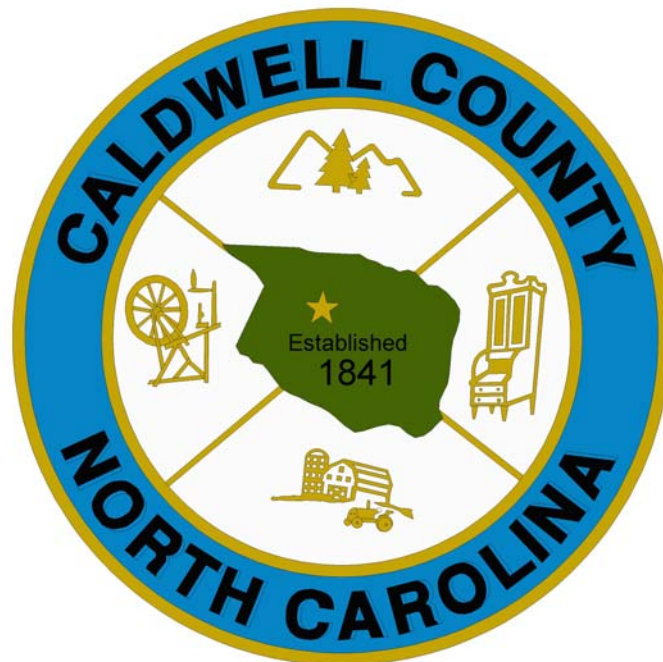


COUNTY OF CALDWELL NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021



CALDWELL COUNTY, NORTH CAROLINA

Annual Comprehensive Financial Report

**For the Year Ended
June 30, 2021**

**Prepared by
Finance Department**



CALDWELL COUNTY, NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2021

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CALDWELL COUNTY, NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2021

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INTRODUCTORY SECTION





CALDWELL COUNTY
P. O. BOX 2200
LENOIR NC 28645

LETTER OF TRANSMITTAL

November 19, 2021

The Board of Commissioners
County of Caldwell
Lenoir, North Carolina

State law requires that all general-purpose 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 annual comprehensive financial report of Caldwell County for the fiscal year ended June 30, 2021.

This report consists of management's representations concerning the finances of Caldwell County. Consequently, 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 Caldwell 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 Caldwell County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Caldwell 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. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Caldwell County's financial statements have been audited by Martin Starnes & Associates, CPA's, PA, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Caldwell County for the fiscal year ended June 30, 2021, 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 Caldwell County's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Caldwell County was a part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal 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 awards. These reports are available in Caldwell County’s Single Audit 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. Caldwell County’s MD&A can be found immediately following the report of the independent auditors.

Description of the County

Caldwell County is located in scenic western North Carolina, approximately 70 miles northwest of Charlotte, 85 miles southwest of Winston-Salem and 90 miles northeast of Asheville. The altitude of the County ranges from 900 to 5,964 feet above sea level with topography ranging from rolling foothills to high-forested mountains. It has a land area of 471 square miles and an estimated population of 79,594. There are ten incorporated municipalities in Caldwell County. The City of Lenoir and the towns of Cahah’s Mountain, Gamewell, Granite Falls, Hudson, Sawmills, and the Village of Cedar Rock are entirely within the County and the City of Hickory and the towns of Blowing Rock and Rhodhiss are partially within the County. The City of Lenoir is the largest municipality and serves as the county seat.

Caldwell County, carved from the counties of Burke and Wilkes, was actually formed in January 1841, several weeks after the bill was introduced in the legislature. The bill to establish the county was rejected in 1839 because a faction within the state legislature wished to form two Democratic counties instead of one Whig county. The bill was reintroduced by Representative Elisha P. Miller on November 19, 1840. The bill of 1840 proposed to establish a county from Burke and Wilkes to be named Boone. It was first read and rejected on December 5, 1840. It was

read a second time and passed by the casting vote of the Speaker, Robert B. Gilliam on December 14, 1840. There was some confusion over the selection of the name, however, but when Charles Manley, Clerk of the House, suggested to Representative Miller that the county be named for Dr. Joseph Caldwell, former President of the University of North Carolina and advocator of a public school system and a railroad system stretching from Morehead City through the questioned county to Tennessee, the bill was ratified and signed on January 11, 1841.

The County utilizes the commission/manager form of government. The five-member Board of Commissioners is elected at large on a partisan basis for staggered four-year terms of office. The Board represents the citizens by setting policy and a County manager hired by the Board administers the day-to-day business of government and carries out the policies of the Board.

The County provides its citizens with a wide range of services that include law enforcement, emergency medical services, register of deeds, water, animal control, upkeep of the courthouse and other public buildings, solid waste disposal, public libraries, cultural and recreational activities, health services, social services, general administration and others. This report includes all the County's activities in maintaining these services. The County also provides financial support to certain boards, agencies and commissions to assist their efforts in serving citizens. Among these are the Caldwell County Board of Education, Caldwell Community College, the Caldwell County Economic Development Commission, Foothills Area Programs, and the Western Piedmont Council of Governments.

Economic Conditions and Outlook

The local economy is in good shape. The county's sales tax collections are running ahead of last year's pace. Property tax collections so far, this fiscal year have been strong and are ahead of last year's pace. The local housing market is doing very well and average home prices have risen significantly. Many local employers are advertising open positions.

Financial Information

The North Carolina Local Government Budget and Fiscal Control Act requires that all money expended by a unit of local government be budgeted. Because of this requirement, the budget is an integral part of a city or county's accounting system and daily operations. The annual budget, together with the various project budgets, forms an operating plan in addition to setting spending limits. For Caldwell County, annual budgets are adopted for the General Fund, some Special Revenue Funds, and Enterprise Operating Fund. Multiyear project budgets are adopted for some Special Revenue Funds, Capital Project Funds and Enterprise Capital Project Funds. Appropriations in the General Fund are made at the department level, and Enterprise and Special Revenue appropriations are made at the fund level. Capital Project appropriations are made at the object level. For internal accounting purposes, budgetary control is maintained at the line item account level. Purchase orders within any line item are not issued until additional appropriations are made available through budget amendments or transfers. County department heads may make transfers of appropriations within a fund as long as total fund appropriations are not changed. The Board of Commissioners must approve budget amendments that change total fund appropriations or transfer appropriations between funds. Encumbrances outstanding at June 30, 2021, have been reported as reservations of fund balance.

Financial Policies

The county's financial policy for the fiscal year covered in this report focused on maximizing revenues and minimizing expenditures. The county has made every effort to spend only when absolutely necessary and to maximize other controllable revenue sources. The county has been able to reduce its outstanding debt over the past few years.

