Well Being Reserve Fund to the General Fund to transfer resources for the payment of specific initiatives and projects that were approved by the Board of County Commissioners	16,905
Total Interfund Transfers	<u><u>\$ 6,672,469</u></u>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

II. Detail Notes on All Funds (concluded)

D. 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	\$59,437,494
Less:	
Prepaid items and notes receivable	108,511
Stabilization by State Statute	13,860,335
Restricted for Register of Deeds automation	549,683
Restricted for law enforcement	333,138
Restricted for health services	1,105,595
Assigned for capital improvements	6,086,071
Appropriated Fund Balance in 2019-20 budget	5,143,046
Fund Balance Policy	<u>32,251,115</u>
Remaining Fund Balance	\$ -

Randolph County has adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the County in such a manner that unassigned fund balance is at least equal to or greater than 20% of budgeted expenditures. Amounts in excess of 24% are assigned for capital improvements.

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

	General Fund	Non-Major Funds
Encumbrances	\$ 2,796,336	\$ 51,551

III. Related Organization

The Seagrove-Ulah Metropolitan Water District of Randolph County was established in 1989 to provide local water and sewer services. Its primary revenues are customer fees for these services. Three of the four members of the District's governing board are appointed by Randolph County; however, the County's responsibility for this organization does not extend beyond making these appointments. The County is not responsible for any debt issued by the District, nor is it required to fund any operating deficits.

The Randolph County Health Development Authority, Inc. is a non-stock corporation established in 1982. The Authority's board of directors is appointed by the County Board of Commissioners; however, the County provides no funding to the Authority, guarantees no debt of the Authority, and does not maintain a significant continuing relationship with the Authority board.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

IV. Jointly Governed Organization

The County is a member of the Piedmont Triad Regional Council (PTRC), a voluntary association of municipal and county governments, enabled by state law to promote regional issues and cooperation among members. The PTRC serves 74 member governments in and around the Greensboro/Winston-Salem/High Point metro including the following twelve counties: Alamance, Caswell, Davidson, Davie, Forsyth, Guilford, Montgomery, Randolph, Rockingham, Stokes, Surry, and Yadkin Counties. The participating governments established the Council to coordinate various funding received from Federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$53,210 to the Council during the fiscal year ended June 30, 2020. The County was the subrecipient of grants for \$1,018,281 from the U.S. Department of Health and Human Services, the U.S. Department of Agriculture, and the Division of Aging of the North Carolina Department of Human Resources, which was passed through the Council.

V. Joint Ventures

The County, in conjunction with the State of North Carolina, the Asheboro City Board of Education, and the Randolph County Board of Education, participates in a joint venture to operate the Randolph County Community College. The County and the State appoint four members of the thirteen-member board of trustees of the community college. The Boards of Education each appoint two members. The president of the community college's student government serves as an ex officio nonvoting member of the community college's board of trustees. The community college is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the community college's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds to provide financing for new and restructured facilities. As of June 30, 2020, the County has no outstanding general obligation bond debt for this purpose. The County has \$752,858 outstanding installment purchase debt related to community college facilities. The County has an ongoing financial responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed \$2,618,000 and \$902,400 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2020. In addition, the County made debt service payments of \$297,642 during the fiscal year on the installment purchase obligations issued for community college capital facilities. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2020. Complete financial statements for the community college may be obtained from the community college's administrative offices at 629 Industrial Park Avenue, Asheboro, NC 27205.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

V. Joint Ventures (concluded)

The County, local municipalities, and corporate members support the Randolph County Economic Development Corporation. The Corporation's mission is to develop and promote the County's economic future through public and private cooperative efforts. The County appoints two members to the twenty member Board of Directors. The County provided \$334,500 in financial support for the year. No local government participant has any obligation, entitlement, or residual interest.

The County, in conjunction with five other governments, participates in the Piedmont Triad Regional Water Authority. The Authority was established to construct a dam facility, water treatment plant and related transmission lines. The participating governments were legally obligated under the intergovernmental agreement that created the Authority to contribute a pre-determined share of the construction costs on the dam, which was completed in 2003. The County's original share of support was 18.75%. In June 2016, the County sold a 250,000 gallon allocation to the City of Archdale, lowering its future share to 18.2%. According to the joint governmental agreement, the participating governments do not have an equity interest in the joint venture, but rather rights to water in the reservoir.

The Authority's treated water is purchased by the participating governments based upon a pre-determined share, according to a uniform rate structure set by the Authority. The County purchases 1.25 million gallons per day; the County will sell its allotment in bulk to other water systems. For the year, the County paid the Authority \$324,134 in operating support, \$502,335 for treated water, and \$1,027,920 for debt service commitments. At June 30, 2020, the County's share of debt issued by the Authority totals \$7,744,120.

Complete financial statements for the Authority can be obtained from the Authority's administrative offices at 7297 Adams Farm Road, Randleman, NC 27317.

VI. Component Unit – Randolph County Tourism Development Authority

Randolph County assesses a five percent occupancy tax on lodging fees. In accordance with the enabling legislation, the County remits these tax collections to the Randolph County Tourism Development Authority, less a three percent collection fee. For the year ended June 30, 2020, the net collections remitted were \$1,112,132 and the collection fee retained was \$37,477. In addition, the Authority rented office space from the County for several months, which totaled \$6,900 for the year. By contract, the Authority reimburses the County for administrative financial and human resource services, which were waived for the year ended June 30, 2020 due to the negative effects of the pandemic on tourism.

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

VII. Benefit Payments Issued by the State

The amounts listed below were paid directly to individual recipients by the State from federal and State moneys. County personnel are involved with certain functions, primarily eligibility determinations, which cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients that do not appear in the basic financial statements because they are not revenues and expenditures of the County.

	Federal	State
Women, Infants and Children	\$ 2,324,096	\$ -
State Children's Insurance Program	4,516,812	324,949
Medicaid	139,163,932	63,150,216
Supplemental Nutrition Assistance Program	30,402,898	-
Temporary Assistance for Needy Families/MOE	699,184	17,989
Energy Assistance	620,100	-
Adoption Assistance	982,550	226,893
State/County Special Assistance for Adults	-	609,820
Title IV-E, Foster Care	784,931	241,838
Independent Living Transitions	2,715	-
CWS Adoption Assistance	-	334,901
Refugee and Entrant Assistance	4,825	-
SAA/SAD HB 1030	-	170
	<hr/>	<hr/>
Total	\$ 179,502,043	\$ 64,906,776
	<hr/>	<hr/>

Randolph County, North Carolina
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2020

VIII. Summary Disclosure of Significant Commitments and Contingencies

Federal and State Assisted Programs

The County has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under 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.

IX. Subsequent Events

Rural Health Care Stabilization Loan

North Carolina established the Rural Health Care Stabilization Program (the “Program”) to provide for loans at below-market interest rates with structured repayment terms in order for financially distressed eligible rural hospitals to transition to sustainable, efficient, and more proportionately sized health care service models in their communities.

Randolph Health, a non-profit corporation, is the only community health system located in Randolph County, and is the only access point for emergency, urgent, or outpatient care for the medically underserved and other vulnerable populations. Randolph Health is financially distressed, has filed bankruptcy, and faces imminent closure without funding from the Program.

In August 2020, the Randolph County Board of Commissioners voted unanimously to apply for a \$20 million program loan to ensure critical medical services are available to the public.

COVID-19 / CARES Act

The State of North Carolina made a second distribution of CARES Act monies into the County’s Coronavirus Relief Fund subsequent to year end (\$5,288,281). Of the total allocations received, \$1,343,948 is limited for municipal response to the coronavirus, and another \$2,500,000 specifically for hospital support. Randolph County plans to utilize its entire allocation before the December 30 deadline for use of CARES Act assistance.

Randolph County does not anticipate that potential ongoing effects of the COVID-19 pandemic will significantly impact its financial condition.





Required Supplemental Financial Data

This section contains additional information required by generally accepted accounting principles.

Local Government Employee Retirement Benefits

- Schedule of Proportionate Share of Net Pension Liability (Asset) for Local Government Employees' Retirement System
- Schedule of Contributions to Local Government Employees' Retirement System

Law Enforcement Officers' Special Separation Allowance

- Schedule of Changes in Total Pension Liability
- Schedule of Total Pension Liability as a Percentage of Covered-Employee Payroll

Register of Deeds Supplemental Pension Fund

- Schedule of Proportionate Share of Net Pension Liability (Asset) for Register of Deeds' Supplemental Pension Fund
- Schedule of Contributions to Register of Deeds' Supplemental Pension Fund

Other Postemployment Benefits

- Schedule of Changes in Total OPEB Liability and Related Ratios
- Notes to the Required Schedules

Randolph County, North Carolina
Schedule Of The County's Proportionate Share
Of The Net Pension Liability (Asset)
Local Governmental Employees' Retirement System
Last Seven Fiscal Years *

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) %	0.5259%	0.5208%	0.5125%	0.4741%	0.4786%	0.4855%	0.4919%
County's proportionate share of the net pension liability (asset)	\$ 14,360,877	\$ 12,355,357	\$ 7,829,319	\$ 10,062,346	\$ 2,147,726	\$ (2,863,107)	\$ 5,928,909
County's covered payroll	\$ 36,036,838	\$ 32,201,150	\$ 31,956,690	\$ 30,437,962	\$ 27,122,416	\$ 27,131,692	\$ 26,805,672
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	39.85%	38.37%	24.50%	33.06%	7.92%	(10.55%)	21.85%
Plan fiduciary net position as a percentage of the total pension liability	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

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

** Information is not required to be presented retroactively. This schedule will not present ten years worth of information until fiscal year 2023.

Randolph County, North Carolina
Schedule of County Contributions
Local Governmental Employees' Retirement System
Last Seven Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 3,236,047	\$ 2,678,355	\$ 2,493,337	\$ 2,303,303	\$ 1,928,052	\$ 1,939,039	\$ 1,932,011
Contributions in relation to the contractually required contribution	<u>3,236,047</u>	<u>2,678,355</u>	<u>2,493,337</u>	<u>2,303,303</u>	<u>1,928,052</u>	<u>1,939,039</u>	<u>1,932,011</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 35,115,371	\$ 36,036,838	\$ 32,201,150	\$ 31,956,690	\$ 30,437,962	\$ 27,122,416	\$ 27,131,692
Contributions as a percentage of covered payroll	9.22%	7.43%	7.74%	7.21%	6.33%	7.15%	7.12%

** Information is not required to be presented retroactively. This schedule will not present ten years worth of information until fiscal year 2023.

Randolph County, North Carolina
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
Last Four Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 3,309,465	\$ 3,013,237	\$ 2,680,379	\$ 2,623,712
Service Cost	228,087	228,847	183,471	178,319
Interest on the total pension liability	117,541	93,243	101,103	91,145
Difference between expected and actual experience	427,272	251,208	(46,721)	-
Changes of assumptions or other inputs	136,404	(152,043)	217,250	(71,561)
Benefit payments	<u>(160,654)</u>	<u>(125,027)</u>	<u>(122,245)</u>	<u>(141,236)</u>
Ending balance of the total pension liability	<u><u>\$ 4,058,115</u></u>	<u><u>\$ 3,309,465</u></u>	<u><u>\$ 3,013,237</u></u>	<u><u>\$ 2,680,379</u></u>

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

* Information is not required to be presented retroactively. This schedule will not present ten years of information until fiscal year 2026.

Randolph County, North Carolina
Schedule of Total Pension Liability as a Percentage of Covered Employee Payroll
Law Enforcement Officers' Special Separation Allowance
Last Four Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 4,058,115	\$ 3,309,465	\$ 3,013,237	\$ 2,680,379
Covered payroll	9,022,718	8,218,878	7,661,934	6,862,993
Total pension liability as a percentage of covered payroll	44.98%	40.27%	39.33%	39.06%

Notes to the schedules:

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

* Information is not required to be presented retroactively. This schedule will not present ten years of information until fiscal year 2026.

Randolph County, North Carolina
Schedule Of The County's Proportionate Share
Of The Net Pension (Asset)
Registers of Deeds' Supplemental Pension Fund
Last Seven Fiscal Years *

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension (asset) %	1.035%	1.176%	1.203%	1.186%	1.321%	1.179%	1.179%
County's proportionate share of the net pension (asset) \$	\$ (204,411)	\$ (194,776)	\$ (205,303)	\$ (221,750)	\$ (306,196)	\$ (267,148)	\$ (241,622)
Plan fiduciary net position as a percentage of the total pension (asset)	164.11%	153.31%	153.77%	160.17%	197.29%	193.88%	190.50%

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

Information is not required to be presented retroactively. This schedule will not present ten years worth of information until fiscal year 2023.

Randolph County, North Carolina
Schedule of County Contributions
Registers of Deeds' Supplemental Pension Fund
Last Seven Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 10,704	\$ 9,841	\$ 10,064	\$ 10,450	\$ 9,690	\$ 10,573	\$ 9,623
Contributions in relation to the contractually required contribution	<u>10,704</u>	<u>9,841</u>	<u>10,064</u>	<u>10,450</u>	<u>9,690</u>	<u>10,573</u>	<u>9,623</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

** Information is not required to be presented retroactively. This schedule will not present ten years worth of information until fiscal year 2023.

Randolph County, North Carolina
Schedule of Changes in Total OPEB Liability and Related Ratios
Required Supplementary Information
Last Three Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service Cost at end of year	\$ 963,578	\$ 994,621	\$ 1,076,343
Interest	630,982	550,788	461,301
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(3,122,613)	41,372	62,135
Changes of assumptions or other inputs	258,140	(555,472)	(912,969)
Benefit payments	(101,413)	(537,814)	(523,909)
Other	-	-	-
Net change in Total OPEB Liability	<u>(1,371,326)</u>	<u>493,495</u>	<u>162,901</u>
Total OPEB Liability - beginning	<u>16,224,394</u>	<u>15,730,899</u>	<u>15,567,998</u>
Total OPEB Liability - ending	<u><u>\$ 14,853,068</u></u>	<u><u>\$ 16,224,394</u></u>	<u><u>\$ 15,730,899</u></u>
 Covered-employee payroll	 \$ 32,309,463	 \$ 28,749,977	 \$ 28,749,977
Total OPEB Liability as a percentage of covered-employee payroll	45.97%	56.43%	54.72%

Notes to Schedule

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

<u>Fiscal Year</u>	<u>Rate</u>
2020	3.50%
2019	3.89%
2018	3.56%



Major Governmental Funds Budgetary Comparison Schedules

General Fund

Accounts for the general operations of Randolph County. It is used to account for all financial resources except those required to be accounted for in another fund.

County Facilities Capital Project Fund

Accounts for the construction and renovation of various county facilities, funded primarily through installment finance agreements, transfers from the General Fund, and donations.

Randolph County Schools Capital Project Fund

Accounts for new construction and major renovation of Randolph County School facilities, financed primarily through installment purchase agreements.

Asheboro City Schools Capital Project Fund

Accounts for new construction and major renovation of Asheboro City School facilities, financed primarily through installment purchase agreements.