Long Term Financial Planning

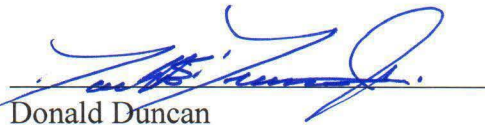
The county continues to monitor its existing debt and look for savings opportunities. The long-held goals of building a new Granite Falls Middle School and a new Animal Shelter are now coming to fruition as both projects are now under construction. Granite Falls Middle is approximately 75% complete. The county broke ground for the new Animal Shelter during the summer and work is underway.

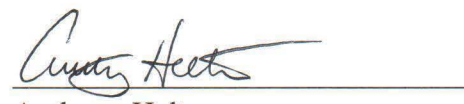
Other Information

North Carolina state law (G.S. 159-34) requires the county to have an annual independent financial audit. A compliance audit of federal and state financial assistance programs is also required under the federal Single Audit Act of 1984 and the State Single Audit Implementation Act. The firm of Martin Starnes & Associates, CPA's, PA, performed both of these audits. The audit contract was awarded to this firm based on their qualifications. The auditor's report on the Basic Financial Statements is included in the Financial Section of this report.

Preparation of this report would not have been possible without the dedicated efforts of the entire staff of the Finance Department and support from the Caldwell County Board of Commissioners.

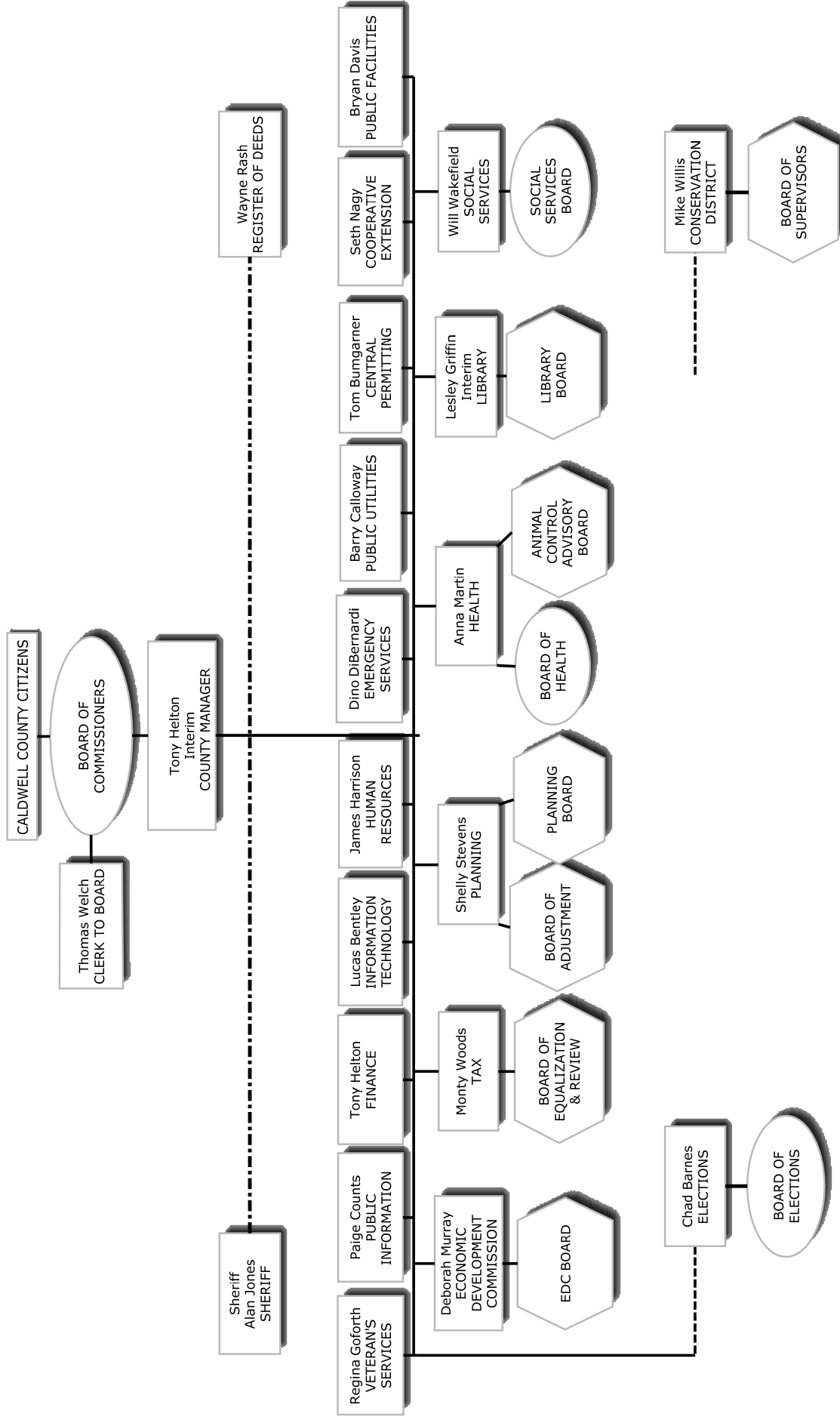
Respectfully submitted,



Donald Duncan
County Manager

Anthony Helton
Finance Officer

CALDWELL COUNTY GOVERNMENT ORGANIZATIONAL CHART



LEDGEND:

BUDGETARY CONTROL AND ADMINISTRATIVE COORDINATION ---

ADMINISTRATIVE AND BUDGETARY CONTROL _____

POLICY MAKING BOARDS

REG. CO. OPERATING DEPTS. OR STAFF UNITS

ADVISORY BOARDS

CALDWELL COUNTY, NORTH CAROLINA

Principal Officials

June 30, 2021

Board of Commissioners

Randy T. Church, Chairman

Mike LaBrose, Vice-Chairman

Jeff Branch, Commissioner

Donnie Potter, Commissioner

Robbie Wilkie, Commissioner

Other County Officials

Donald Duncan, County Manager

Tony Helton, Finance Director

Thomas Welch, Clerk to the Board

Alan C. Jones, Sheriff

Wayne Rash, Register of Deeds

Will Wakefield, DSS Director

Anna Martin, Health Director

Monty Woods, Tax Administrator

Jimmy Harrison, Human Resources Director

Leslie Griffin, Library Director

Chad Barnes, Director of Elections

Barry Calloway, Public Utilities Supervisor

Bryan Davis, Facilities Supervisor

Tom Bumgarner, Central Permitting Supervisor

Shelley Stevens, Planning Director

Regina Goforth, Veterans Services Director

Dino Dibernardi, Emergency Services Director

Kevin Brown, Fire Marshal

Vic Misenheimer, Emergency Management Director

Lucas Bentley, Information Technology Director

Seth Nagy, Cooperative Extension Director

FINANCIAL SECTION



MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

Independent Auditor's Report

To the Board of Commissioners
Caldwell County
Lenoir, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Caldwell County, North Carolina, as of and for the year ended June 30, 2021, 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 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 basic 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 entity'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 entity'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, each major fund, and the aggregate remaining fund information of Caldwell County, North Carolina, as of June 30, 2021, and the respective changes in financial position and, where applicable, 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.

Change in Accounting Principle

As discussed in note 8 to the financial statements, for the fiscal year ended June 30, 2021, Caldwell County adopted new accounting guidance, Governmental Accounting Standards Board (GASB) No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Other Post-Employment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios, the Local Governmental Employees' Retirement System Schedules of the County's Proportionate Share of Net Pension Liability and County Contributions, the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and Schedule of County Contributions, and the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Employee Payroll be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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, economical, 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 Caldwell County, North Carolina's, basic financial statements. The combining and individual fund financial statements, budgetary schedules, other schedules, and other information, such as the introductory section and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, and other schedules 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 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, the combining and individual fund financial statements, budgetary schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section 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 19, 2021 on our consideration of Caldwell County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Caldwell County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Caldwell County's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 19, 2021



Management's Discussion and Analysis

As management of Caldwell County, we offer readers of Caldwell County's financial statements this narrative overview and analysis of financial activities of Caldwell County for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in the financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of Caldwell County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$26,313,602 (net position).
- The government's total net position increased by \$2,583,362, due to increased net position in the governmental activities.
- As of the close of the current fiscal year, Caldwell County's governmental funds reported combined ending fund balances of \$29,681,246.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,655,127.
- The total fund balance in the General Fund increased by \$1,869,547 as a result of activities that took place during the fiscal year ended June 30, 2021.
- The General Fund expenditures concluded the year within budget.
- The County successfully complied with all state and federal service mandates as prescribed by law.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Caldwell County's basic financial statements. Caldwell County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Caldwell County's finances in a manner similar to private-sector business.

The *Statement of Net Position* presents information on all of Caldwell County's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Caldwell County is improving or deteriorating.

The *Statement of Activities* presents information showing how the government'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 and unused vacation leave).

Both of the government-wide financial statements distinguish functions of Caldwell County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Caldwell County include general government, public safety, economic and physical development, environmental, and culture and recreation. The business-type activities of Caldwell County include a water operation.

The government-wide financial statements can be found on Exhibits A and B of this report.

Fund Financial Statements. 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. Caldwell County, like other state and local governments, used fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Caldwell County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Caldwell County maintains eight individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the American Rescue Plan Act Fund, and the Public Schools Capital Project Fund, and the General Capital Projects Fund which are considered to be major funds. Data from the other four governmental funds are combined into a 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.

Caldwell County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Exhibits C to F of this report.

Proprietary Funds. Caldwell County maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Caldwell County uses enterprise funds to account for its water operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The propriety fund financial statements provide separate information for water operations, which is considered to be a major fund of Caldwell County.

The basic proprietary fund financial statements can be found on Exhibits G to I of this report.

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 statements, because the resources of those funds are not available to support Caldwell County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on Exhibit J and K of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 through 72 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Caldwell County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 73-83 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 84-117 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Caldwell County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$26,313,602 at the close of the most recent fiscal year.

The largest portion of Caldwell County's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. Caldwell County used these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Caldwell County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1

Condensed Statements of Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Assets:						
Current and other assets	\$ 42,512,979	\$ 34,388,829	\$ 8,524,031	\$ 7,712,698	\$ 51,037,010	\$ 42,101,527
Capital assets	<u>33,437,224</u>	<u>33,720,069</u>	<u>5,952,843</u>	<u>6,120,914</u>	<u>39,390,067</u>	<u>39,840,983</u>
Total assets	<u>75,950,203</u>	<u>68,108,898</u>	<u>14,476,874</u>	<u>13,833,612</u>	<u>90,427,077</u>	<u>81,942,510</u>
Deferred Outflows of Resources	<u>9,091,597</u>	<u>6,128,651</u>	<u>166,367</u>	<u>119,031</u>	<u>9,257,964</u>	<u>6,247,682</u>
Liabilities:						
Current liabilities	17,925,217	10,195,658	280,915	323,317	18,206,132	10,518,975
Long-term liabilities	<u>53,609,726</u>	<u>52,907,985</u>	<u>336,401</u>	<u>253,593</u>	<u>53,946,127</u>	<u>53,161,578</u>
Total liabilities	<u>71,534,943</u>	<u>63,103,643</u>	<u>617,316</u>	<u>576,910</u>	<u>72,152,259</u>	<u>63,680,553</u>
Deferred Inflows of Resources	<u>1,197,172</u>	<u>810,374</u>	<u>22,008</u>	<u>14,440</u>	<u>1,219,180</u>	<u>824,814</u>
Net Position:						
Net investment in capital assets	20,657,600	20,519,489	5,952,843	6,120,914	26,610,443	26,640,403
Restricted net position	8,206,605	6,301,202	-	-	8,206,605	6,301,202
Unrestricted net position	<u>(16,554,520)</u>	<u>(16,497,159)</u>	<u>8,051,074</u>	<u>7,240,379</u>	<u>(8,503,446)</u>	<u>(9,256,780)</u>
Total net position	<u>\$ 12,309,685</u>	<u>\$ 10,323,532</u>	<u>\$ 14,003,917</u>	<u>\$ 13,361,293</u>	<u>\$ 26,313,602</u>	<u>\$ 23,684,825</u>

The government's net position increased by \$2,583,362 during the current fiscal year. This is primarily a result of the influx of cash the County received from the federal government in various Covid-19 relief grants.

Table 2

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Revenues:						
Program revenues:						
Charges for services	\$ 7,990,158	\$ 6,776,571	\$ 3,801,534	\$ 3,765,637	\$ 11,791,692	\$ 10,542,208
Operating grants and contributions	15,564,670	13,059,772	-	-	15,564,670	13,059,772
Capital grants and contributions	11,698,640	4,990,460	-	-	11,698,640	4,990,460
General revenues:						
Property taxes	53,594,991	53,117,812	-	-	53,594,991	53,117,812
Local option sales tax	15,295,264	13,088,515	-	-	15,295,264	13,088,515
Other taxes and licenses	2,192,503	1,665,238	-	-	2,192,503	1,665,238
Investment earnings	(10,963)	542,721	-	104,062	(10,963)	646,783
Total revenues	<u>106,325,263</u>	<u>93,241,089</u>	<u>3,801,534</u>	<u>3,869,699</u>	<u>110,126,797</u>	<u>97,110,788</u>
Expenses:						
Governmental activities:						
General government	8,765,643	7,831,317	-	-	8,765,643	7,831,317
Public safety	29,941,422	27,510,078	-	-	29,941,422	27,510,078
Environmental protection	662,124	598,699	-	-	662,124	598,699
Economic and physical development	10,985,907	11,056,030	-	-	10,985,907	11,056,030
Human services	20,523,436	20,177,661	-	-	20,523,436	20,177,661
Cultural and recreational	1,557,071	1,516,791	-	-	1,557,071	1,516,791
Education	30,325,802	27,823,687	-	-	30,325,802	27,823,687
Interest	1,623,120	1,178,248	-	-	1,623,120	1,178,248
Business-type activities:						
Water Fund	-	-	3,158,910	3,671,249	3,158,910	3,671,249
Total expenses	<u>104,384,525</u>	<u>97,692,511</u>	<u>3,158,910</u>	<u>3,671,249</u>	<u>107,543,435</u>	<u>101,363,760</u>
Change in net position	<u>1,940,738</u>	<u>(4,451,422)</u>	<u>642,624</u>	<u>198,450</u>	<u>2,583,362</u>	<u>(4,252,972)</u>
Net Position:						
Beginning net position	10,323,532	14,774,954	13,361,293	13,162,843	23,684,825	27,937,797
Restatement	45,415	-	-	-	45,415	-
Beginning net position, restated	<u>10,368,947</u>	<u>14,774,954</u>	<u>13,361,293</u>	<u>13,162,843</u>	<u>23,730,240</u>	<u>27,937,797</u>
Ending net position	<u>\$ 12,309,685</u>	<u>\$ 10,323,532</u>	<u>\$ 14,003,917</u>	<u>\$ 13,361,293</u>	<u>\$ 26,313,602</u>	<u>\$ 23,684,825</u>