Randolph County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	2020		Variance
	Budget	Actual	Positive (Negative)
Revenues:			
Ad valorem taxes:			
Taxes		\$ 73,600,088	
Penalties and interest		280,532	
Total	\$ 73,465,026	73,880,620	\$ 415,594
Local option sales taxes:			
Article 39 one percent		7,792,451	
Article 40 one - half of one percent		8,239,818	
Article 42 one - half of one percent		5,554,048	
Article 44 one - half of one percent		3,160,932	
Article 46 one - half of one percent		3,270,777	
Medicaid Hold Harmless distribution		2,509,882	
Total	29,055,093	30,527,908	1,472,815
Other taxes and licenses:			
Dog license fees		110,661	
Occupancy tax		894,766	
Gross receipts tax		37,618	
Solid waste disposal tax		84,690	
White goods disposal tax		-	
Scrap tire disposal tax		195,936	
Electronic recycling tax		8,396	
Deed stamp excise tax		545,777	
Total	1,974,000	1,877,844	(96,156)
Unrestricted intergovernmental:			
Payments in lieu of taxes-outside sources		27,580	
Video programming services tax		312,156	
Total	333,000	339,736	6,736
Restricted intergovernmental:			
Federal and State grants			
Public safety services		591,892	
Health services		1,639,419	
Social services		9,417,694	
Child support enforcement		928,430	
Aging services		1,343,073	
Library services		345,105	
Public School Building Capital Funds - Lottery		1,600,000	
CARES Act		201,733	
All other		96,704	
Rural Center Grant - Bulding Reuse Loans		125,000	
Court facility fees		190,080	
Controlled substance tax		46,173	
Treasury Department forfeitures		78,734	
ABC bottles taxes		26,405	
Total	16,802,702	16,630,442	(172,260)

Randolph County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	2020		Variance Positive (Negative)
	Budget	Actual	
Revenues (concluded):			
Permits and fees:			
Register of deeds fees		\$ 602,599	
Inspection and zoning fees		708,375	
Environmental health fees		228,509	
All other		6,960	
Total	\$ 1,231,200	1,546,443	\$ 315,243
Sales and services:			
Tax department fees		475,550	
Officer and jail fees		244,119	
Other public safety		1,175,199	
School resource officer reimbursements		775,611	
Ambulance and rescue squad fees		3,965,739	
Service fees - 911 system		136,573	
Animal services fees		103,954	
Health department fees		1,179,147	
Library fees		159,669	
Lease payments		151,560	
All other		91,990	
Total	7,686,988	8,459,111	772,123
Investment earnings	901,000	982,359	81,359
Miscellaneous:			
Sale of property and materials		50,327	
Other		498,805	
Total	634,106	549,132	(84,974)
Total revenues	132,083,115	134,793,595	2,710,480
Expenditures:			
General government:			
Governing body:			
Salaries		69,900	
Employee benefits		37,527	
Other operating expenditures		77,502	
Total	188,685	184,929	3,756
Administration:			
Salaries		1,373,517	
Employee benefits		443,392	
Other operating expenditures		300,123	
Insurance and bonds		1,060,862	
Capital Outlay		35,730	
Total	3,593,972	3,213,624	380,348

Randolph County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	2020		Variance
	Budget	Actual	Positive (Negative)
Expenditures (continued):			
General Government (concluded):			
Information Technology:			
Salaries		\$ 947,220	
Employee benefits		332,465	
Other operating expenditures		849,173	
Capital Outlay		13,163	
Total	\$ 2,388,478	2,142,021	\$ 246,457
Tax:			
Salaries		1,345,419	
Employee benefits		476,289	
Other operating expenditures		983,274	
Capital Outlay		45,601	
Total	3,121,175	2,850,583	270,592
Elections:			
Salaries		235,035	
Employee benefits		68,526	
Other operating expenditures		329,732	
Capital Outlay		49,950	
Total	890,600	683,243	207,357
Register of deeds:			
Salaries		307,093	
Employee benefits		128,514	
Other operating expenditures		170,436	
Capital Outlay		5,790	
Total	750,898	611,833	139,065
Public buildings:			
Salaries		719,183	
Employee benefits		280,984	
Utilities and telephone		1,069,828	
Other operating expenditures		909,323	
Capital outlay		301,307	
Total	4,184,720	3,280,625	904,095
Total general government	15,118,528	12,966,858	2,151,670
Public Safety:			
Sheriff and Jail			
Sheriff:			
Salaries		8,475,073	
Employee benefits		3,230,113	
Other operating expenditures		1,498,203	
Capital outlay		830,008	
Total		14,033,397	

Randolph County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	2020		Variance
	Budget	Actual	Positive (Negative)
Expenditures (continued):			
Public Safety (continued):			
Sheriff and Jail (concluded):			
Jail:			
Salaries		\$ 3,515,354	
Employee benefits		1,237,311	
Other operating expenditures		2,099,952	
Capital outlay		52,851	
Total		6,905,468	
Total Sheriff and Jail	\$ 21,874,378	20,938,865	\$ 935,513
Animal Services:			
Salaries		179,329	
Employee benefits		65,497	
Other operating expenditures		179,279	
Capital outlay		25,975	
Total	743,613	450,080	293,533
Emergency Services:			
Emergency Administration			
Salaries		249,025	
Employee benefits		75,124	
Other operating expenditures		11,543	
Total		335,692	
Emergency medical services:			
Salaries		2,237,860	
Employee benefits		866,258	
Other operating expenditures		1,248,029	
Capital outlay		825,180	
Total		5,177,327	
Emergency communications:			
Salaries		1,412,392	
Employee benefits		475,445	
Other operating expenditures		31,653	
Capital outlay			
Total		1,919,490	
Emergency management:			
Salaries		104,631	
Employee benefits		34,269	
Other operating expenditures		144,032	
Capital outlay		201	
Total		283,133	

Randolph County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	2020		Variance
	Budget	Actual	Positive (Negative)
Expenditures (continued):			
Public Safety (concluded):			
Emergency Services (concluded):			
Fire Inspections:			
Salaries		\$ 276,650	
Employee benefits		90,293	
Other operating expenditures		45,614	
Capital outlay		40,438	
Total		452,995	
Total Emergency Services	\$ 10,668,710	8,168,637	\$ 2,500,073
Building inspections:			
Salaries		456,377	
Employee benefits		159,124	
Other operating expenditures		35,578	
Capital Outlay		7,375	
Total	716,061	658,454	57,607
Adult day reporting:			
Salaries		161,265	
Employee benefits		50,711	
Other operating expenditures		13,844	
Total	262,176	225,820	36,356
Juvenile day reporting:			
Salaries		250,457	
Employee benefits		89,685	
Other operating expenditures		150,986	
Capital Outlay		16,963	
Total	593,403	508,091	85,312
Other public safety appropriations:			
Salaries		19,616	
Employee benefits		1,501	
Other operating expenditures		1,292	
Juvenile detention services		21,716	
Jury commission		7,745	
Contributions to:			
N.C. Forestry Program		133,010	
Ashe-Rand Rescue Squad		16,000	
Other Organizatoins		5,000	
Total	256,200	205,880	50,320
Total public safety	35,114,541	31,155,827	3,665,181

Randolph County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	2020		Variance
	Budget	Actual	Positive (Negative)
Expenditures (continued):			
Economic and physical development:			
Planning and zoning:			
Salaries		\$ 441,694	
Employee benefits		163,129	
Other operating expenditures		70,580	
Total	\$ 709,007	675,403	\$ 33,604
Cooperative Extension Service:			
Salaries		283,922	
Employee benefits		104,099	
Other operating expenditures		185,949	
Total	721,333	573,970	147,363
Soil and Water Conservation:			
Salaries		149,361	
Employee benefits		50,230	
Other operating expenditures		28,478	
Capital Outlay		17,000	
Total	288,776	245,069	43,707
Other economic and physical development appropriations:			
Contributions to:			
Randolph Economic Development Corporation		334,500	
Economic development incentives:			
Technimark		80,000	
Building reuse grants		7,875	
Strategic Planning Grants:			
Pathways to Prosperity Program		42,344	
Pass-through grants to other agencies:			
Rural Center Building Reuse Project -Petty Garage (Golden Leaf)		209,385	
Rural Center Building Reuse Project - (Engineered Steel)		125,000	
Distributions of occupancy tax to:			
Randolph Tourism Development Authority		849,961	
Total	2,563,208	1,649,065	914,143
Total economic and physical development	4,282,324	3,143,507	1,138,817

Randolph County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	2020		Variance
	Budget	Actual	Positive (Negative)
Expenditures (continued):			
Environmental protection:			
Public Works:			
Salaries		\$ 98,131	
Employee benefits		25,887	
Other operating expenditures		29,396	
Total environmental protection	\$ 170,953	153,414	\$ 17,539
Human services:			
Health:			
Public health services:			
Salaries		2,196,186	
Employee benefits		769,752	
Other operating expenditures		760,206	
Total		3,726,144	
Animal control:			
Salaries		215,753	
Employee benefits		82,836	
Other operating expenditures		5,177	
Capital outlay		10,226	
Total		313,992	
Environmental health:			
Salaries		655,225	
Employee benefits		229,065	
Other operating expenditures		96,778	
Total		981,068	
Women, infants, and children			
Salaries		423,501	
Employee benefits		167,566	
Other operating expenditures		82,568	
Total		673,635	
Total health	6,631,349	5,694,839	936,510

Randolph County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	2020		Variance
	Budget	Actual	Positive (Negative)
Expenditures (continued):			
Human Services (continued):			
Social services:			
Administration:			
Salaries		\$ 8,048,364	
Employee benefits		2,861,807	
Other operating expenditures		605,808	
Capital outlay		75,105	
Total		11,591,084	
Assistance programs:			
Adoption programs		440,299	
Child day care		145,201	
Energy programs		1,045,062	
Foster care		1,916,581	
Workfirst		113,436	
Total		3,660,579	
Special assistance to adults:			
County share of assistance payments		618,256	
Total social services	\$ 18,430,267	15,869,919	\$ 2,560,348
Veteran Services:			
Salaries		141,774	
Employee benefits		38,169	
Other operating expenditures		12,523	
Total	219,502	192,466	27,036
Child Support Enforcement			
Salaries		544,837	
Employee benefits		213,874	
Other operating expenditures		257,990	
Total	1,130,929	1,016,701	114,228

Randolph County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	2020		Variance
	Budget	Actual	Positive (Negative)
Expenditures (continued):			
Human services (concluded):			
Other human service appropriations:			
Contributions to other agencies:			
Randolph County Senior Adults Assn.		\$ 267,585	
Sandhills Center		844,000	
Family Crisis Center		41,000	
Central Boys and Girls Club		25,000	
Randolph Vocational Industries		30,000	
Strategic Planning Grants:			
Countywide Health Assessment			
Opiate Addiction Model		3,405	
Community Connectivity Plan			
Shelter of Hope		25,000	
Pass-through grants to other agencies:			
Home and Community Care Block Grant		1,018,281	
Rural Operating Assistance Program		324,792	
Social Worker - Randolph County Schools		33,759	
Total other human service appropriations	\$ 2,710,169	2,612,822	\$ 97,347
Total human services	29,122,216	25,386,747	3,735,469
Culture and recreation:			
Library			
Salaries		1,469,006	
Employee benefits		491,950	
Other operating expenditures		396,548	
Capital outlay		7,735	
Total	2,503,978	2,365,239	138,739
Other culture and recreation appropriations:			
Randolph Arts Guild		20,000	
Deep River Trail		-	
Total	163,360	20,000	143,360
Total culture and recreation	2,667,338	2,385,239	282,099

Randolph County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	2020		Variance
	Budget	Actual	Positive (Negative)
Expenditures (concluded):			
Education:			
Contributions to other agencies:			
Public schools:			
Current Expense:			
Asheboro City Schools		\$ 5,733,015	
Randolph County Schools		20,091,377	
Randolph Community College		2,618,000	
Capital Outlay:			
Asheboro City Schools		970,712	
Randolph County Schools		3,025,288	
Randolph Community College		402,400	
Communities in Schools		70,000	
Total Education	\$ 32,910,793	32,910,792	\$ 1
Debt service:			
Principal retirement		8,415,982	
Interest and other charges		4,305,100	
Total debt service	12,728,464	12,721,082	7,382
 Total expenditures	 132,115,157	 120,823,466	 11,291,691
Revenues over (under) expenditures	(32,042)	13,970,129	14,002,171

Randolph County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	2020		Variance
	Budget	Actual	Positive (Negative)
Other financing sources (uses):			
Transfers from other funds:			
From Economic Development Reserve	\$ 410,048	\$ 339,604	\$ (70,444)
From Health and Well-Being	348,992	16,905	(332,087)
Transfers to other funds:			
Capital Project Funds:			
To RCC Capital Project Fund	(500,000)	(500,000)	-
To Site Development Capital Project Fund	(600,000)	(600,000)	
To County Facilities Capital Project Fund	(2,700,000)	(700,000)	2,000,000
To Capital Reserve Fund	(2,656,960)	(2,656,960)	-
Water Fund	(1,859,000)	(1,859,000)	-
Total other financing sources (uses)	(7,556,920)	(5,959,451)	1,597,469
Fund Balance Appropriated	7,588,962	-	7,588,962
Net change in fund balance	\$ -	8,010,678	\$ 8,010,678
Fund balances:			
Beginning of year, July 1		51,426,816	
End of year, June 30		\$ 59,437,494	

Randolph County, North Carolina
County Facilities Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

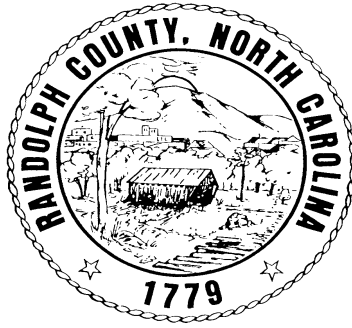
	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Miscellaneous					
Contributions	\$ 750,000	\$ 750,000	\$ -	\$ 750,000	\$ -
Investment earnings	175,175	101,764	257,779	359,543	184,368
Timber Sales			-	-	-
Total revenues	<u>925,175</u>	<u>851,764</u>	<u>257,779</u>	<u>1,109,543</u>	<u>184,368</u>
Expenditures					
Current:					
Bond issuance costs	<u>460,000</u>	<u>-</u>	<u>240,556</u>	<u>240,556</u>	<u>219,444</u>
Capital Outlay:					
Courthouse Renovation					
Professional services	90,000	-	36,225	36,225	53,775
General construction	1,250,000	-	-	-	1,250,000
Furniture & equipment	660,000	-	-	-	660,000
Less sales tax reimbursements		-	-	-	-
	<u>2,000,000</u>	<u>-</u>	<u>36,225</u>	<u>36,225</u>	<u>1,963,775</u>
Detention Facility					
Professional services	1,750,000	1,247,524	276,932	1,524,456	225,544
General construction	36,410,000	73,800	13,326,075	13,399,875	23,010,125
Furniture & equipment	250,000	-	-	-	250,000
Contingency	1,000,000	-	-	-	1,000,000
Less sales tax reimbursements	-	-	(59,016)	(59,016)	59,016
	<u>39,410,000</u>	<u>1,321,324</u>	<u>13,543,991</u>	<u>14,865,315</u>	<u>24,544,685</u>
Agricultural Center					
Professional services	<u>1,000,000</u>	<u>937,247</u>	<u>-</u>	<u>937,247</u>	<u>62,753</u>
Northgate Plaza					
Professional services	382,000	286,344	66,471	352,815	29,185
Miscellaneous	2,675	-	-	-	2,675
Furniture & equipment	280,000	30,893	225,856	256,749	23,251
General construction	4,240,500	3,123,415	1,204,884	4,328,299	(87,799)
Less sales tax reimbursements	-	(42,084)	(27,034)	(69,118)	69,118
	<u>4,905,175</u>	<u>3,398,568</u>	<u>1,470,177</u>	<u>4,868,745</u>	<u>36,430</u>
Total expenditures	<u>47,775,175</u>	<u>5,657,139</u>	<u>15,290,949</u>	<u>20,948,088</u>	<u>26,827,087</u>
Revenues over (under)					
expenditures	<u>(46,850,000)</u>	<u>(4,805,375)</u>	<u>(15,033,170)</u>	<u>(19,838,545)</u>	<u>27,011,455</u>
Other financing sources (uses):					
Installment purchase obligations issued	39,000,000	-	24,530,000	24,530,000	(14,470,000)
Premium on issued debt	-	-	5,610,772	5,610,772	5,610,772
Transfer From General Fund	8,850,000	6,149,506	700,000	6,849,506	(2,000,494)
Transfer to General Fund	(1,000,000)	-	-	-	1,000,000
Total other financing sources (uses)	<u>46,850,000</u>	<u>6,149,506</u>	<u>30,840,772</u>	<u>36,990,278</u>	<u>(9,859,722)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 1,344,131</u>	<u>15,807,602</u>	<u>\$ 17,151,733</u>	<u>\$ 17,151,733</u>
Fund balances:					
Beginning of year, July 1			<u>1,344,131</u>		
End of year, June 30			<u>\$ 17,151,733</u>		