Governmental Activities. Governmental activities increased Caldwell County's net position by \$1,940,738. This is primarily due to the increased grant funding the County received during the year.

Business-Type Activities. Business-type activities increased Caldwell County's net position by \$642,624. The key elements in this increase are as follows:

- Business-type activities increased the County's net financial position due to the results from operations. The Water Fund typically generates positive cash flows.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, Caldwell County's governmental funds reported combined ending fund balances of \$29,681,246, an increase of \$933,240 in comparison with the prior year.

The General Fund is the chief operating fund of Caldwell County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$4,655,127 while total fund balance reached \$15,068,053. The County's fund balance available, using the calculation method suggested by the Local Government Commission of North Carolina, equaled \$9,856,720, or 12.12%, of expenditures.

The total fund balance of Caldwell County's General Fund increased by \$1,869,547 during the current fiscal year. This was primarily due to increased grant funding the County received as well as greater than anticipated sales tax collections.

The County's American Rescue Plan Act Fund is a major special revenue fund set up to account for fund the County received from the federal government under that act. The funds must be spent on specific purposes including Covid-19 response. These funds must be held separately from other government funds so they can be properly reported.

The County's Public Schools Capital Project Fund is a major capital project fund. This fund includes the project to renovate / rebuild Granite Falls Middle School. The County borrowed \$12.3 million for this purpose. The County also received a \$15 million grant from the Needs Based school grant program. As of June 30, 2021 construction was roughly 75% complete on this project.

The County's General Capital Projects Fund is another major capital project fund. The County uses this fund for general government capital projects and to reserve money for future capital needs. The largest active project in the fund is for a new animal shelter facility. The County recently borrowed \$3.7 million to fund construction. The County recently completed and closed out a capital project in this fund that was used to construct two new EMS bases located in the City of Lenoir.

Proprietary Funds. Caldwell County's propriety funds provide the same type of information found in government-wide financial statements, but in more detail. Unrestricted net position of the Water Fund at the end of the fiscal year amounted to \$8,051,074. The total increase in net position for the Water Fund was \$642,624. Other factors concerning the finances of this fund have already been addressed in the discussion of Caldwell County's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget reflected an increase in appropriation of \$3,865,674. The major changes can be briefly summarized as follows:

- The County increased its capital outlay spending during the year by roughly \$1.6 million. This was primarily financed with a 59 month capital outlay loan and with grant funds.
- Various other grant funds were received during the fiscal year and added to the budget so the funds could be spent.

Other Major Funds' Highlights

The Sales Tax Reinvestment Fund's primary function is to support economic development within Caldwell County. This fund used a little more than it took in this year but still retains a healthy fund balance.

The Schools Capital Project Fund contained the ongoing construction of the new Granite Falls Middle School. The County borrowed \$12.3 million for this project and will also receive state funding in the amount of \$15 million when combined with the \$300k previously allocated to this project gives a total budget of \$27.6 million. This project will renovate a portion of the old school while removing a portion and rebuild it.

Capital Asset and Debt Administration

Capital Assets. Caldwell County's investment in capital assets for its governmental and business-type activities as of June 30, 2021 amounts to \$39,390,067. This investment in capital assets includes land, buildings and systems, improvements, machinery, and equipment.

The following major projects represent the accomplishments of the elected leadership during this year:

- The County was awarded a state grant of \$15 million for the construction of a new Granite Falls Middle School. The County also borrowed \$12.3 million for this project. The project when completed will replace portions of the school that are over 100 years old and provide a much more modern and effective learning environment.
- The County's tax rate remained unchanged for fiscal year 2019-2020 at 63 cents.

Table 3
Capital Assets, Net of Depreciation
As of June 30, 2021

	Governmental Activities		Business-Type Activities		Total Primary Government	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Land	\$ 8,052,600	\$ 8,018,100	\$ 60,181	\$ 60,181	\$ 8,112,781	\$ 8,078,281
Construction in progress	324,770	2,748,459	203,465	1,310,489	528,235	4,058,948
Buildings	20,092,359	17,665,263	132,077	137,976	20,224,436	17,803,239
Equipment, furniture, and vehicles	4,967,495	5,288,247	-	-	4,967,495	5,288,247
Water system	-	-	5,557,120	4,612,268	5,557,120	4,612,268
Total capital assets, net of depreciation, where applicable	<u>\$ 33,437,224</u>	<u>\$ 33,720,069</u>	<u>\$ 5,952,843</u>	<u>\$ 6,120,914</u>	<u>\$ 39,390,067</u>	<u>\$ 39,840,983</u>

Additional information on Caldwell County's capital assets can be found in Note 2 beginning on page 40 of this report.

Long-Term Debt. At the end of the current fiscal year, Caldwell County had total bonded debt outstanding of \$0. The County currently does not have outstanding revenue bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue to 8% of its total assessed valuation. The current debt limitation for Caldwell County is approximately \$581,105,000, which is significantly in excess of Caldwell County's outstanding general obligation debt.

Additional information on Caldwell County's long-term debt can be found in Note 2 beginning on page 61 of this report.

Impact of Coronavirus on the County

Caldwell County has been impacted by the Coronavirus much like the rest of the world. Certain businesses have been forced to close or operate a much less than peak efficiency. So far, the County has avoided a significant negative financial impact. The County's sales tax receipts have actually increased when compared to the prior year.

Caldwell County has received a little over \$3 million dollars from the federal CAREs act to help combat the spread of Covid-19. The County has spent the majority of this money and plans to have it all spent prior to the end of calendar year 2021.