Randolph County, North Carolina
Randolph County Schools Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Investment earnings	\$ 200,000	\$ 7,708	\$ 541,673	\$ 549,381	\$ 349,381
Total revenues	200,000	7,708	541,673	549,381	349,381
Expenditures					
Current:					
Bond issuance costs	325,000	12,500	269,705	282,205	42,795
Education:					
Trinity Middle School					
Professional fees	1,850,000	1,057,630	489,516	1,547,146	302,854
Other services	365,000	87,837	95,921	183,758	181,242
Construction	34,341,000	-	10,363,533	10,363,533	23,977,467
Furniture and equipment	1,000,000	-	-	-	1,000,000
Contingency	584,000	-	-	-	584,000
Less sales tax reimbursements	(265,000)	-	(93,475)	(93,475)	(171,525)
Total expenditures	38,200,000	1,157,967	11,125,200	12,283,167	25,916,833
Revenues over (under) expenditures	(38,000,000)	(1,150,259)	(10,583,527)	(11,733,786)	26,266,214
Other financing sources (uses):					
Installment purchase debt issued	37,000,000	-	31,550,000	31,550,000	(5,450,000)
Premium on issued debt	-	-	6,235,451	6,235,451	6,235,451
Transfer from General Fund	1,200,000	1,150,276	-	1,150,276	(49,724)
Transfer to General Fund	(200,000)	-	-	-	200,000
Total other financing sources (uses)	38,000,000	1,150,276	37,785,451	38,935,727	935,727
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 17	27,201,924	\$ 27,201,941	\$ 27,201,941
Fund balances:					
Beginning of year, July 1			17		
End of year, June 30			\$ 27,201,941		

Randolph County, North Carolina
Asheboro City Schools Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Investment earnings	\$ 500,000	\$ 327,884	\$ 213,111	\$ 540,995	\$ 40,995
Total revenues	500,000	327,884	213,111	540,995	40,995
Expenditures					
Current:					
Bond issuance costs	250,000	240,382	-	240,382	9,618
Education:					
Asheboro High School Addition					
Professional fees	1,958,254	1,573,018	220,160	1,793,178	165,076
Other services	100,000	80,848	92,544	173,392	(73,392)
Construction	18,486,900	5,389,006	12,266,635	17,655,641	831,259
Furniture and equipment	250,000	-	-	-	250,000
Less sales tax reimbursements	(300,000)	(75,628)	(251,113)	(326,741)	26,741
Total	20,495,154	6,967,244	12,328,226	19,295,470	1,199,684
Asheboro High School Renovation					
Professional fees	500,000	-	62,500	62,500	437,500
Construction	-	-	-	-	-
Furniture and equipment	-	-	-	-	-
Less sales tax reimbursements	-	-	-	-	-
	500,000	-	62,500	62,500	437,500
School Renovations					
Professional fees	500,000	-	296,192	296,192	203,808
Construction	2,000,000	-	1,936,153	1,936,153	63,847
Less sales tax reimbursements	-	-	(44,580)	(44,580)	44,580
	2,500,000	-	2,187,765	2,187,765	312,235
Total expenditures	23,745,154	7,207,626	14,578,491	21,786,117	1,959,037
Revenues over (under) expenditures	(23,245,154)	(6,879,742)	(14,365,380)	(21,245,122)	2,000,032
Other financing sources (uses):					
Installment purchase debt issued	19,245,154	17,235,000	-	17,235,000	(2,010,154)
Premium on issued debt	-	2,010,154	-	2,010,154	2,010,154
Transfer from General Fund	4,000,000	4,000,000	-	4,000,000	-
Total other financing sources (uses)	23,245,154	23,245,154	-	23,245,154	-
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 16,365,412	(14,365,380)	\$ 2,000,032	\$ 2,000,032
Fund balances:					
Beginning of year, July 1			16,365,412		
End of year, June 30			\$ 2,000,032		





Non-Major Governmental Funds

Budgetary Comparison Schedules

Special Revenue Funds:

Fire Districts Fund	Accounts for voter-approved property taxes levied to provide fire protection for nineteen districts.
Emergency Telephone System Fund	Established in accordance with North Carolina law to account for the accumulation of telephone surcharges to be used for emergency telephone systems.
Solid Waste Management Fund	Accounts for certain solid waste management costs, including the monitoring costs associated with maintenance of the County's initial landfill property, which closed in December 1997.
Library Trust Fund	Accounts for contributions from bequests specifically restricted for the public library.
Coronavirus Relief Fund	Accounts for federal financial assistance (CARES ACT), passed through the State of North Carolina, to respond to the COVID-19 pandemic
Well-Being Reserve Fund	Accounts for funds accumulated for strategic planning initiatives related to the well-being of our citizens.
Economic Development Reserve Fund	Accounts for funds accumulated for infrastructure development and incentive payments.
Solid Waste Capital Reserve Fund	Accounts for the accumulation of financial resources to cover future solid waste postclosure costs at the Great Oak Regional Landfill
2016 Essential Single Family Rehabilitation Loan Pool Fund	Accounts for a federal and state grant to assist in rehabilitating family housing in the County.

Capital Project Funds:

Rural Water Infrastructure Capital Project Fund	Accounts for the construction of water distribution lines into targeted rural areas.
Randolph Community College Capital Project Fund	Accounts for the costs of facility improvements at the community college, funded with the proceeds of a quarter-cent sales tax.
Technology Capital Project Fund	Accounts for the implementation costs to upgrade county technology services, financed by transfers from the General Fund.
Site Development Capital Project Fund	Accounts for costs to develop a site for large-scale manufacturing, financed by a grant from the N.C. Department of Commerce and transfers from the General Fund.
Capital Reserve Fund	Accounts for the accumulation of financial reserves for future capital projects and related debt service.

Randolph County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	Special Revenue Funds									
	Fire Districts Fund	Emergency Telephone System Fund	Solid Waste Management Fund	Library Trust Fund	Coronavirus Relief Fund	Well-Being Reserve Fund	Economic Development Reserve Fund	Solid Waste Capital Reserve Fund	2016 Essential Single Family Rehabilitation Loan Pool Fund	Total Nonmajor Special Revenue Funds
ASSETS										
Cash and cash equivalents	\$ 52,836	\$ 1,573,163	\$ 520,826	\$ 197,137	\$ 1,253,717	\$ 274,462	\$ 1,319,345	\$ 830,425	\$ -	\$ 6,021,911
Accounts receivable, net	-	-	3,910	-	-	-	-	-	-	3,910
Taxes receivable, net	132,597	-	-	-	-	-	-	-	-	132,597
Due from other governments	109,483	58,109	-	-	-	-	-	-	-	167,592
Due from other funds	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 294,916</u>	<u>\$ 1,631,272</u>	<u>\$ 524,736</u>	<u>\$ 197,137</u>	<u>\$ 1,253,717</u>	<u>\$ 274,462</u>	<u>\$ 1,319,345</u>	<u>\$ 830,425</u>	<u>\$ -</u>	<u>\$ 6,326,010</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
Liabilities:										
Accounts payable and accrued liabilities	\$ 144,260	\$ 1,385	\$ 23	\$ -	\$ 1,253,717	\$ -	\$ -	\$ -	\$ -	\$ 1,399,385
Total liabilities	<u>144,260</u>	<u>1,385</u>	<u>23</u>	<u>-</u>	<u>1,253,717</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,399,385</u>
Deferred Inflows of Resources:										
Property taxes	132,597	-	-	-	-	-	-	-	-	132,597
Unearned revenue	18,059	-	-	-	-	-	-	-	-	18,059
	<u>150,656</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,656</u>
Fund balances:										
Restricted:										
Stabilization by State Statute	-	87,030	26,540	-	-	-	-	-	-	113,570
Public safety	-	1,542,857	-	-	-	-	-	-	-	1,542,857
Library services	-	-	-	197,137	-	-	-	-	-	197,137
Committed:										
Economic development	-	-	-	-	-	-	1,319,345	-	-	1,319,345
Solid waste management	-	-	498,173	-	-	-	-	830,425	-	1,328,598
Human Services	-	-	-	-	-	274,462	-	-	-	274,462
Water improvements	-	-	-	-	-	-	-	-	-	-
Capital improvements	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>1,629,887</u>	<u>524,713</u>	<u>197,137</u>	<u>-</u>	<u>274,462</u>	<u>1,319,345</u>	<u>830,425</u>	<u>-</u>	<u>4,775,969</u>
Total liabilities and fund balances	<u>\$ 294,916</u>	<u>\$ 1,631,272</u>	<u>\$ 524,736</u>	<u>\$ 197,137</u>	<u>\$ 1,253,717</u>	<u>\$ 274,462</u>	<u>\$ 1,319,345</u>	<u>\$ 830,425</u>	<u>\$ -</u>	<u>\$ 6,326,010</u>

Randolph County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	Capital Project Funds						Totals
	Rural Water Infrastructure Capital Project Fund	Randolph Community College Capital Project Fund	Technology Capital Project Fund	Site Development Capital Project Fund	Capital Reserve Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 107,868	\$ 3,415,845	\$ 23,038	\$ 33,730	\$ 8,357,324	\$ 11,937,805	\$ 17,959,716
Accounts receivable, net	-	-	-	-	-	-	3,910
Taxes receivable, net	-	-	-	-	-	-	132,597
Due from other governments	-	-	-	-	-	-	167,592
Due from other funds	-	-	-	-	786,863	786,863	786,863
Total assets	<u>\$ 107,868</u>	<u>\$ 3,415,845</u>	<u>\$ 23,038</u>	<u>\$ 33,730</u>	<u>\$ 9,144,187</u>	<u>\$ 12,724,668</u>	<u>\$ 19,050,678</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 1,285	\$ -	\$ 1,285	\$ 1,400,670
Total liabilities	-	-	-	1,285	-	1,285	1,400,670
Deferred Inflows of Resources:							
Property taxes	-	-	-	-	-	-	132,597
Unearned revenue	-	-	-	-	-	-	18,059
	-	-	-	-	-	-	150,656
Fund balances:							
Restricted:							
Stabilization by State Statute	-	-	-	-	786,863	786,863	900,433
Public safety	-	-	-	-	-	-	1,542,857
Library services	-	-	-	-	-	-	197,137
Committed:							
Economic development	-	-	-	32,445	-	32,445	1,351,790
Solid waste management	-	-	-	-	-	-	1,328,598
Human Services	-	-	-	-	-	-	274,462
Water improvements	107,868	-	-	-	-	107,868	107,868
Capital improvements	-	3,415,845	23,038	-	8,357,324	11,796,207	11,796,207
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>107,868</u>	<u>3,415,845</u>	<u>23,038</u>	<u>32,445</u>	<u>9,144,187</u>	<u>12,723,383</u>	<u>17,499,352</u>
Total liabilities and fund balances	<u>\$ 107,868</u>	<u>\$ 3,415,845</u>	<u>\$ 23,038</u>	<u>\$ 33,730</u>	<u>\$ 9,144,187</u>	<u>\$ 12,724,668</u>	<u>\$ 19,050,678</u>

Randolph County, North Carolina
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2019

	Special Revenue Funds									
	Fire Districts Fund	Emergency Telephone System Fund	Solid Waste Management Fund	Library Trust Fund	Coronavirus Relief Fund	Well-Being Reserve Fund	Economic Development Reserve Fund	Solid Waste Capital Reserve Fund	2016 Essential Single Family Rehabilitation Loan Pool Fund	Total Nonmajor Special Revenue Funds
REVENUES										
Ad valorem taxes	\$ 10,111,012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,111,012
Restricted intergovernmental	-	697,309	-	-	1,367,231	-	-	-	277,075	2,341,615
Sales and services	-	-	-	-	-	-	192,548	-	-	192,548
Investment earnings	-	23,962	11,674	3,386	512	4,040	25,836	10,336	-	79,746
Miscellaneous	-	-	-	-	-	69,670	-	239,195	-	308,865
Total revenues	<u>10,111,012</u>	<u>721,271</u>	<u>11,674</u>	<u>3,386</u>	<u>1,367,743</u>	<u>73,710</u>	<u>218,384</u>	<u>249,531</u>	<u>277,075</u>	<u>13,033,786</u>
EXPENDITURES										
Current:										
Public safety	10,111,012	538,282	-	-	1,367,743	-	-	-	-	12,017,037
Economic and physical development	-	-	-	-	-	-	-	-	277,075	277,075
Environmental protection	-	-	355,604	-	-	-	-	-	-	355,604
Cultural and recreational	-	-	-	24,655	-	-	-	-	-	24,655
Capital outlay	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>10,111,012</u>	<u>538,282</u>	<u>355,604</u>	<u>24,655</u>	<u>1,367,743</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>277,075</u>	<u>12,674,371</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>182,989</u>	<u>(343,930)</u>	<u>(21,269)</u>	<u>-</u>	<u>73,710</u>	<u>218,384</u>	<u>249,531</u>	<u>-</u>	<u>359,415</u>
OTHER FINANCING SOURCES (USES)										
Transfers from other funds	-	-	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	(16,905)	(339,604)	-	-	(356,509)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,905)</u>	<u>(339,604)</u>	<u>-</u>	<u>-</u>	<u>(356,509)</u>
Net change in fund balances	-	182,989	(343,930)	(21,269)	-	56,805	(121,220)	249,531	-	2,906
Fund balances - beginning	<u>-</u>	<u>1,446,898</u>	<u>868,643</u>	<u>218,406</u>	<u>-</u>	<u>217,657</u>	<u>1,440,565</u>	<u>580,894</u>	<u>-</u>	<u>4,773,063</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 1,629,887</u>	<u>\$ 524,713</u>	<u>\$ 197,137</u>	<u>\$ -</u>	<u>\$ 274,462</u>	<u>\$ 1,319,345</u>	<u>\$ 830,425</u>	<u>\$ -</u>	<u>\$ 4,775,969</u>

Randolph County, North Carolina
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2020

	Capital Project Funds						Totals
	Rural Water Infrastructure Capital Project Fund	Randolph Community College Capital Project Fund	Technology Capital Project Fund	Site Development Capital Project Fund	Capital Reserve Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES							
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,111,012
Restricted intergovernmental	-	-	-	-	-	-	2,341,615
Sales and services	-	-	-	82,322	-	82,322	274,870
Investment earnings	1,681	36,149	793	840	45,002	84,465	164,211
Miscellaneous	3,795	-	-	-	1,000,000	1,003,795	1,312,660
Total revenues	5,476	36,149	793	83,162	1,045,002	1,170,582	14,204,368
EXPENDITURES							
Current:							
Public safety	-	-	-	-	-	-	12,017,037
Economic and physical development	-	-	-	698,930	-	698,930	976,005
Environmental protection	-	-	-	-	-	-	355,604
Cultural and recreational	-	-	-	-	-	-	24,655
Capital outlay	-	8,200,603	29,296	-	-	8,229,899	8,229,899
Total expenditures	-	8,200,603	29,296	698,930	-	8,928,829	21,603,200
Excess (deficiency) of revenues over expenditures	5,476	(8,164,454)	(28,503)	(615,768)	1,045,002	(7,758,247)	(7,398,832)
OTHER FINANCING SOURCES (USES)							
Transfers from other funds	-	500,000	-	600,000	2,656,960	3,756,960	3,756,960
Transfers to other funds	-	-	-	-	-	-	(356,509)
Total other financing sources and uses	-	500,000	-	600,000	2,656,960	3,756,960	3,400,451
Net change in fund balances	5,476	(7,664,454)	(28,503)	(15,768)	3,701,962	(4,001,287)	(3,998,381)
Fund balances - beginning	102,392	11,080,299	51,541	48,213	5,442,225	16,724,670	21,497,733
Fund balances - ending	\$ 107,868	\$ 3,415,845	\$ 23,038	\$ 32,445	\$ 9,144,187	\$ 12,723,383	\$ 17,499,352

Randolph County, North Carolina
Fire Districts Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad valorem taxes:			
Current year		\$ 9,725,084	
Prior year		385,928	
Total revenues	<u>\$10,238,559</u>	<u>10,111,012</u>	<u>\$ (127,547)</u>
Expenditures:			
Current:			
Public safety:			
Fire Districts:			
Bennett		43,306	
Climax		791,071	
Coleridge		216,387	
Eastside		696,277	
Fairgrove		455,488	
Farmer		223,869	
Franklinville		661,038	
Guil-Rand		3,257,300	
Julian		132,154	
Level Cross		357,029	
Northeast		185,607	
Randleman-Sophia		515,538	
Seagrove		267,826	
Southwest		109,349	
Staley		189,238	
Tabernacle		477,181	
Ulah		561,578	
Westside		970,776	
Total expenditures	<u>10,238,559</u>	<u>10,111,012</u>	<u>127,547</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances:			
Beginning of year, July 1		<u>-</u>	
End of year, June 30		<u>\$ -</u>	

Randolph County, North Carolina
Emergency Telephone System Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Restricted Intergovernmental:			
911 Board distributions	\$ 697,309	\$ 697,309	\$ -
Investment earnings	-	23,962	23,962
Total revenues	<u>697,309</u>	<u>721,271</u>	<u>23,962</u>
Expenditures:			
Public Safety:			
911 System			
Operating expenditures			
Telephone		204,207	
Software maintenance		41,329	
Hardware maintenance		90,549	
Training		1,160	
Implemental functions		201,037	
Total expenditures	<u>697,309</u>	<u>538,282</u>	<u>159,027</u>
Revenues over (under) expenditures	<u>-</u>	<u>182,989</u>	<u>182,989</u>
Fund Balance Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures	<u><u>\$ -</u></u>	<u>182,989</u>	<u><u>\$ 182,989</u></u>
Fund Balance:			
Beginning of year, July 1		<u>1,446,898</u>	
End of year, June 30		<u><u>\$ 1,629,887</u></u>	

Randolph County, North Carolina
Solid Waste Management Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Investment earnings	<u>\$ 5,000</u>	<u>\$ 11,674</u>	<u>\$ 6,674</u>
Expenditures:			
Current:			
Environmental protection:			
Solid waste management:			
Operating expenditures		55,135	
Capital Outlay		<u>300,469</u>	
	<u>460,497</u>	<u>355,604</u>	<u>104,893</u>
Fund Balance Appropriated	<u>455,497</u>	<u>-</u>	<u>455,497</u>
Revenues over (under) expenditures	<u><u>\$ -</u></u>	<u>(343,930)</u>	<u><u>\$ (343,930)</u></u>
Fund balances:			
Beginning of year, July 1		<u>868,643</u>	
End of year, June 30		<u><u>\$ 524,713</u></u>	

Randolph County, North Carolina
Library Trust Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Investment earnings	\$ 2,000	\$ 3,386	\$ 1,386
Expenditures:			
Current:			
Cultural and Recreational:			
Public Library Support			
Operating expenditures	54,500	24,655	29,845
Fund Balance Appropriated	52,500	-	52,500
Revenues over (under) expenditures	<u>\$ -</u>	(21,269)	<u>\$ (21,269)</u>
Fund balances:			
Beginning of year, July 1		218,406	
End of year, June 30		<u>\$ 197,137</u>	

Randolph County, North Carolina
Coronavirus Relief Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Restricted intergovernmental			
CARES Act - COVID-19 Assistance	\$ 2,587,509	\$ 1,367,231	\$ (1,220,278)
Investment earnings	-	512	512
	<u>2,587,509</u>	<u>1,367,743</u>	<u>(1,219,766)</u>
Expenditures:			
Current:			
Coronavirus Response			
Medical Expenditures		270	
Public Health Expenditures		113,711	
Personnel Costs		1,249,974	
Compliance Measures		3,788	
Municipal Support			
	<u>2,587,509</u>	<u>1,367,743</u>	<u>1,219,766</u>
Fund Balance Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>\$ -</u></u>
Fund balances:			
Beginning of year, July 1		<u>-</u>	
End of year, June 30		<u><u>\$ -</u></u>	

Randolph County, North Carolina
Well-Being Reserve
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Landfill Lease Allocation	\$ 831,395	\$ 761,725	\$ 69,670	\$ 831,395	\$ -
Investment income	-	9,834	4,040	13,874	13,874
	<u>831,395</u>	<u>771,559</u>	<u>73,710</u>	<u>845,269</u>	<u>13,874</u>
Other financing sources (uses):					
Transfers out:					
General Fund	<u>(831,395)</u>	<u>(553,902)</u>	<u>(16,905)</u>	<u>(570,807)</u>	<u>260,588</u>
Total other financing sources (uses)	<u>(831,395)</u>	<u>(553,902)</u>	<u>(16,905)</u>	<u>(570,807)</u>	<u>260,588</u>
Revenues and other financing sources over uses	<u>\$ -</u>	<u>\$ 217,657</u>	56,805	<u>\$ 274,462</u>	<u>\$ 274,462</u>
Fund balance:					
Beginning of year, July 1			<u>217,657</u>		
End of year, June 30			<u>\$ 274,462</u>		

Randolph County, North Carolina
Economic Development Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Medicaid Hold Harmless Allocation	\$ 727,006	\$ 727,006	\$ -	\$ 727,006	\$ -
Landfill Lease Allocation Equipment lease -	1,327,254	1,327,254	-	1,327,254	-
Golden LEAF grant	209,385	16,837	192,548	209,385	-
Investment earnings	-	354,021	25,836	379,857	379,857
	<u>2,263,645</u>	<u>2,425,118</u>	<u>218,384</u>	<u>2,643,502</u>	<u>379,857</u>
Other financing sources (uses):					
Transfers in:					
General Fund	3,400,000	2,768,440	-	2,768,440	(631,560)
Transfers out:					
General Fund	<u>(5,663,645)</u>	<u>(3,752,993)</u>	<u>(339,604)</u>	<u>(4,092,597)</u>	<u>1,571,048</u>
Total other financing sources (uses)	<u>(2,263,645)</u>	<u>(984,553)</u>	<u>(339,604)</u>	<u>(1,324,157)</u>	<u>939,488</u>
Revenues and other financing sources over uses	<u>\$ -</u>	<u>\$ 1,440,565</u>	<u>(121,220)</u>	<u>\$ 1,319,345</u>	<u>\$ 1,319,345</u>
Fund balance:					
Beginning of year, July 1			<u>1,440,565</u>		
End of year, June 30			<u>\$ 1,319,345</u>		

Randolph County, North Carolina
Solid Waste Capital Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Post-Closure Distributions for					
Great Oak Landfill	\$ 1,768,167	\$ 564,811	\$ 239,195	\$ 804,006	\$ (964,161)
Investment earnings	-	16,083	10,336	26,419	26,419
	<u>1,768,167</u>	<u>580,894</u>	<u>249,531</u>	<u>830,425</u>	<u>(937,742)</u>
Other financing sources (uses):					
Transfers out:					
Solid Waste					
Management Fund	<u>(1,768,167)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,768,167</u>
Revenues and other financing sources over uses	<u>\$ -</u>	<u>\$ 580,894</u>	<u>249,531</u>	<u>\$ 830,425</u>	<u>\$ 830,425</u>
Fund balance:					
Beginning of year, July 1			<u>580,894</u>		
End of year, June 30			<u>\$ 830,425</u>		

Randolph County, North Carolina
2016 Essential Single Family Rehabilitation Loan Pool Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental:					
N.C. Housing Finance Agency:					
Essential Single Family Rehabilitation					
Loan Pool	\$ 630,000	\$ 306,950	\$ 277,075	\$ 584,025	\$ (45,975)
Total revenues	630,000	306,950	277,075	584,025	(45,975)
Expenditures					
Scattered Housing Grant - 2009					
Rehabilitation assistance	450,000	224,000	199,300	423,300	26,700
Administration	180,000	82,950	77,775	160,725	19,275
Total expenditures	630,000	306,950	277,075	584,025	45,975
Revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances:					
Beginning of year, July 1			-		
End of year, June 30			\$ -		

Randolph County, North Carolina
Rural Water Infrastructure Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Investment earnings	\$ -	\$ 4,624	\$ 1,681	\$ 6,305	\$ 6,305
Miscellaneous					
Municipal reimbursements	-	32,764	3,795	36,559	36,559
Total revenues	-	37,388	5,476	42,864	42,864
Expenditures					
Administrative and engineering	259,500	117,196		117,196	142,304
Total expenditures	259,500	117,196	-	117,196	142,304
Revenues under expenditures	(259,500)	(79,808)	5,476	(74,332)	185,168
Other financing sources:					
Transfers from General Fund	259,500	182,200	-	182,200	(77,300)
Total other financing sources	259,500	182,200	-	182,200	(77,300)
Revenues and other sources over (under) expenditures	\$ -	\$ 102,392	5,476	\$ 107,868	\$ 107,868
Fund balances:					
Beginning of year, July 1			102,392		
End of year, June 30			\$ 107,868		

Randolph County, North Carolina
Randolph Community College Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Investment earnings	\$ -	\$ 294,589	\$ 36,149	\$ 330,738	\$ 330,738
Total revenues	-	294,589	36,149	330,738	330,738
Expenditures					
Education:					
Cosmetology Center Project:					
Other Services	55,000	46,592	-	46,592	8,408
Professional Services	150,000	149,247	-	149,247	753
Construction	1,545,000	1,515,726	-	1,515,726	29,274
	<u>1,750,000</u>	<u>1,711,565</u>	<u>-</u>	<u>1,711,565</u>	<u>38,435</u>
Photography Center:					
Furniture & equipment	292,810	292,810	-	292,810	-
Professional Services	77,936	77,936	-	77,936	-
Construction	1,439,254	1,439,254	-	1,439,254	-
	<u>1,810,000</u>	<u>1,810,000</u>	<u>-</u>	<u>1,810,000</u>	<u>-</u>
Allied Health Center					
Furniture & equipment	900,000	486,189	159,225	645,414	254,586
Professional Services	410,646	-	390,242	390,242	20,404
Construction	8,052,512	17,986	7,651,136	7,669,122	383,390
	<u>9,363,158</u>	<u>504,175</u>	<u>8,200,603</u>	<u>8,704,778</u>	<u>658,380</u>
Total expenditures	<u>12,923,158</u>	<u>4,025,740</u>	<u>8,200,603</u>	<u>12,226,343</u>	<u>696,815</u>
Revenues over (under) expenditures	<u>(12,923,158)</u>	<u>(3,731,151)</u>	<u>(8,164,454)</u>	<u>(11,895,605)</u>	<u>1,027,553</u>
Other financing sources:					
Transfer from General Fund	<u>12,923,158</u>	<u>14,811,450</u>	<u>500,000</u>	<u>15,311,450</u>	<u>2,388,292</u>
Total other financing sources	<u>12,923,158</u>	<u>14,811,450</u>	<u>500,000</u>	<u>15,311,450</u>	<u>2,388,292</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 11,080,299</u>	<u>(7,664,454)</u>	<u>\$ 3,415,845</u>	<u>\$ 3,415,845</u>
Fund balances:					
Beginning of year, July 1			<u>11,080,299</u>		
End of year, June 30			<u>\$ 3,415,845</u>		

Randolph County, North Carolina
Technology Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

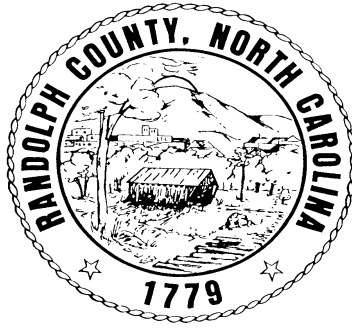
	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ 39,324	\$ 39,324	\$ -	\$ 39,324	\$ -
Investment earnings	214,000	213,642	793	214,435	435
Miscellaneous	32,588	32,588	-	32,588	-
Total revenues	285,912	285,554	793	286,347	435
Expenditures					
Capital Outlay:					
2005 Work Plan	485,585	485,584	-	485,584	1
2006 Work Plan	534,115	534,115	-	534,115	-
2007 Work Plan	627,477	627,476	-	627,476	1
2008 Work Plan	860,027	860,026	-	860,026	1
2009 Work Plan	78,217	78,216	-	78,216	1
2012 Work Plan	13,683	13,683	-	13,683	-
2013 Work Plan	246,414	246,413	-	246,413	1
2019 Work Plan	51,894	-	29,296	29,296	22,598
Total expenditures	2,897,412	2,845,513	29,296	2,874,809	22,603
Revenues over (under) expenditures	(2,611,500)	(2,559,959)	(28,503)	(2,588,462)	23,038
Other financing sources:					
Transfer from General Fund	2,611,500	2,611,500	-	2,611,500	-
Total other financing sources	2,611,500	2,611,500	-	2,611,500	-
Revenues and other sources over (under) expenditures	\$ -	\$ 51,541	(28,503)	\$ 23,038	\$ 23,038
Fund balances:					
Beginning of year, July 1			51,541		
End of year, June 30			\$ 23,038		

Randolph County, North Carolina
Site Development Capital Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental					
NC Dept. of Commerce grant	\$ 1,666,667	\$ 1,666,667	\$ -	\$ 1,666,667	\$ -
NC Dept of Transportation grant	1,000,000	815,315	-	815,315	(184,685)
Investment income	11,600	13,278	840	14,118	2,518
Lease revenues	351,400	352,051	82,322	434,373	82,973
Sale of timber rights		19,150		19,150	19,150
Total revenues	<u>3,029,667</u>	<u>2,866,461</u>	<u>83,162</u>	<u>2,949,623</u>	<u>(80,044)</u>
Expenditures					
Capital Outlay:					
Professional services	165,200	162,996	-	162,996	(2,204)
Engineering - DOT study	1,000,000	815,315	-	815,315	(184,685)
Miscellaneous	327,800	301,147	98,930	400,077	72,277
Site development	600,000	-	600,000	600,000	-
Land acquisition	<u>13,736,667</u>	<u>13,588,268</u>	<u>-</u>	<u>13,588,268</u>	<u>(148,399)</u>
Total expenditures	<u>15,829,667</u>	<u>14,867,726</u>	<u>698,930</u>	<u>15,566,656</u>	<u>263,011</u>
Revenues over expenditures	<u>(12,800,000)</u>	<u>(12,001,265)</u>	<u>(615,768)</u>	<u>(12,617,033)</u>	<u>182,967</u>
Other financing sources:					
Transfer from General Fund	<u>12,800,000</u>	<u>12,049,478</u>	<u>600,000</u>	<u>12,649,478</u>	<u>(150,522)</u>
Total other financing sources	<u>12,800,000</u>	<u>12,049,478</u>	<u>600,000</u>	<u>12,649,478</u>	<u>(150,522)</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 48,213</u>	<u>(15,768)</u>	<u>\$ 32,445</u>	<u>\$ 32,445</u>
Fund balances:					
Beginning of year, July 1			48,213		
End of year, June 30			<u>\$ 32,445</u>		

Randolph County, North Carolina
Capital Reserve Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2020

	Project	Actual			Variance
	Authorization	Prior	Current	Total to	Positive
		Year	Year	Date	(Negative)
Revenues					
Landfill Lease Allocation	\$ 3,700,000	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ (1,700,000)
Investment earnings	-	116,460	45,002	161,462	161,462
	<u>3,700,000</u>	<u>1,116,460</u>	<u>1,045,002</u>	<u>2,161,462</u>	<u>(1,538,538)</u>
Other financing sources (uses):					
Transfers in:					
General Fund	13,800,000	4,319,029	2,656,960	6,975,989	(6,824,011)
County Facilities Capital					
Project	-	6,736	-	6,736	6,736
Transfers out:					
General Fund	<u>(17,500,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,500,000</u>
Total other financing					
sources (uses)	<u>(3,700,000)</u>	<u>4,325,765</u>	<u>2,656,960</u>	<u>6,982,725</u>	<u>10,682,725</u>
Revenues and other financing					
sources over uses	<u>\$ -</u>	<u>\$ 5,442,225</u>	<u>3,701,962</u>	<u>\$ 9,144,187</u>	<u>\$ 9,144,187</u>
Fund balance:					
Beginning of year, July 1			<u>5,442,225</u>		
End of year, June 30			<u>\$ 9,144,187</u>		





Proprietary Funds

Water Fund. This fund is used to account for wholesale water operations within the County.