Caldwell County has received \$7.9 million dollars from the American Rescue Plan Act (ARPA). As of June 30, 2021 none of this money had been spent. A portion of it has been spent since then on item to help fight Covid-19. This money is held in a separate fund as it can only be used for specific purposes.

Economic Factors and Next Year's Budgets and Rates

Caldwell County continues to maintain a sound financial condition. Caldwell County's fund balance percentage, as calculated by the Local Government Commission, is 12.12% as of June 30, 2021. This is well above the recommended minimum of 8%.

The budget for fiscal year 2021-2022 maintains the current tax rate of 63 cents per \$100 of tax value. The budget for fiscal year 2021-2022 includes a substantial fund balance appropriation in the General Fund, but we do not anticipate using much of it. The County typically budgets its expenditures at 100% but only spends at 95%. Lapsed salaries and other unspent funds typically generate substantial savings. The County also attempts to be conservative in its revenue estimates and often will collect more than the budget includes. The budget for fiscal year 2021-2022 includes the impact of the revaluation. This revaluation generated close to \$4 million in new revenue for the general fund.

Requests for Information

This financial report is designed to provide a general overview of Caldwell County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, Caldwell County, P.O. Box 2200, Lenoir, NC 28645.



BASIC FINANCIAL STATEMENTS



CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 25,173,884	\$ 7,892,648	\$ 33,066,532
Taxes receivable, net	1,958,218	-	1,958,218
Accounts receivable, net	5,938,850	445,199	6,384,049
Due from other governments	832,326	13,999	846,325
Inventories	86,353	71,365	157,718
Restricted cash and cash equivalents	8,371,704	100,820	8,472,524
Total current assets	42,361,335	8,524,031	50,885,366
Non-current assets:			
Net pension asset	151,644	-	151,644
Non-depreciable capital assets	8,377,370	263,646	8,641,016
Depreciable capital assets, net	25,059,854	5,689,197	30,749,051
Total non-current assets	33,588,868	5,952,843	39,541,711
Total assets	75,950,203	14,476,874	90,427,077
Deferred Outflows of Resources:			
OPEB deferrals	566,256	11,557	577,813
Pension deferrals	8,525,341	154,810	8,680,151
Total deferred outflows of resources	9,091,597	166,367	9,257,964
Liabilities:			
Current liabilities:			
Accounts payable and accrued expenses	2,322,629	136,136	2,458,765
Accrued interest payable	248,509	-	248,509
Payable from restricted assets:			
Customer deposits	-	100,820	100,820
Advance from grantor	7,991,899	-	7,991,899
Current portion of long-term liabilities	7,362,180	43,959	7,406,139
Total current liabilities	17,925,217	280,915	18,206,132
Long-term liabilities:			
Net pension liability - LGERS	13,200,977	269,410	13,470,387
Total pension liability - LEOSSA	2,787,465	-	2,787,465
Total OPEB liability	2,744,104	56,001	2,800,105
Due in more than one year	34,877,180	10,990	34,888,170
Total long-term liabilities	53,609,726	336,401	53,946,127
Total liabilities	71,534,943	617,316	72,152,259
Deferred Inflows of Resources:			
Prepaid taxes	52,325	-	52,325
OPEB deferrals	936,766	19,118	955,884
Pension deferrals	208,081	2,890	210,971
Total deferred inflows of resources	1,197,172	22,008	1,219,180
Net Position:			
Net investment in capital assets	20,657,600	5,952,843	26,610,443
Restricted for:			
Stabilization by state statute	6,416,158	-	6,416,158
Register of Deeds pension plan	144,122	-	144,122
Human services	430,226	-	430,226
Public safety	1,057,110	-	1,057,110
Register of Deeds	68,760	-	68,760
Education	90,229	-	90,229
Unrestricted (deficit)	(16,554,520)	8,051,074	(8,503,446)
Total net position	\$ 12,309,685	\$ 14,003,917	\$ 26,313,602

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

		Program Revenues		
		Charges for	Operating Grants and	Capital Grants and
	Expenses	Services	Contributions	Contributions
Functions/Programs:				
Primary Government:				
Governmental Activities:				
General government	\$ 8,765,643	\$ 2,783,033	\$ -	\$ -
Public safety	29,941,422	3,507,142	1,904,558	-
Environmental protection	662,124	1,334,979	-	-
Economic and physical development	10,985,907	50,726	-	2,494,405
Human services	20,523,436	306,744	13,440,083	-
Cultural and recreational	1,557,071	7,534	220,029	-
Education	30,325,802	-	-	9,204,235
Interest	1,623,120	-	-	-
Total governmental activities	<u>104,384,525</u>	<u>7,990,158</u>	<u>15,564,670</u>	<u>11,698,640</u>
Business-Type Activities:				
Water Fund	<u>3,158,910</u>	<u>3,801,534</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 107,543,435</u>	<u>\$ 11,791,692</u>	<u>\$ 15,564,670</u>	<u>\$ 11,698,640</u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2021

	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Functions/Programs:			
Primary Government:			
Governmental Activities:			
General government	\$ (5,982,610)	\$ -	\$ (5,982,610)
Public safety	(24,529,722)	-	(24,529,722)
Environmental protection	672,855	-	672,855
Economic and physical development	(8,440,776)	-	(8,440,776)
Human services	(6,776,609)	-	(6,776,609)
Cultural and recreational	(1,329,508)	-	(1,329,508)
Education	(21,121,567)	-	(21,121,567)
Interest	(1,623,120)	-	(1,623,120)
Total governmental activities	<u>(69,131,057)</u>	<u>-</u>	<u>(69,131,057)</u>
Business-Type Activities:			
Water Fund	<u>-</u>	<u>642,624</u>	<u>642,624</u>
Total primary government	<u>(69,131,057)</u>	<u>642,624</u>	<u>(68,488,433)</u>
General Revenues:			
Taxes:			
Property taxes, levied for general purpose	53,594,991	-	53,594,991
Local option sales tax	15,295,264	-	15,295,264
Other taxes and licenses	2,192,503	-	2,192,503
Investment earnings	(10,963)	-	(10,963)
Total general revenues	<u>71,071,795</u>	<u>-</u>	<u>71,071,795</u>
Change in net position	<u>1,940,738</u>	<u>642,624</u>	<u>2,583,362</u>
Net Position:			
Beginning of year - July 1	10,323,532	13,361,293	23,684,825
Restatement	<u>45,415</u>	<u>-</u>	<u>45,415</u>
Beginning of year, restated - July 1	<u>10,368,947</u>	<u>13,361,293</u>	<u>23,730,240</u>
End of year - June 30	<u>\$ 12,309,685</u>	<u>\$ 14,003,917</u>	<u>\$ 26,313,602</u>