Randolph County, North Carolina
Water Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Nonoperating revenues:			
Interest earnings	\$ 5,000	\$ 10,055	\$ 5,055
Total revenues	<u>5,000</u>	<u>10,055</u>	<u>5,055</u>
Expenditures:			
Piedmont Triad Regional Water Authority			
Administration		324,134	
Bulk Water Purchases		502,335	
Contract payments on water treatment plant		1,027,920	
Total expenditures	<u>1,864,000</u>	<u>1,854,389</u>	<u>9,611</u>
Revenues over (under) expenditures	(1,859,000)	(1,844,334)	14,666
Other financing sources:			
Appropriated Fund Balance	-	-	-
Transfer from General Fund	<u>1,859,000</u>	<u>1,859,000</u>	<u>-</u>
Total other financing sources	<u>1,859,000</u>	<u>1,859,000</u>	<u>-</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	14,666	<u>\$ 14,666</u>
Reconciling items:			
Debt principal		798,452	
Amortization - intangible asset		(286,341)	
Amortization - deferred refunding		(28,606)	
Total reconciling items		<u>483,505</u>	
Change in net position		<u>\$ 498,171</u>	



Agency Funds

Agency Funds account for transactions related to assets held by the County as trustee or agent for other governments, individuals, private organizations or other funds.

AGENCY FUNDS

Social Services Custodial Fund - accounts for monies held by the Department of Social Services as agent for the benefit of certain individuals in the County.

Fines and Forfeitures - Public Schools Fund - accounts for fines and forfeitures collected by the Clerk of Court, which the County is required to be remitted to the Asheboro City and Randolph County Boards of Education.

Penalties - Public Schools Fund - accounts for penalties collected by the County which are required to be remitted to the Asheboro City and Randolph County Boards of Education.

Deed of Trust Fund - accounts for the five dollars of each fee collected by the register of deeds for registering or filing a deed of trust or mortgage and remitted to the State Treasurer on a monthly basis.

City of Asheboro Tax Fund, City of Archdale Tax Fund, Town of Franklinville Tax Fund, Town of Liberty Tax Fund, Town of Ramseur Tax Fund, City of Randleman Tax Fund, Town of Seagrove Tax Fund, Town of Staley Tax Fund, City of High Point Tax Fund, City of Thomasville Tax Fund, and City of Trinity Tax Fund - account for the collection and disbursement of taxes levied by the Cities and Towns.

Asheboro School District Tax Fund and Archdale-Trinity School District Tax Fund - account for voter-approved supplemental property taxes levied to provide additional school needs within the special district.

Town Library Fund - accounts for monies held by the County as trustee for certain town libraries in the County.

Detention Center Commissary Fund - accounts for monies held by the County as agent for inmates of the County jail.

Tourism Authority Trust Fund - accounts for the unused occupancy taxes held by the County until disbursed by the Authority.

Randolph County, North Carolina
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
<u>Social Services Custodial Fund</u>				
ASSETS				
Cash and Investments	\$ 139,305	\$ 1,128,807	\$ 1,142,207	\$ 125,905
LIABILITIES				
Miscellaneous Liabilities	\$ 139,305	\$ 1,128,807	\$ 1,142,207	\$ 125,905
<u>Fines and Forfeitures - Public Schools Fund</u>				
ASSETS				
Cash and Investments	\$ -	\$ 1,007,254	\$ 1,007,254	\$ -
LIABILITIES				
Intergovernmental Payables	\$ -	\$ 1,007,254	\$ 1,007,254	\$ -
<u>Penalties - Public School Fund</u>				
ASSETS				
Cash and Investments	\$ 4,895	\$ 158,305	\$ 142,064	\$ 21,136
LIABILITIES				
Intergovernmental Payables	\$ 4,895	\$ 158,305	\$ 142,064	\$ 21,136
<u>Deed of Trust Fund</u>				
ASSETS				
Cash and Investments	\$ 7,056	\$ 92,794	\$ 92,187	\$ 7,663
LIABILITIES				
Intergovernmental Payables - State of NC	\$ 7,056	\$ 92,794	\$ 92,187	\$ 7,663
<u>City of Asheboro Tax Fund</u>				
ASSETS				
Cash and Investments	\$ 17,896	\$ 17,999,441	\$ 17,956,187	\$ 61,150
Due from other governments	100,540	1,194,562	1,191,985	103,117
Taxes Receivable	155,014	16,311,520	16,242,606	223,928
Total Assets	\$ 273,450	\$ 35,505,523	\$ 35,390,778	\$ 388,195
LIABILITIES				
Intergovernmental Payables	\$ 273,450	\$ 35,505,523	\$ 35,390,778	\$ 388,195

Randolph County, North Carolina
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
<u>City of Archdale Tax Fund</u>				
ASSETS				
Cash and Investments	\$ 4,352	\$ 3,235,182	\$ 3,231,282	\$ 8,252
Due from other governments	24,873	290,515	290,738	24,650
Taxes Receivable	36,232	2,742,524	2,737,815	40,941
Total Assets	<u>\$ 65,457</u>	<u>\$ 6,268,221</u>	<u>\$ 6,259,835</u>	<u>\$ 73,843</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 65,457</u>	<u>\$ 6,268,221</u>	<u>\$ 6,259,835</u>	<u>\$ 73,843</u>
<u>Town of Franklinville Tax Fund</u>				
ASSETS				
Cash and Investments	\$ 1,145	\$ 233,283	\$ 234,021	\$ 407
Due from other governments	2,124	26,271	26,030	2,365
Taxes Receivable	9,191	185,701	185,355	9,537
Total Assets	<u>\$ 12,460</u>	<u>\$ 445,255</u>	<u>\$ 445,406</u>	<u>\$ 12,309</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 12,460</u>	<u>\$ 445,255</u>	<u>\$ 445,406</u>	<u>\$ 12,309</u>
<u>Town of Liberty Tax Fund</u>				
ASSETS				
Cash and Investments	\$ 10,568	\$ 1,369,781	\$ 1,372,563	\$ 7,786
Due from other governments	11,109	132,364	132,254	11,219
Taxes Receivable	32,862	1,141,830	1,138,772	35,920
Total Assets	<u>\$ 54,539</u>	<u>\$ 2,643,975</u>	<u>\$ 2,643,589</u>	<u>\$ 54,925</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 54,539</u>	<u>\$ 2,643,975</u>	<u>\$ 2,643,589</u>	<u>\$ 54,925</u>
<u>Town of Ramseur Tax Fund</u>				
ASSETS				
Cash and Investments	\$ 3,341	\$ 881,192	\$ 874,298	\$ 10,235
Due from other governments	4,303	62,924	62,338	4,889
Taxes Receivable	13,190	776,877	774,301	15,766
Total Assets	<u>\$ 20,834</u>	<u>\$ 1,720,993</u>	<u>\$ 1,710,937</u>	<u>\$ 30,890</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 20,834</u>	<u>\$ 1,720,993</u>	<u>\$ 1,710,937</u>	<u>\$ 30,890</u>

Randolph County, North Carolina
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
<u>City of Randleman Tax Fund</u>				
ASSETS				
Cash and Investments	\$ 7,744	\$ 2,917,220	\$ 2,917,940	\$ 7,024
Due from other governments	18,951	222,482	222,051	19,382
Taxes Receivable	18,940	2,564,616	2,545,967	37,589
Total Assets	<u>\$ 45,635</u>	<u>\$ 5,704,318</u>	<u>\$ 5,685,958</u>	<u>\$ 63,995</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 45,635</u>	<u>\$ 5,704,318</u>	<u>\$ 5,685,958</u>	<u>\$ 63,995</u>
<u>Town of Seagrove Tax Fund</u>				
ASSETS				
Cash and Investments	\$ 49	\$ 208,653	\$ 207,901	\$ 801
Due from other governments	912	10,048	10,350	610
Taxes Receivable	1,272	192,251	192,651	872
Total Assets	<u>\$ 2,233</u>	<u>\$ 410,952</u>	<u>\$ 410,902</u>	<u>\$ 2,283</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 2,233</u>	<u>\$ 410,952</u>	<u>\$ 410,902</u>	<u>\$ 2,283</u>
<u>Town of Staley Tax Fund</u>				
ASSETS				
Cash and Investments	\$ 37	\$ 30,978	\$ 30,876	\$ 139
Due from other governments	202	3,770	3,742	230
Taxes Receivable	1,596	23,839	23,962	1,473
Total Assets	<u>\$ 1,835</u>	<u>\$ 58,587</u>	<u>\$ 58,580</u>	<u>\$ 1,842</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 1,835</u>	<u>\$ 58,587</u>	<u>\$ 58,580</u>	<u>\$ 1,842</u>
<u>City of High Point Tax Fund</u>				
ASSETS				
Cash and Investments	\$ 11	\$ 367,969	\$ 326,366	\$ 41,614
Due from other governments	-	8,622	8,541	81
Taxes Receivable	2,633	356,060	357,091	1,602
Total Assets	<u>\$ 2,644</u>	<u>\$ 732,651</u>	<u>\$ 691,998</u>	<u>\$ 43,297</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 2,644</u>	<u>\$ 732,651</u>	<u>\$ 691,998</u>	<u>\$ 43,297</u>

Randolph County, North Carolina
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
<u>City of Thomasville Tax Fund</u>				
ASSETS				
Cash and Investments	\$ 177	\$ 365,209	\$ 365,319	\$ 67
Due from other governments	3,664	42,151	41,205	4,610
Taxes Receivable	1,168	291,811	291,969	1,010
Total Assets	<u>\$ 5,009</u>	<u>\$ 699,171</u>	<u>\$ 698,493</u>	<u>\$ 5,687</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 5,009</u>	<u>\$ 699,171</u>	<u>\$ 698,493</u>	<u>\$ 5,687</u>
<u>City of Trinity Tax Fund</u>				
ASSETS				
Cash and Investments	\$ 1,839	\$ 688,867	\$ 687,577	\$ 3,129
Due from other governments	6,458	67,212	67,904	5,766
Taxes Receivable	15,271	572,409	569,469	18,211
Total Assets	<u>\$ 23,568</u>	<u>\$ 1,328,488</u>	<u>\$ 1,324,950</u>	<u>\$ 27,106</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 23,568</u>	<u>\$ 1,328,488</u>	<u>\$ 1,324,950</u>	<u>\$ 27,106</u>
<u>Asheboro School District Tax Fund</u>				
ASSETS				
Cash and Investments	\$ 6,214	\$ 3,729,875	\$ 3,721,050	\$ 15,039
Due from other governments	26,477	333,032	331,433	28,076
Taxes Receivable	34,048	3,160,942	3,146,201	48,789
Total Assets	<u>\$ 66,739</u>	<u>\$ 7,223,849</u>	<u>\$ 7,198,684</u>	<u>\$ 91,904</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 66,739</u>	<u>\$ 7,223,849</u>	<u>\$ 7,198,684</u>	<u>\$ 91,904</u>
<u>Archdale-Trinity School District Tax Fund</u>				
ASSETS				
Cash and Investments	\$ 5,491	\$ 2,690,063	\$ 2,679,496	\$ 16,058
Due from other governments	24,499	281,056	281,550	24,005
Taxes Receivable	35,431	2,192,821	2,186,568	41,684
Total Assets	<u>\$ 65,421</u>	<u>\$ 5,163,940</u>	<u>\$ 5,147,614</u>	<u>\$ 81,747</u>
LIABILITIES				
Intergovernmental Payables	<u>\$ 65,421</u>	<u>\$ 5,163,940</u>	<u>\$ 5,147,614</u>	<u>\$ 81,747</u>

Randolph County, North Carolina
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
<u>Town Library Fund</u>				
ASSETS				
Cash and Investments	\$ 55,214	\$ 195,391	\$ 193,755	\$ 56,850
LIABILITIES				
Miscellaneous Liabilities	\$ 55,214	\$ 195,391	\$ 193,755	\$ 56,850
<u>Detention Center Commissary Fund</u>				
ASSETS				
Cash and Investments	\$ 88,955	\$ 576,097	\$ 620,163	\$ 44,889
LIABILITIES				
Miscellaneous Liabilities	\$ 88,955	\$ 576,097	\$ 620,163	\$ 44,889
<u>Tourism Authority Trust Fund</u>				
ASSETS				
Cash and Investments	\$ 569,871	\$ 1,459,912	\$ 1,610,619	\$ 419,164
LIABILITIES				
Miscellaneous Liabilities	\$ 569,871	\$ 1,459,912	\$ 1,610,619	\$ 419,164
<u>Totals - All Agency Funds</u>				
ASSETS				
Cash and Investments	\$ 924,160	\$ 39,336,273	\$ 39,413,125	\$ 847,308
Due from other governments	224,112	2,675,009	2,670,121	229,000
Taxes Receivable	356,848	30,513,201	30,392,727	477,322
Total Assets	\$ 1,505,120	\$ 72,524,483	\$ 72,475,973	\$ 1,553,630
LIABILITIES				
Miscellaneous Liabilities	\$ 853,345	\$ 3,360,207	\$ 3,566,744	\$ 646,808
Intergovernmental Payables	651,775	69,164,276	68,909,229	906,822
Total Liabilities	\$ 1,505,120	\$ 72,524,483	\$ 72,475,973	\$ 1,553,630



Other Supplemental Information

The other supplemental schedules highlight various details of specific financial statement data for ad valorem property taxes and interfund transfers.