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

CALDWELL COUNTY, NORTH CAROLINA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	Major Funds					
	General Fund	American Rescue Plan Act Fund	Public Schools Capital Project Fund	General Capital Projects Fund	Other Governmental Funds	Total
Assets:						
Cash and cash equivalents	\$ 11,786,706	\$ -	\$ 7,203,721	\$ 1,242,319	\$ 4,941,138	\$ 25,173,884
Taxes receivable (net)	1,771,549	-	-	-	186,669	1,958,218
Accounts receivable (net)	4,739,086	-	-	102,969	1,096,795	5,938,850
Due from other governments	740,912	-	27,083	52,337	11,994	832,326
Inventories	86,353	-	-	-	-	86,353
Restricted cash and cash equivalents	379,805	7,981,057	-	10,842	-	8,371,704
Total assets	<u>\$ 19,504,411</u>	<u>\$ 7,981,057</u>	<u>\$ 7,230,804</u>	<u>\$ 1,408,467</u>	<u>\$ 6,236,596</u>	<u>\$ 42,361,335</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:						
Liabilities:						
Accounts payable and accrued liabilities	\$ 2,257,466	\$ -	\$ 615	\$ -	\$ 64,548	\$ 2,322,629
Payable from restricted assets:						
Advance from grantor	-	7,981,057	-	10,842	-	7,991,899
Total liabilities	<u>2,257,466</u>	<u>7,981,057</u>	<u>615</u>	<u>10,842</u>	<u>64,548</u>	<u>10,314,528</u>
Deferred Inflows of Resources:						
Property taxes receivable	1,771,549	-	-	-	186,669	1,958,218
Prepaid taxes	52,325	-	-	-	-	52,325
Ambulance receivable	355,018	-	-	-	-	355,018
Total deferred inflows of resources	<u>2,178,892</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>186,669</u>	<u>2,365,561</u>
Fund Balances:						
Non-spendable:						
Inventories	86,353	-	-	-	-	86,353
Restricted:						
Stabilization by state statute	5,124,980	-	27,083	155,306	1,108,789	6,416,158
Restricted, all other	802,345	-	-	-	843,980	1,646,325
Committed	-	-	7,203,106	1,242,319	-	8,445,425
Assigned	4,399,248	-	-	-	4,032,610	8,431,858
Unassigned	4,655,127	-	-	-	-	4,655,127
Total fund balances	<u>15,068,053</u>	<u>-</u>	<u>7,230,189</u>	<u>1,397,625</u>	<u>5,985,379</u>	<u>29,681,246</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 19,504,411</u>	<u>\$ 7,981,057</u>	<u>\$ 7,230,804</u>	<u>\$ 1,408,467</u>	<u>\$ 6,236,596</u>	
Amounts reported for governmental activities in the Statement of Net Position are different because:						
Capital assets, net of accumulated depreciation, used in governmental activities, are not current financial resources and, therefore, are not reported in the funds.						33,437,224
Net pension asset						151,644
Net pension liability - LGERS						(13,200,977)
Total pension liability - LEOSSA						(2,787,465)
Total OPEB liability						(2,744,104)
Deferred outflows of resources related to pensions are not reported in the funds.						8,525,341
Deferred outflows of resources related to OPEB are not reported in the funds.						566,256
Deferred inflows of resources in the governmental funds are used to offset accounts receivable not expected to be available within 90 days of year-end. These receivables are a component of net position in the Statement of Net Position.						2,313,236
Deferred inflows of resources related to pensions are not reported in the funds.						(208,081)
Deferred inflows of resources related to OPEB are not reported in the funds.						(936,766)
Long-term liabilities, compensated absences and interest payable are not due and payable in the current period and, therefore, are not reported in the funds.						(42,487,869)
Net position of governmental activities, per Exhibit A						<u>\$ 12,309,685</u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Major Funds					
	General Fund	American Rescue Plan Act Fund	Public Schools Capital Project Fund	General Capital Projects Fund	Other Governmental Funds	Total
Revenues:						
Ad valorem taxes	\$ 49,140,196	\$ -	\$ -	\$ -	\$ 4,654,201	\$ 53,794,397
Local option sales taxes	9,252,376	-	-	1,231,779	4,204,109	14,688,264
Other taxes and licenses	767,225	-	-	-	-	767,225
Unrestricted intergovernmental	1,519,937	-	-	-	607,000	2,126,937
Restricted intergovernmental	14,801,036	-	9,204,235	2,494,405	840,439	27,340,115
Permits and fees	1,326,786	-	-	-	-	1,326,786
Sales and services	5,200,062	-	-	-	-	5,200,062
Investment earnings	(12,054)	-	1,027	64	-	(10,963)
Miscellaneous	164,707	-	-	-	671,727	836,434
Total revenues	<u>82,160,271</u>	<u>-</u>	<u>9,205,262</u>	<u>3,726,248</u>	<u>10,977,476</u>	<u>106,069,257</u>
Expenditures:						
Current:						
General government	7,862,712	-	-	-	512,080	8,374,792
Public safety	20,849,563	-	-	3,087,133	4,884,230	28,820,926
Environmental protection	660,849	-	-	29,141	-	689,990
Economic and physical development	10,097,999	-	-	-	862,107	10,960,106
Human services	18,911,268	-	-	-	172,804	19,084,072
Cultural and recreational	1,461,381	-	-	-	-	1,461,381
Education	18,516,122	-	9,846,738	-	1,962,942	30,325,802
Debt service:						
Principal retirement	3,082,127	-	-	-	1,366,215	4,448,342
Interest and fees	406,829	-	-	-	1,361,127	1,767,956
Total expenditures	<u>81,848,850</u>	<u>-</u>	<u>9,846,738</u>	<u>3,116,274</u>	<u>11,121,505</u>	<u>105,933,367</u>
Revenues over (under) expenditures	<u>311,421</u>	<u>-</u>	<u>(641,476)</u>	<u>609,974</u>	<u>(144,029)</u>	<u>135,890</u>
Other Financing Sources (Uses):						
Long-term debt issued	515,000	-	-	-	-	515,000
Refinanced debt issued	2,886,000	-	-	-	21,590,000	24,476,000
Payment on refinanced debt	(2,898,134)	-	-	-	(21,680,776)	(24,578,910)
Transfers from other funds	670,000	-	600,000	-	700,000	1,970,000
Transfers to other funds	-	-	-	(1,620,000)	(350,000)	(1,970,000)
Proceeds from sale of capital assets	385,260	-	-	-	-	385,260
Total other financing sources (uses)	<u>1,558,126</u>	<u>-</u>	<u>600,000</u>	<u>(1,620,000)</u>	<u>259,224</u>	<u>797,350</u>
Net change in fund balances	<u>1,869,547</u>	<u>-</u>	<u>(41,476)</u>	<u>(1,010,026)</u>	<u>115,195</u>	<u>933,240</u>
Fund Balances:						
Beginning of year - July 1	13,198,506	-	7,271,665	2,407,651	5,824,769	28,702,591
Prior period adjustment	-	-	-	-	45,415	45,415
Beginning of year, restated - July 1	<u>13,198,506</u>	<u>-</u>	<u>7,271,665</u>	<u>2,407,651</u>	<u>5,870,184</u>	<u>28,748,006</u>
End of year - June 30	<u>\$ 15,068,053</u>	<u>\$ -</u>	<u>\$ 7,230,189</u>	<u>\$ 1,397,625</u>	<u>\$ 5,985,379</u>	<u>\$ 29,681,246</u>

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

CALDWELL COUNTY, NORTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2021

Amounts reported for governmental activities in the Statement of Activities (Exhibit B)
are different due to the following items:

Net change in fund balances - total governmental funds (Exhibit D)	\$ 933,240
Exhibit D reports revenues using a current financial resources basis, which generally means revenue is recognized when collected or is expected to be collected within 90 days of year-end. Exhibit B reports revenues when the earning process is complete, regardless of when it is collected. This measurement difference causes timing of revenue recognition differences for the following revenue types:	
Property taxes	(199,406)
Sales and services	70,152
Expenses related to compensated absences that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(517,215)
Expenses related to landfill closure and post-closure costs that do not require current financial resources are not reported as expenditures.	27,372
Expenses related to interest expense that do not require current financial resources are not reported as expenditures.	144,836
Capital outlays are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.	2,568,383
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(2,851,228)
Issuance of debt is reported as revenues in the governmental funds statements. However, in the Statement of Activities, proceeds from the issuance of debt is not a revenue rather it is an increase in liabilities.	(24,991,000)
Pension expense - LEOSSA	(253,270)
Pension expense - LGERS	(1,995,457)
Pension expense - ROD	11,834
OPEB plan expense	(34,755)
Principal repayments and refunding of debt are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, these transactions are not an expense, rather they are a decrease in liabilities.	<u>29,027,252</u>
Change in net position of governmental activities, per Exhibit B	<u>\$ 1,940,738</u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Over/Under
Revenues:				
Ad valorem taxes	\$ 46,871,125	\$ 46,968,485	\$ 49,140,196	\$ 2,171,711
Local option sales taxes	6,655,000	7,819,779	9,252,376	1,432,597
Other taxes and licenses	606,000	626,000	767,225	141,225
Unrestricted intergovernmental	638,130	638,130	1,519,937	881,807
Restricted intergovernmental	13,981,348	15,820,763	14,801,036	(1,019,727)
Permits and fees	918,000	918,000	1,326,786	408,786
Sales and services	5,281,527	5,281,527	5,200,062	(81,465)
Investment earnings	50,000	50,000	(12,054)	(62,054)
Miscellaneous	155,022	309,072	164,707	(144,365)
Total revenues	<u>75,156,152</u>	<u>78,431,756</u>	<u>82,160,271</u>	<u>3,728,515</u>
Expenditures:				
Current:				
General government	8,110,809	8,865,118	7,862,712	1,002,406
Public safety	21,038,697	22,500,462	20,849,563	1,650,899
Environmental protection	679,071	731,367	660,849	70,518
Economic and physical development	10,331,580	10,333,920	10,097,999	235,921
Human services	20,654,602	21,972,795	18,911,268	3,061,527
Cultural and recreational	1,513,695	1,694,778	1,461,381	233,397
Intergovernmental:				
Education	18,510,250	18,525,250	18,516,122	9,128
Contingency	170,000	161,927	-	161,927
Debt service:				
Principal retirement	3,078,250	2,877,250	3,082,127	(204,877)
Interest and fees	486,754	776,515	406,829	369,686
Total expenditures	<u>84,573,708</u>	<u>88,439,382</u>	<u>81,848,850</u>	<u>6,590,532</u>
Revenues over (under) expenditures	<u>(9,417,556)</u>	<u>(10,007,626)</u>	<u>311,421</u>	<u>10,319,047</u>
Other Financing Sources (Uses):				
Long-term debt issued	-	515,000	515,000	-
Refinanced debt issued	-	2,886,000	2,886,000	-
Payment of refinanced installment purchase	-	(2,898,134)	(2,898,134)	-
Transfers from other funds	670,000	670,000	670,000	-
Proceeds from sale of capital assets	25,000	31,418	385,260	353,842
Appropriated fund balance	8,722,556	8,803,342	-	(8,803,342)
Total other financing sources (uses)	<u>9,417,556</u>	<u>10,007,626</u>	<u>1,558,126</u>	<u>(8,449,500)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>1,869,547</u>	<u>\$ 1,869,547</u>
Fund Balance:				
Beginning of year - July 1			<u>13,198,506</u>	
End of year - June 30			<u>\$ 15,068,053</u>	

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2021

	<u>Water Fund</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 7,892,648
Accounts receivable net	445,199
Due from other governments	13,999
Inventories	71,365
Restricted cash and cash equivalents	<u>100,820</u>
Total current assets	<u>8,524,031</u>
Non-Current Assets:	
Capital assets:	
Non-depreciable capital assets	263,646
Capital assets (net of depreciation)	<u>5,689,197</u>
Total capital assets	<u>5,952,843</u>
Total non-current assets	<u>5,952,843</u>
Total assets	<u>14,476,874</u>
Deferred Outflows of Resources:	
OPEB deferrals	11,557
Pension deferrals	<u>154,810</u>
Total deferred outflows of resources	<u>166,367</u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	136,136
Amounts payable from restricted assets:	
Customer deposits	100,820
Current portion of compensated absences payable	<u>43,959</u>
Total current liabilities	<u>280,915</u>
Non-current liabilities:	
Compensated absences payable	10,990
Net pension liability	269,410
Total OPEB liability	<u>56,001</u>
Total non-current liabilities	<u>336,401</u>
Total liabilities	<u>617,316</u>
Deferred Inflows of Resources:	
Pension deferrals	2,890
OPEB deferrals	<u>19,118</u>
Total deferred inflows of resources	<u>22,008</u>
Net Position:	
Net investment in capital assets	5,952,843
Unrestricted	<u>8,051,074</u>
Total net position	<u>\$ 14,003,917</u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUND FOR THE YEAR ENDED JUNE 30, 2021

	<u>Water Fund</u>
Operating Revenues:	
Charges for services	\$ 3,695,133
Water taps	99,150
Other operating revenues	<u>7,251</u>
Total operating revenues	<u>3,801,534</u>
 Operating Expenses:	
Water operations	2,810,764
Depreciation	<u>348,146</u>
Total operating expenses	<u>3,158,910</u>
 Change in net position	 642,624
 Net Position:	
Beginning of year - July 1	 <u>13,361,293</u>
 End of year - June 30	 <u>\$ 14,003,917</u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF CASH FLOWS