Randolph County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2020

<u>Fiscal Year</u>	<u>Uncollected Balance July 1, 2019</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2020</u>
2018-2019	\$ -	\$ 74,814,257	\$ 74,124,124	\$ 690,133
2017-2018	445,229	-	239,326	205,903
2016-2017	152,955	-	52,449	100,506
2015-2016	90,264	-	7,561	82,703
2014-2015	74,138	-	12,591	61,547
2013-2014	54,099	-	5,537	48,562
2012-2013	77,313	-	3,195	74,118
2011-2012	82,730	-	2,137	80,593
2010-2011	74,550	-	1,603	72,947
2009-2010	111,336	-	1,794	109,542
2008-2009	62,321	-	62,321	-
	<u>\$ 1,224,935</u>	<u>\$ 74,814,257</u>	<u>\$ 74,512,638</u>	<u>1,526,554</u>
Plus: uncollected 2018-2019 late listing penalties				11,101
Plus: uncollected 2019-2020 property taxes and late listing penalties				113,650
Less: allowance for uncollectible accounts: General Fund				<u>(774,000)</u>
Ad valorem taxes receivable - net: General Fund				<u>\$ 877,305</u>
<u>Reconcilement with revenues:</u>				
Ad valorem taxes - General Fund				\$ 73,600,088
Reconciling items:				
Interest collected				(280,532)
Discounts allowed				860,719
Releases and adjustments				273,423
Taxes written off				<u>58,940</u>
Total reconciling items				<u>912,550</u>
Total collections and credits				<u>\$ 74,512,638</u>

Randolph County, North Carolina
Analysis of Current Tax Levy
County-wide Levy
For the Fiscal Year Ended June 30, 2020

	County - wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	\$ 11,485,737,999	\$0.6327	\$ 72,670,264	\$ 66,731,254	\$ 5,939,010
Motor vehicles taxed at prior year's rate	325,250,081	various	2,121,622	-	2,121,622
Penalties	-		-	-	-
Total	<u>11,810,988,080</u>		<u>74,791,886</u>	<u>66,731,254</u>	<u>8,060,632</u>
Discoveries:					
Current year taxes	15,931,226	\$0.6327	100,797	100,797	-
Prior year taxes	120,713	\$0.6525	788	784	4
Penalties			-	-	-
Total			<u>101,585</u>	<u>101,581</u>	<u>4</u>
Abatements	<u>(12,519,964)</u>		<u>(79,214)</u>	<u>(79,214)</u>	<u>-</u>
Total property valuation	<u>\$ 11,814,520,055</u>				
Net levy			74,814,257	66,753,621	8,060,636
Uncollected taxes at June 30, 2020			<u>690,133</u>	<u>690,133</u>	<u>-</u>
Current year's taxes collected			<u>\$ 74,124,124</u>	<u>\$ 66,063,488</u>	<u>\$ 8,060,636</u>
Current levy collection percentage			<u>99.08%</u>	<u>98.97%</u>	<u>100.00%</u>

Secondary Market Disclosures:

Assessed Valuation:	
Assessment Ratio ¹	100%
Real Property	\$ 8,856,477,608
Personal Property	2,646,826,579
Public Service Companies ²	311,215,868
Total Assessed Valuation	<u>11,814,520,055</u>
Tax Rate per \$100	0.6327
Levy (includes discoveries, releases and abatements) ³	<u><u>\$ 74,814,257</u></u>

¹ Percentage of appraised value has been established by statute.

² Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission.

³ The levy includes interest and penalties.

Randolph County, North Carolina
Schedule of Current Tax Levy -
Special Districts
For the Fiscal Year Ended June 30, 2020

In addition to the County-wide rate, this table lists the levies by the County on behalf of school districts and fire protection districts for the fiscal year.

	<u>Net Valuation</u>	<u>Net Levy</u>
School Districts:		
Asheboro School District	\$ 2,398,641,993	\$ 3,457,837
Archdale-Trinity School District	<u>2,661,034,895</u>	<u>2,458,945</u>
	<u>5,059,676,888</u>	<u>5,916,782</u>
Fire Protection Districts:		
Bennett Fire District	48,362,611	43,597
Climax Fire District	535,279,075	803,681
Coleridge Fire District	295,987,607	219,609
Eastside Fire District	527,535,673	709,028
Fairgrove Fire District	453,131,088	463,565
Farmer Fire District	249,440,213	229,135
Franklinville Fire District	560,365,688	673,220
Guil-Rand Fire District	2,322,577,216	3,315,909
Julian Fire District	99,677,403	134,564
Level Cross Fire District	245,645,876	367,373
Northeast Fire District	157,076,531	188,897
Randleman-Sophia Fire District	438,404,648	526,959
Seagrove Fire District	228,426,598	272,916
Southwest Fire District	92,517,375	111,165
Staley Fire District	192,055,120	192,763
Tabernacle Fire District	397,817,568	486,001
Ulah Fire District	633,417,567	570,762
Westside Fire District	<u>759,191,204</u>	<u>985,734</u>
	<u>8,236,909,061</u>	<u>10,294,878</u>
Total Special District Levies	<u><u>\$ 13,296,585,950</u></u>	<u><u>\$ 16,211,662</u></u>



STATISTICAL SECTION

This section of Randolph County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Financial Trends

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

Revenue Capacity

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

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented Statement 34 in 2003; schedules presenting government-wide information begin in that year.

Randolph County, North Carolina
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 40,536,006	\$ 42,340,367	\$ 44,000,991	\$ 44,427,664	\$ 46,125,185	\$ 46,790,408	\$ 52,060,648	\$ 54,734,510	\$ 59,374,043	\$ 62,152,591
Restricted										
General Government	343,021	400,780	465,104	516,832	533,219	521,305	467,369	487,026	499,669	549,683
Public Safety	718,395	950,512	658,396	872,060	734,775	351,510	1,281,622	1,494,015	1,610,887	1,875,995
Human Services	1,342,077	1,301,806	851,422	631,447	531,984	617,725	767,317	920,561	932,020	1,105,595
Cultural and Recreational	84,967	85,110	81,927	68,874	67,259	182,918	180,215	222,855	218,406	197,137
Register of Deeds Pension Plan							299,091	278,898	194,776	204,411
Stabilization by State Statute	10,872,061	10,660,455	8,128,622	12,286,300	11,469,014	11,602,376	13,621,703	14,496,992	14,793,720	15,235,987
Unrestricted	(72,428,988)	(70,584,496)	(66,218,868)	(56,069,270)	(42,008,760)	(23,962,373)	(11,064,066)	(7,831,187)	(2,510,912)	(23,769,574)
Total governmental activities net position	(18,532,461)	(14,845,466)	(12,032,406)	2,733,907	17,452,676	36,103,869	57,613,899	64,803,670	75,112,609	57,551,825
Business-type activities										
Net investment in capital assets	-	(190,202)	260,427	623,245	1,004,828	1,405,699	1,826,390	2,267,449	2,729,441	3,212,946
Unrestricted	-	450,662	447,529	7,078	1,904	503,085	505,674	527,826	571,090	585,756
Total business-type activities net position	-	260,460	707,956	630,323	1,006,732	1,908,784	2,332,064	2,795,275	3,300,531	3,798,702
Primary government net position										
Net investment in capital assets	40,536,006	42,150,165	44,261,418	45,050,909	47,130,013	48,196,107	53,887,038	57,001,959	62,103,484	65,365,537
Restricted	13,360,521	13,398,663	10,185,471	14,375,513	13,336,251	13,275,834	16,617,317	17,900,347	18,249,478	19,168,808
Unrestricted	(72,428,988)	(70,133,834)	(65,771,339)	(56,062,192)	(42,006,856)	(23,459,288)	(10,558,392)	(7,303,361)	(1,939,822)	(23,183,818)
Total primary government net position	<u>\$ (18,532,461)</u>	<u>\$ (14,585,006)</u>	<u>\$ (11,324,450)</u>	<u>\$ 3,364,230</u>	<u>\$ 18,459,408</u>	<u>\$ 38,012,653</u>	<u>\$ 59,945,963</u>	<u>\$ 67,598,945</u>	<u>\$ 78,413,140</u>	<u>\$ 61,350,527</u>

Randolph County, North Carolina

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Expenses										
Governmental activities:										
General government	\$ 9,658,952	\$ 10,268,489	\$ 10,239,377	\$ 10,938,321	\$ 10,719,797	\$ 11,408,279	\$ 12,392,010	\$ 12,764,121	\$ 13,283,521	\$ 14,659,014
Public safety	27,554,689	30,748,026	30,330,052	31,203,537	31,251,330	32,992,803	36,479,064	39,046,355	41,915,472	45,634,434
Economic and physical development	3,719,729	3,065,469	2,903,442	2,432,409	2,603,580	2,606,942	3,315,304	4,790,105	3,952,828	4,208,113
Environmental protection	3,243,343	3,095,907	3,675,802	3,018,066	2,502,467	2,803,629	1,876,121	408,519	473,992	471,946
Human services	26,062,932	26,488,827	26,731,438	27,064,585	26,559,230	26,814,736	27,947,152	23,670,890	24,806,520	26,835,752
Cultural and recreation	1,871,568	1,855,707	1,896,047	2,046,411	1,864,159	1,949,654	2,126,222	2,491,280	2,711,009	2,585,372
Education	27,791,600	31,645,266	32,322,420	27,880,435	28,960,820	30,446,684	29,800,444	33,753,555	39,308,013	67,055,642
Interest on long-term debt	5,752,302	5,389,410	4,680,205	3,973,067	3,402,566	3,069,251	2,804,942	2,566,957	2,788,294	4,128,628
Total governmental activities expenses	<u>105,655,115</u>	<u>112,557,101</u>	<u>112,778,783</u>	<u>108,556,831</u>	<u>107,863,949</u>	<u>112,091,978</u>	<u>116,741,259</u>	<u>119,491,782</u>	<u>129,239,649</u>	<u>165,578,901</u>
Business-type activities:										
Water	815,641	1,278,131	1,275,505	1,822,270	1,382,338	1,384,415	1,378,416	1,366,164	1,367,763	1,370,884
Total business-type activities expenses	<u>815,641</u>	<u>1,278,131</u>	<u>1,275,505</u>	<u>1,822,270</u>	<u>1,382,338</u>	<u>1,384,415</u>	<u>1,378,416</u>	<u>1,366,164</u>	<u>1,367,763</u>	<u>1,370,884</u>
Total primary government expenses	<u>106,470,756</u>	<u>113,835,232</u>	<u>114,054,288</u>	<u>110,379,101</u>	<u>109,246,287</u>	<u>113,476,393</u>	<u>118,119,675</u>	<u>120,857,946</u>	<u>130,607,412</u>	<u>166,949,785</u>
Program Revenues										
Governmental activities:										
General government	1,702,064	1,656,416	1,577,041	3,024,158	1,475,841	2,404,810	1,414,659	1,474,591	1,480,597	1,420,439
Public safety	6,641,396	6,620,399	6,622,709	6,419,975	7,327,785	6,941,796	9,626,773	8,208,498	8,516,372	8,579,876
Economic and physical development	1,094,676	458,787	1,895,152	61,722	409,334	211,988	435,720	1,062,798	835,936	652,121
Environmental protection	2,286,280	2,286,937	2,223,454	2,640,104	2,035,625	3,235,009	2,347,417	2,286,999	237,113	1,520,440
Human services	17,426,854	17,624,125	17,432,961	17,643,293	18,225,443	18,102,803	18,679,446	13,789,446	13,953,740	16,406,369
Cultural and recreation	415,625	379,432	385,769	518,847	358,998	509,495	393,621	601,034	543,925	567,360
Education	-	-	-	-	-	-	-	9,690	17,865	12,300
Interest on long-term debt	2,454,227	2,241,074	1,900,000	1,900,000	1,500,000	1,290,000	1,400,000	1,600,000	1,600,000	1,600,000
Total governmental activities program revenues	<u>32,021,122</u>	<u>31,267,170</u>	<u>32,037,086</u>	<u>32,208,099</u>	<u>31,333,026</u>	<u>32,695,901</u>	<u>34,297,636</u>	<u>29,033,056</u>	<u>27,185,548</u>	<u>30,758,905</u>
Business-type activities:										
Water	128,367	223,243	221,342	222,665	232,010	227,994	-	-	-	-
Total business-type program revenues	<u>128,367</u>	<u>223,243</u>	<u>221,342</u>	<u>222,665</u>	<u>232,010</u>	<u>227,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary governmental program revenues	<u>32,149,489</u>	<u>31,490,413</u>	<u>32,258,428</u>	<u>32,430,764</u>	<u>31,565,036</u>	<u>32,923,895</u>	<u>34,297,636</u>	<u>29,033,056</u>	<u>27,185,548</u>	<u>30,758,905</u>
Net (Expense)/Revenue										
Governmental activities	(73,633,993)	(81,289,931)	(80,741,697)	(76,348,732)	(76,530,923)	(79,396,077)	(82,443,623)	(90,458,726)	(102,054,101)	(134,819,996)
Business-type activities	(687,274)	(1,054,888)	(1,054,163)	(1,599,605)	(1,150,328)	(1,156,421)	(1,378,416)	(1,366,164)	(1,367,763)	(1,370,884)
Total primary government net (expense)/revenue	<u>\$ (74,321,267)</u>	<u>\$ (82,344,819)</u>	<u>\$ (81,795,860)</u>	<u>\$ (77,948,337)</u>	<u>\$ (77,681,251)</u>	<u>\$ (80,552,498)</u>	<u>\$ (83,822,039)</u>	<u>\$ (91,824,890)</u>	<u>\$ (103,421,864)</u>	<u>\$ (136,190,880)</u>

Randolph County, North Carolina

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 65,313,306	\$ 66,042,587	\$ 67,339,523	\$ 72,065,266	\$ 75,174,327	\$ 76,453,012	\$ 77,509,567	\$ 78,660,209	\$ 81,443,065	\$ 84,275,473
Local option sales tax	16,275,099	17,072,984	17,003,924	17,832,216	19,272,541	21,028,260	24,987,157	26,133,372	28,304,796	30,527,908
Other taxes and licenses	971,271	1,063,124	1,116,331	1,177,728	1,269,597	1,355,322	1,446,710	1,482,754	1,565,853	1,333,216
Investment earnings	247,383	129,890	54,476	222,395	73,372	227,502	355,074	850,283	1,876,880	2,172,415
Miscellaneous	779,343	668,341	726,016	1,339,227	731,808	1,041,241	1,126,174	1,173,536	1,026,946	809,200
	<u>83,586,402</u>	<u>84,976,926</u>	<u>86,240,270</u>	<u>92,636,832</u>	<u>96,521,645</u>	<u>100,105,337</u>	<u>105,424,682</u>	<u>108,300,154</u>	<u>114,217,540</u>	<u>119,118,212</u>
Business-type activities:										
Investment earnings	1,242	1,380	1,659	185	437	406	1,696	2,875	18,519	10,055
Total business-type activities	<u>1,242</u>	<u>1,380</u>	<u>1,659</u>	<u>185</u>	<u>437</u>	<u>406</u>	<u>1,696</u>	<u>2,875</u>	<u>18,519</u>	<u>10,055</u>
Total primary government	<u>83,587,644</u>	<u>84,978,306</u>	<u>86,241,929</u>	<u>92,637,017</u>	<u>96,522,082</u>	<u>100,105,743</u>	<u>105,426,378</u>	<u>108,303,029</u>	<u>114,236,059</u>	<u>119,128,267</u>
Transfers										
Transfers Out - Governmental activities	(2,000,000)	-	(1,500,000)	(1,521,787)	(1,526,300)	(1,558,795)	(1,800,000)	(1,826,500)	(1,854,500)	(1,859,000)
Transfers In - Business-type activities	2,000,000	-	1,500,000	1,521,787	1,526,300	1,558,795	1,800,000	1,826,500	1,854,500	1,859,000
Contributed capital - Governmental activities	-	-	-	-	-	(499,272)	-	-	-	-
Contributed capital - Business-type activities	-	-	-	-	-	499,272	-	-	-	-
Special Item										
Special item - sale of office building	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position										
Governmental activities	9,952,409	3,686,995	3,998,573	14,766,313	18,464,422	18,651,193	22,681,059	16,014,928	10,308,939	(17,560,784)
Business-type activities	<u>(686,032)</u>	<u>(1,053,508)</u>	<u>447,496</u>	<u>(77,633)</u>	<u>376,409</u>	<u>902,052</u>	<u>423,280</u>	<u>463,211</u>	<u>505,256</u>	<u>498,171</u>
Total primary government	<u>\$ 9,266,377</u>	<u>\$ 2,633,487</u>	<u>\$ 4,446,069</u>	<u>\$ 14,688,680</u>	<u>\$ 18,840,831</u>	<u>\$ 19,553,245</u>	<u>\$ 23,104,339</u>	<u>\$ 16,478,139</u>	<u>\$ 10,814,195</u>	<u>\$ (17,062,613)</u>

Explanatory Information:

Amounts for education include school construction costs included in capital projects.

Randolph County, North Carolina
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund										
Fund balances:										
Nonspendable:										
Prepaid items and notes receivable	\$ 12,023	\$ 5,325	\$ 19,198	\$ 21,198	\$ 39,775	\$ 304,653	\$ 248,080	\$ 173,917	\$ 212,162	\$ 108,511
Restricted:										
Stabilization by state statute	7,857,855	9,018,021	8,061,317	11,660,822	10,695,497	10,785,798	12,542,542	12,861,498	13,575,460	13,860,335
Register of Deeds	343,021	400,780	465,104	516,532	533,219	521,305	467,369	487,026	499,669	549,683
Law enforcement	459,557	595,747	343,907	521,228	716,540	332,642	1,014,381	1,034,698	240,744	333,138
Public Health services	1,342,077	1,301,806	851,422	631,447	531,984	617,725	767,317	920,561	932,020	1,105,595
Assigned:										
Subsequent year's expenditures	5,453,500	5,752,884	2,757,569	3,355,350	55,625	61,250	189,142	851,230	797,755	5,143,046
Economic Development	-	-	-	3,500,000	2,200,000	-	-	-	-	-
Capital improvements	-	-	-	-	-	4,332,571	9,643,331	2,563,004	3,738,125	6,086,071
Unassigned:	26,309,486	21,214,910	23,397,035	21,761,527	26,042,400	29,447,040	29,100,754	28,916,462	31,430,881	32,251,115
Total fund balances	<u>41,777,519</u>	<u>38,289,473</u>	<u>35,895,552</u>	<u>41,968,104</u>	<u>40,815,040</u>	<u>46,402,984</u>	<u>53,972,916</u>	<u>47,808,396</u>	<u>51,426,816</u>	<u>59,437,494</u>
Other Governmental Funds										
Fund balances:										
Restricted:										
Stabilization by state statute	3,014,206	1,642,434	67,305	625,478	773,517	816,578	1,079,161	1,642,480	1,218,260	1,375,652
Public safety	258,838	354,765	314,489	350,832	18,235	18,868	267,241	459,317	1,370,143	1,542,857
Library services	84,967	85,110	81,927	68,874	67,259	182,918	180,215	222,855	218,406	197,137
Community development	-	-	-	-	-	-	-	-	-	-
Capital improvements	-	-	-	-	-	8,146,143	498,403	-	16,279,942	41,359,713
Committed:										
Solid waste management	1,523,759	540,147	220,503	313,144	255,177	1,099,464	1,189,750	1,342,615	1,321,878	1,328,598
Economic /community development	1,212,383	1,092,534	945,570	819,743	4,429,732	765,018	1,230,797	1,062,551	1,484,620	1,351,790
Human services	-	-	-	-	-	-	402,800	365,924	217,657	274,462
Community college capital projects	1,332,144	1,378,077	-	571,366	2,735,023	3,726,477	6,393,648	7,509,541	10,203,230	3,415,845
Capital improvements	399,345	207,635	2,121,454	1,782,899	415,774	1,327,586	1,889,228	9,690,691	6,791,019	12,899,136
Water improvements	-	115,557	119,020	117,078	120,597	105,942	86,334	92,037	102,138	107,868
Unassigned	(565,525)	-	(38)	-	-	-	-	-	-	-
Total fund balances	<u>7,260,117</u>	<u>5,416,259</u>	<u>3,870,230</u>	<u>4,649,414</u>	<u>8,815,314</u>	<u>16,188,994</u>	<u>13,217,577</u>	<u>22,388,011</u>	<u>39,207,293</u>	<u>63,853,058</u>
Total governmental funds	<u>\$ 49,037,636</u>	<u>\$ 43,705,732</u>	<u>\$ 39,765,782</u>	<u>\$ 46,617,518</u>	<u>\$ 49,630,354</u>	<u>\$ 62,591,978</u>	<u>\$ 67,190,493</u>	<u>\$ 70,196,407</u>	<u>\$ 90,634,109</u>	<u>\$ 123,290,552</u>

Randolph County, North Carolina
Changes in Fund Balances, Governmental Funds

Schedule 4

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes:										
Property	\$ 65,093,600	\$ 66,630,619	\$ 67,373,433	\$ 72,958,126	\$ 75,434,789	\$ 76,453,643	\$ 77,670,293	\$ 78,493,157	\$ 81,431,978	\$ 83,991,632
Sales	16,275,099	17,072,984	17,003,924	17,832,216	19,272,541	21,028,260	24,987,157	26,133,372	28,304,795	30,527,908
Other	1,212,604	1,301,121	1,364,727	1,400,353	1,639,355	1,745,307	1,875,983	1,952,813	2,012,133	1,877,844
Total taxes	82,581,303	85,004,724	85,742,084	92,190,695	96,346,685	99,227,210	104,533,433	106,579,342	111,748,906	116,397,384
Intergovernmental:										
Unrestricted	452,515	418,020	408,389	402,331	402,916	387,650	385,229	373,222	351,213	339,736
Restricted	22,289,811	20,837,878	21,738,053	19,957,284	20,762,993	19,574,864	22,399,922	16,694,044	16,709,769	18,972,057
Permits and Fees	943,476	922,020	999,044	977,555	1,079,217	1,119,138	1,274,878	1,311,334	1,288,324	1,546,443
Charges for Services	8,427,582	9,216,334	9,184,525	10,485,683	9,137,173	10,544,821	9,048,191	8,427,057	8,313,648	8,733,981
Investment earnings	245,927	161,225	80,695	252,586	94,847	153,965	357,920	876,370	1,898,285	2,159,133
Miscellaneous	486,607	484,093	355,237	1,600,095	393,711	1,763,397	2,344,784	3,115,131	925,736	1,861,792
Total Revenues	115,427,221	117,044,294	118,508,027	125,866,229	128,217,542	132,771,045	140,344,357	137,376,500	141,235,881	150,010,526
Expenditures										
General Government	9,038,994	9,225,966	9,363,286	9,862,298	10,544,384	10,654,487	14,968,154	12,425,840	12,104,663	12,966,858
Public Safety	27,509,938	31,034,208	30,787,487	30,502,710	32,303,856	33,620,197	37,153,805	38,043,919	40,798,730	43,172,864
Economic Development	3,712,861	3,038,062	2,814,055	2,420,704	2,622,866	2,600,193	3,060,298	4,771,875	3,941,859	4,119,512
Environmental Protection	3,371,455	3,514,879	4,228,404	3,303,708	2,480,162	2,843,498	1,698,301	209,651	296,239	509,018
Human Services	26,023,330	26,203,729	26,527,286	26,669,281	26,726,065	26,774,601	27,511,014	23,360,381	24,212,335	25,386,747
Culture and Recreation	1,858,888	1,812,140	1,839,981	2,035,093	1,881,115	1,929,647	2,038,373	2,426,890	2,599,260	2,409,894
Education	27,522,299	27,616,490	27,592,041	27,592,041	28,861,995	28,921,400	29,675,900	31,048,946	31,369,942	32,910,792
Capital Outlay	1,389,240	4,392,012	5,022,754	342,596	4,541,350	10,048,688	7,834,938	8,813,646	11,644,414	48,714,278
Debt Service:										
Principal	9,844,006	10,373,059	10,475,631	11,228,919	11,201,431	8,989,711	9,475,786	8,937,145	8,535,982	8,415,982
Interest and Fees	5,501,140	5,165,653	5,279,714	3,535,356	3,341,449	2,868,204	2,854,376	2,505,793	2,896,859	4,815,361
Total Expenditures	115,772,151	122,376,198	123,930,639	117,492,706	124,504,673	129,250,626	136,270,945	132,544,086	138,400,283	183,421,306
Excess of revenues over (under) expenditures	(344,930)	(5,331,904)	(5,422,612)	8,373,523	3,712,869	3,520,419	4,073,412	4,832,414	2,835,598	(33,410,780)

Randolph County, North Carolina
Changes in Fund Balances, Governmental Funds

Schedule 4

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Other Financing Sources (Uses)										
Transfers in	5,307,244	4,201,925	1,499,952	1,304,565	9,313,438	5,635,282	3,182,868	17,105,297	9,664,541	4,813,469
Transfers out	(7,307,244)	(4,201,925)	(2,999,952)	(2,826,352)	(10,839,738)	(7,194,077)	(4,982,868)	(18,931,797)	(11,519,041)	(6,672,469)
Debt issued	-	-	2,411,635	-	826,267	11,000,000	-	-	17,235,000	56,080,000
Capital lease	-	-	-	-	-	-	825,103	-	211,450	-
Premium on issued debt	-	-	7,649,969	-	-	-	-	-	2,010,154	11,846,223
Refunding debt issued	-	-	68,060,000	-	-	-	-	-	-	-
Payment to refunding escrow agent	-	-	(75,138,942)	-	-	-	-	-	-	-
Total other financing sources (uses)	(2,000,000)	-	1,482,662	(1,521,787)	(700,033)	9,441,205	(974,897)	(1,826,500)	17,602,104	66,067,223
Special Items							1,500,000			
Net change in fund balances	\$ (2,344,930)	\$ (5,331,904)	\$ (3,939,950)	\$ 6,851,736	\$ 3,012,836	\$ 12,961,624	\$ 4,598,515	\$ 3,005,914	\$ 20,437,702	\$ 32,656,443
Debt service as a percentage of noncapital expenditures	13.57%	13.01%	13.07%	12.75%	11.98%	9.57%	10.14%	9.00%	8.68%	7.97%

Randolph County, North Carolina
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property	Public Service Companies (2)	Total Taxable Assessed Value	Total Direct Tax Rate (3)	Estimated Actual Taxable Value (4)
	Full Value	Present-use Value (1)					
2011	7,894,683,809	125,884,955	1,930,083,994	248,750,002	10,199,402,760	0.5860	10,406,746,146
2012	7,929,219,307	128,179,711	1,941,060,589	247,184,679	10,245,644,286	0.5860	9,853,927,903
2013	7,892,506,293	137,791,756	2,054,579,885	256,231,298	10,341,109,232	0.5860	9,992,366,615
2014	7,948,710,440	140,623,282	2,393,334,884	252,279,849	10,734,948,455	0.6100	10,900,036,898
2015 (5)	7,980,394,930	145,866,587	2,013,473,363	257,901,896	10,397,636,776	0.6550	10,753,017,590
2016	7,861,317,507	148,041,821	2,232,664,032	286,139,812	10,528,163,172	0.6550	10,976,416,651
2017	7,881,740,380	149,529,964	2,383,219,959	280,314,228	10,694,804,531	0.6525	11,339,423,075
2018	7,912,533,850	150,854,904	2,397,838,197	292,691,811	10,753,918,762	0.6525	11,632,959,590
2019	8,000,066,310	152,328,198	2,652,165,689	297,692,867	11,102,253,064	0.6525	11,507,904,439
2020	8,689,610,948	166,866,660	2,646,826,579	311,215,868	11,814,520,055	0.6327	13,292,322,036

Source: Annual County Report of Valuation and Property Tax Levies

Randolph County, North Carolina
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Notes:

- (1) Present use value property is agricultural, horticultural and forestland for which the owner has applied for the property to be taxed at its present use. The difference in taxes on the present use basis and the taxes that would have been payable are a lien on the property and are deferred. The taxes become due if the property ceases to qualify for present use value. The preceding three fiscal years taxes are then required to be paid.
- (2) Public service companies valuations are provided to the County by the North Carolina Department of Revenue. These amounts include both real and personal property.
- (3) Per \$100 of value.
- (4) The estimated market value for real property is calculated by dividing the assessed value by an assessment-to-sales ratio determined by the State Department of Revenue. The ratio is based on actual property sales which took place during the fiscal year. The actual ratio for the most recent year is not yet available; an estimated ratio has been provided by the Randolph County Tax Department. Personal property is valued annually.
- (5) Property in Randolph County is revalued every six years. Due to a one year delay, the last reassessment was on January 1, 2014 and was the basis for fiscal 2015 taxes.

Randolph County, North Carolina
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed property value)

	2011	2012	2013	2014	2015 (1)	2016	2017	2018	2019	2020
Randolph County (2)	\$ 0.5860	\$ 0.5860	\$ 0.5860	\$ 0.6100	\$ 0.6550	\$ 0.6550	\$ 0.6525	\$ 0.6525	\$ 0.6525	\$ 0.6327
Municipalities:										
City of Archdale	0.2900	0.2900	0.2900	0.2900	0.2900	0.2900	0.2900	0.2900	0.2900	0.2900
City of Asheboro	0.5500	0.5500	0.5500	0.5500	0.6300	0.6650	0.6650	0.6650	0.6700	0.6700
Town of Franklinville	0.4200	0.4200	0.4200	0.4200	0.4200	0.4200	0.4550	0.4550	0.4550	0.4550
City of High Point	0.6330	0.6620	0.6750	0.6750	0.6640	0.6500	0.6475	0.6475	0.6475	0.6475
Town of Liberty	0.5125	0.5125	0.5125	0.5125	0.5400	0.5400	0.5400	0.6400	0.6400	0.6400
Town of Ramseur	0.5800	0.5800	0.6100	0.6100	0.6500	0.6700	0.6700	0.6700	0.6700	0.6700
City of Randleman	0.5800	0.5800	0.5800	0.5800	0.6300	0.6300	0.6300	0.6300	0.6300	0.6300
Town of Seagrove	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4100	0.4400
Town of Staley	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250
City of Thomasville	0.5600	0.5600	0.5600	0.5600	0.5600	0.5600	0.5600	0.6000	0.6000	0.6000
City of Trinity	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
School Districts:										
Asheboro School District	0.1385	0.1385	0.1385	0.1385	0.1500	0.1500	0.1500	0.1500	0.1500	0.1439
Archdale/Trinity School District	0.0900	0.0900	0.0900	0.0900	0.0954	0.0954	0.0954	0.0954	0.0954	0.0922

Randolph County, North Carolina
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed property value)

	2011	2012	2013	2014	2015 (1)	2016	2017	2018	2019	2020
Fire Protection Districts:										
Fairgrove	\$ 0.0650	\$ 0.0650	\$ 0.0800	\$ 0.0800	\$ 0.0883	\$ 0.0883	\$ 0.0883	\$ 0.1083	\$ 0.1083	\$ 0.1020
Guil-Rand	0.1000	0.1000	0.1200	-	-	-	-	-	-	-
Climax	0.1000	0.1000	0.1200	-	-	-	-	-	-	-
Julian	0.1000	0.1000	0.1000	0.1000	0.1000	0.1100	0.1100	0.1250	0.1350	0.1350
Westside	0.0900	0.0900	0.1000	0.1000	0.1033	0.1100	0.1200	0.1200	0.1300	0.1300
Eastside	0.0800	0.0800	0.0900	0.0900	0.1100	0.1100	0.1100	0.1100	0.1350	0.1350
Level Cross	0.1000	0.1000	0.1000	0.1100	0.1100	0.1200	-	-	-	-
Ulah	0.0610	0.0610	0.0610	0.0610	0.0610	0.0700	-	-	-	-
Seagrove	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	-	-	-	-
Staley	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	-	-	-	-
Randleman (4)	0.1000	0.1000	0.1000	0.1000	-	-	-	-	-	-
Tabernacle	0.1000	0.1000	0.1000	0.1000	0.1054	0.1054	0.1054	0.1054	0.1300	0.1225
Northeast	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	-	-	-	-
Sophia (4)	0.1000	0.1000	0.1000	0.1000	-	-	-	-	-	-
Coleridge-Erect	0.0730	0.0730	0.0730	0.0730	0.0740	0.0740	0.0740	0.0740	0.0740	0.0740
Franklinville	0.0850	0.0850	0.1000	0.1000	0.1000	0.1000	0.1200	0.1200	0.1200	0.1200
Bennett	0.0700	0.0700	0.0700	0.0800	0.0800	0.0800	0.0900	0.0900	0.0900	0.0900
Farmer	0.0750	0.0750	0.0750	0.0750	0.0769	0.0769	0.0900	0.0900	0.0900	0.0917
Southwest	0.1000	0.1000	0.1000	0.1000	0.1200	0.1200	-	-	-	-
Fire Service Districts: (3)										
Climax	-	-	-	0.1200	0.1244	0.1244	0.1244	0.1500	0.1500	0.1500
Guil-Rand	-	-	-	0.1200	0.1262	0.1262	0.1262	0.1262	0.1500	0.1430
Randleman-Sophia (4)	-	-	-	-	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200
Level Cross							0.1200	0.1200	0.1500	0.1500
Northeast							0.1200	0.1200	0.1200	0.1200
Seagrove							0.1000	0.1000	0.1000	0.1200
Southwest							0.1200	0.1200	0.1200	0.1200
Staley							0.1000	0.1000	0.1000	0.1000
Ulah (5)							0.0700	0.0900	0.0900	0.0900

Notes: (1) Real property was revalued on January 1, 2007 and 2014

(2) Randolph County has no components within the general tax rate.

(3) Fire Service Districts were created in the 2013-2014 fiscal year, which replace the fire protection districts.

(4) Randleman and Sophia Rural Fire Protection Districts merged effective July 1, 2014.

Randolph County, North Carolina
Principal Property Tax Payers,
Current Year and Nine Years Ago

Taxpayer	Type of Business	Fiscal Year 2020			Fiscal Year 2011		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Post Brands/Malt-O-Meal Company	Cereal Foods Production	\$ 151,398,044	1	1.28%	\$ 111,344,306	1	1.09%
Energizer Battery	Battery Manufacturing	108,950,676	2	0.92%	106,814,506	2	1.05%
Technimark	Plastic Manufacturer	101,704,493	3	0.86%			
Duke Energy/Progress Energy	Public Electric Company	86,127,478	4	0.73%			0.00%
Duke Energy Carolinas LLC	Public Electric Company	72,627,418	5	0.61%	44,447,640	10	0.44%
Randolph Electric Membership	Membership Electric Company	56,021,120	6	0.47%	50,022,820	8	0.49%
Dart Container	Foam and Plastic Manufacturer	54,739,538	7	0.46%	50,733,972	7	0.50%
StarPet, Inc.	Plastic Manufacturer	42,144,217	8	0.36%	62,302,040	3	0.61%
Timken Company	Bearings Manufacturing	38,951,337	9	0.33%	53,190,953	6	0.52%
Klaussner Furniture Industries	Furniture Manufacturing	34,705,263	10	0.29%	48,559,883	9	0.48%
Schwarz Properties	Real estate holding compnay				58,188,983	5	0.57%
Progress Energy / C P & L	Public Electric Company				61,073,895	4	
Totals		<u>\$ 747,369,584</u>		6.31%	<u>\$ 646,678,998</u>		5.75%

Source: Randolph County Tax Department

**Randolph County, North Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2011	59,749,141		59,749,141	58,211,033	97.43%	1,428,604	59,639,637	99.82%
2012	60,130,508		60,130,508	58,926,395	98.00%	1,131,213	60,057,608	99.88%
2013	60,717,509		60,717,509	59,539,017	98.06%	1,097,977	60,636,994	99.87%
2014	65,489,995		65,489,995	64,731,184	98.84%	684,798	65,415,982	99.89%
2015	68,001,196		68,001,196	67,551,262	99.34%	401,506	67,952,768	99.93%
2016	69,083,604		69,083,604	68,678,677	99.41%	343,656	69,022,333	99.91%
2017	70,062,859		70,062,859	69,666,820	99.43%	312,937	69,979,757	99.88%
2018	70,431,715		70,431,715	70,064,727	99.48%	267,218	70,331,945	99.86%
2019	72,446,626		72,446,626	72,001,397	99.39%	243,371	72,244,768	99.72%
2020	74,814,257		74,814,257	74,124,124	99.08%	-	74,124,124	99.08%

Source: Randolph County Tax Department

Randolph County, North Carolina
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-type Activities	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Installment Agreements	Premiums on bonds	Capital Lease	Note Payable	Contract Payable			
2011	\$ -	\$ 116,077,367	\$ 1,957,781	\$ -	\$ 430,220	\$ 13,252,752	\$131,718,120	3.16%	\$ 928
2012	-	105,747,330	1,644,654	-	387,198	13,666,837	121,446,019	2.74%	852
2013	-	98,801,355	8,997,785	-	344,176	12,901,262	121,044,578	2.73%	850
2014	-	87,615,458	7,985,055	-	301,154	12,223,498	108,125,165	2.31%	759
2015	-	77,283,316	6,899,846	-	258,132	11,526,969	95,968,263	1.98%	671
2016	-	79,336,627	5,870,443	-	215,110	10,811,152	96,233,332	1.97%	670
2017	-	69,903,863	4,885,949	788,518	172,088	10,075,515	85,825,933	1.67%	599
2018	-	61,009,740	3,978,493	636,824	129,066	9,319,510	75,073,633	1.41%	515
2019	-	69,751,780	5,070,569	687,638	86,044	8,542,572	84,138,603	1.59%	584
2020	-	117,458,820	15,372,531	411,808	43,022	7,744,120	141,030,301	2.66%	967

(1) See Schedule 13 for personal income and population data.

Note: Percentages for 2019 and 2020 were calculated using the personal income amounts for 2018, the last year data is available.

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Randolph County, North Carolina
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding		Percentage of Actual Taxable Value of Property(2)	Per Capita(1)
	General Obligation Bonds	Percentage of Personal Income(1)		
2011	\$ -	0.00%	0.00%	\$ -
2012	-	0.00%	0.00%	-
2013	-	0.00%	0.00%	-
2014	-	0.00%	0.00%	-
2015	-	0.00%	0.00%	-
2016	-	0.00%	0.00%	-
2017	-	0.00%	0.00%	-
2018	-	0.00%	0.00%	-
2019	-	0.00%	0.00%	-
2020	-	0.00%	0.00%	-

Notes: Details regarding the County's outstanding debt can be found in the Notes to the Financial Statements.

(1) See Schedule 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

(2) See Schedule 5 for property value data.

Randolph County, North Carolina
Legal Debt Margin Information,
Last Ten Fiscal Years

	Assessed Value of Property	Debt Limit, 8% of Assessed Value (Statutory Limitation)	Amount of Debt Applicable to Limit Gross debt	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2011	\$ 10,199,402,760	\$ 815,952,221	\$ 131,718,120	\$ 684,234,101	16.14%
2012	10,245,644,286	819,651,543	121,446,019	698,205,524	14.82%
2013	10,341,109,232	827,288,739	121,044,578	706,244,161	14.63%
2014	10,734,948,455	858,795,876	108,125,165	750,670,711	12.59%
2015	10,397,636,776	831,810,942	95,968,263	735,842,679	11.54%
2016	10,528,163,172	842,253,054	96,233,332	746,019,722	11.43%
2017	10,694,804,531	855,584,362	80,939,984	774,644,378	9.46%
2018	10,753,918,762	860,313,513	71,095,140	789,218,373	8.26%
2019	11,102,253,064	888,180,245	79,088,967	809,091,278	8.90%
2020	11,814,520,055	945,161,604	125,657,770	819,503,834	13.29%

Note: NC General Statute §159-55 limits the County's outstanding debt to 8% of the appraised value of property subject to taxation. The legal debt margin is the difference between the debt limit and the County's net debt outstanding applicable to the limit, and represents the County's legal borrowing authority.

Randolph County, North Carolina
Direct and Overlapping Governmental Activities Debt
As of June 30, 2020

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable *</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Municipalities:			
City of Archdale	\$ -	97.3%	\$ -
City of Asheboro	-	100%	-
Town of Liberty	251,770	100%	251,770
Town of Ramseur	210,547	100%	210,547
City of Randleman	390,000	100%	<u>390,000</u>
Subtotal - Overlapping debt			852,317
Total direct debt of Randolph County			<u>133,286,181</u>
Total direct and overlapping debt			<u><u>\$ 134,138,498</u></u>

Sources: Assessed value data used to estimate applicable percentages was provided by the Randolph County Tax Department. Debt outstanding data was provided by the N.C. Local Government Commission.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of Randolph County. The process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

* The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value within the County's boundaries and dividing it by each unit's total taxable assessed value.

**Randolph County, North Carolina
Demographic and Economic Statistics
Last Ten Fiscal Years**

Year	Population (1)	Personal Income (2) (thousands of dollars)	Per Capita Personal Income (2)	Public School Enrollment (3)	Unemployment Rate (4)
2011	141,970	4,172,165	29,409	23,244	10.20%
2012	142,472	4,434,827	31,160	23,189	9.70%
2013	142,457	4,429,626	31,134	22,893	9.52%
2014	142,489	4,683,134	32,877	22,916	6.70%
2015	143,079	4,847,157	34,002	22,948	5.65%
2016	143,711	4,891,954	34,110	22,247	4.90%
2017	143,239	5,140,551	35,910	22,302	4.40%
2018	145,633	5,306,487	37,017	21,256	4.00%
2019	144,125	N/A	N/A	20,341	4.40%
2020	145,807	N/A	N/A	20,149	8.70%

Sources:

(1) N.C. State Data Center.

(2) Bureau of Economic Analysis, U. S. Department of Commerce.

(3) N.C. Department of Public Instruction, First Month Average Daily Membership.

(4) N. C. Department of Commerce, Division of Employment Security.

**Randolph County, North Carolina
Principal Employers,
Current Year and Nine Years Ago**

		2020			2011		
		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Randolph County Schools	Education	2,169	1	3.71%	2,621	1	3.61%
Technimark	Manufacturing	1,500	2	2.57%	650	10	0.90%
Klaussner Furniture Industries	Manufacturing	1,202	3	2.06%	927	3	
Randolph Health	Health Services	1,000	4	1.71%	1,224	2	1.69%
Hughes Furniture Industries	Manufacturing	834	5	1.43%	752	6	
NC Zoological Park and Society	Tourism	750	6	1.28%			
Randolph County	Government	734	7	1.26%	752	5	1.04%
Asheboro City Schools	Education	637	8	1.09%	670	9	0.92%
Dart Container	Manufacturing	446	9	0.76%			
Energizer Battery	Manufacturing	405	10	0.69%	734	7	1.01%
Wal-Mart	Retail Sales				690	8	0.95%
Teleflex/Arrow International Inc	Manufacturing				774	4	1.07%

Source:
Randolph County Economic Development Corporation

Randolph County, North Carolina
County Government Employees by Function
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government	95.0	95.0	95.0	95.0	95.0	101.0	104.0	104.0	103.0	103.0
Public safety										
Sheriff and jail	237.0	241.0	243.0	243.0	243.0	244.0	250.0	249.0	257.0	285.0
Other public safety	96.0	98.0	98.0	97.0	116.0	123.0	126.0	125.0	129.0	166.0
Economic and physical development	20.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0
Environmental protection	5.0	5.0	6.0	6.0	5.0	5.0	5.0	1.0	1.0	1.0
Human Services:										
Health	95.0	92.0	94.0	94.0	94.0	94.0	94.0	94.0	93.0	81.0
Social services	155.0	160.0	160.0	160.0	177.0	179.0	179.0	179.0	184.0	193.0
Other human services (1)	15.0	15.0	15.0	14.0	15.0	15.0	16.0	16.0	16.0	18.0
Cultural and recreation	34.0	33.0	32.0	32.0	32.0	32.0	32.0	32.0	36.0	36.0
Total	<u>752.0</u>	<u>761.0</u>	<u>765.0</u>	<u>763.0</u>	<u>799.0</u>	<u>815.0</u>	<u>828.0</u>	<u>822.0</u>	<u>841.0</u>	<u>905.0</u>

Source: County Finance Department

Note: This schedule represents number of positions authorized by the Board of Commissioners as of June 30 of each year.

(1) Due to state legislation, Child Support Enforcement became a County department effective July 1, 2010.

Randolph County, North Carolina
Operating Indicators By Function
Last Ten Fiscal Years

Function Department	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>General Government</u>										
Tax Department										
Number of tax parcels	78,369	78,290	78,156	78,153	78,040	78,230	78,368	78,481	78,815	79,168
Register of Deeds										
Number of documents filed	20,106	19,218	21,236	18,853	18,198	19,489	20,022	19,011	17,759	19,848
<u>Public Safety</u>										
Emergency Services										
Number of ambulance transports	9,474	13,085	14,461	14,956	15,211	15,550	14,538	17,689	15,098	13,576
Number of incoming 9-1-1 calls	101,847	103,461	104,121	94,063	92,639	92,950	91,698	93,034	93,567	95,613
Building Inspections										
Construction permits issued	(1) 661	660	580	573	588	655	871	743	897	1,479
Number of building inspections	8,409	7,926	9,014	9,772	10,082	10,974	13,347	14,732	14,822	13,729
<u>Environmental Protection</u>										
Public Works	(2)									
Tons of solid waste received at transfer station	44,360	39,854	37,869	34,493	26,873	44,574	24,024	N/A	N/A	N/A
Tons of tires recycled	1,322	1,167	1,544	1,013	2,401	739	1,353	N/A	N/A	N/A
Tons of white goods recycled	27	26	35	65	75	189	98	N/A	N/A	N/A
<u>Human Services</u>										
Public Health										
Number of vaccinations	3,932	4,242	4,853	2,435	2,081	1,968	2,459	2,400	2,261	2,461
Social Services										
Average number of Medicaid recipients	19,292	19,871	20,352	20,685	27,880	26,055	25,656	25,951	20,871	24,833
Average number of Food Stamp recipients	10,178	11,476	11,761	11,665	11,366	11,637	9,999	9,615	9,002	8,878
<u>Cultural and Recreational</u>										
Public Library										
Circulation	358,614	362,801	372,320	373,448	382,834	376,545	362,231	361,535	376,727	280,504
Patron registrations	72,741	76,552	82,792	83,420	86,877	87,077	105,905	110,498	117,561	109,052

Source: Individual County Departments

Notes:

(1) Including permits issued by the City of Asheboro Inspection Department

(2) Public Works closed its transfer station in January 2017.

Randolph County, North Carolina
Capital Asset Statistics By Function
Last Ten Fiscal Years

Function Department	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>General Government</u>										
Public Buildings										
Total square footage	467,618	467,618	467,618	467,618	467,618	516,030	564,982	664,466	671,878	672,924
<u>Public Safety</u>										
Sheriff & Jail										
Jail capacity	196	196	212	215	215	215	215	215	212	211
Emergency Services										
Number of ambulance bases	5	6	6	6	7	8	8	8	8	8
Number of ambulances stationed	7	7	7	7	8	9	9	9	9	9

Source: Individual County Departments