PROPRIETARY FUND

FOR THE YEAR ENDED JUNE 30, 2021

	<u>Water Fund</u>
Cash Flows from Operating Activities:	
Cash received from customers	\$ 3,914,387
Cash paid for goods and services	(2,156,647)
Cash paid to or on behalf of employees	<u>(673,436)</u>
Net cash provided (used) by operating activities	<u>1,084,304</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition and construction of capital assets	<u>(180,075)</u>
Net increase (decrease) in cash and cash equivalents	904,229
Cash and Cash Equivalents:	
Beginning of year - July 1	<u>7,089,239</u>
End of year - June 30	<u><u>\$ 7,993,468</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating income (loss)	<u>\$ 642,624</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	348,146
Change in Assets and Liabilities:	
(Increase) decrease in accounts receivable	51,350
(Increase) decrease in inventory and other current assets	(19,957)
(Increase) decrease in due from other governments	61,503
(Increase) decrease in deferred outflows of resources for pensions	(41,836)
(Increase) decrease in deferred outflows of resources for OPEB	(5,500)
Increase (decrease) in net pension liability	84,164
Increase (decrease) in OPEB	(2,964)
Increase (decrease) in deferred inflows of resources for pensions	(1,604)
Increase (decrease) in deferred inflows of resources for OPEB	9,172
Increase (decrease) in accounts payable and accrued liabilities	(49,664)
Increase (decrease) in customer deposits	830
Increase (decrease) in compensated absences payable	<u>8,040</u>
Total adjustments	<u>441,680</u>
Net cash provided (used) by operating activities	<u><u>\$ 1,084,304</u></u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

JUNE 30, 2021

	Custodial Funds
Assets:	
Cash and cash equivalents	\$ 43,881
Taxes receivable for other governments, net	<u>35,265</u>
Total assets	<u>79,146</u>
Liabilities:	
Due to other governments	<u>4,481</u>
Total liabilities	<u>4,481</u>
Net Position:	
Restricted for:	
Individuals, organizations, and other governments	<u>\$ 74,665</u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS FOR THE YEAR ENDED JUNE 30, 2021

	Custodial Funds
Additions:	
Ad valorem taxes for other governments	\$ 2,044,124
Collections on behalf of inmates	262,084
Total additions	<u>2,306,208</u>
Deductions:	
Payments on behalf of inmates	255,203
Tax distributions to other governments	2,049,690
Total deductions	<u>2,304,893</u>
Net increase (decrease) in fiduciary net position	<u>1,315</u>
Net position - beginning, as previously reported	-
Prior period adjustment - change in accounting principle	73,350
Net position - beginning, as restated	<u>73,350</u>
Net position - ending	<u>\$ 74,665</u>

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

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

1. Summary of Significant Accounting Policies

The accounting policies of Caldwell County, North Carolina, (government) and its component units conform to generally accepted accounting principles (GAAP) as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The County, which is governed by a five-member Board of Commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. 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 Caldwell County Industrial Facilities and Pollution Control Financing Authority (the "Authority") was created for the purpose of the aiding industrial and manufacturing facilities with financing for pollution control equipment.

The Economic Development Commission of Caldwell County is a commission appointed by the County Commissioners to promote economic development in Caldwell County and its municipalities. The Authority and the Economic Development Commission have no financial transactions or account balances; therefore, they are not presented in the basic financial statements.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Caldwell County Industrial Facilities and Pollution Control Authority	Discrete	The Authority is governed by a nine-member Board that is appointed by the County Commissioners. They can remove any member with or without cause.	None issued
Economic Development Commission of Caldwell County	Discrete	The Economic Development Commission's Board members are appointed by the County Commissioners. They can remove any member with or without cause.	None issued

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

B. 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 (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. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the 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 the different business-type activities of the County and 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 and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

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

The County reports the following 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. The primary revenue sources are ad valorem taxes, sales taxes, federal and state grants, and various other taxes and licenses. The primary expenditures are for education, human services, public safety, economic and physical development, environmental protection, cultural and recreational projects, and general governmental services.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

American Rescue Plan Act Fund. This fund is used to track the revenue and expenditures of funds received from the American Rescue Plan Act.

Public Schools Capital Project Fund. This fund is used to track the costs associated with the renovations of existing schools.

General Capital Projects Fund. This fund is used to track the costs associated with various County projects.

The County reports the following major enterprise fund:

Water Fund. This fund accounts for the operation, maintenance, and capital improvements to the County's water system.

The County reports the following fiduciary fund types:

Custodial Funds. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Custodial funds are used to account for assets the County holds on behalf of others that meet certain criteria. The County maintains the following custodial funds: the Tax Collector Fund, which accounts for ad valorem property taxes that are billed and collected by the County for municipalities within the County and the Jail Inmate Pay Fund, which accounts for monies held for prisoners at the Caldwell County jail.

Nonmajor Funds. The County maintains eight legally budgeted nonmajor funds. The Sales Tax Reinvestment Fund, Fire District Fund, Rescue Fund, Emergency Telephone System Fund, Fines and Forfeitures, Deed of Trust, and Representative Payee are reported as nonmajor special revenue funds. The Schools Capital Project Fund – Sales Tax is reported as a nonmajor capital project fund.

C. Measurement Focus and Basis of Accounting

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

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, 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

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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's enterprise fund are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. 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.

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. Since September 1, 2013, the State of North Carolina has been responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. These property taxes are due when vehicles are registered. Motor vehicle property tax revenues are applicable to the fiscal year in which they are received. Uncollected taxes that were billed by the County for periods prior to September 1, 2013 or those for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. 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.

D. Budgetary Data

The County's budgets are adopted as required by North Carolina General Statutes. An annual budget is adopted for the General Fund, the Sales Tax Reinvestment Fund, the Fire Districts Fund, the Rescue Fund, the Emergency Telephone System Special Revenue Fund, Fines and Forfeitures, Deed of Trust, Representative Payee, the School Capital Project Fund – Sales Tax, and the Water Operations Enterprise Fund. All annual appropriations lapse at fiscal year-end. Project ordinances are adopted for the Public Schools Capital Project Fund, General Capital Project Fund, American Rescue Plan Act Fund, and the Water Capital Project Fund.

All budgets are prepared using the modified accrual basis of accounting. The annual budget is approved by the Board at the department level. Expenditures may not legally exceed appropriations at the department level for all annually budgeted funds and at the project level for the multi-year funds. The County Manager and/or the Finance Director may make transfers of appropriations within a department.

Their authority is subject to the following limitations:

- Any transfer that results in the creation of additional staff positions requires approval by the Board of Commissioners.
- Any transfer that obligates additional federal, state, or local funds requires approval by the Board of Commissioners.
- Any transfer that results in the initiation of a new program or policy requires approval by the Board of Commissioners.
- Department heads or their designees may adjust line items within departmental budgets subject to the approval of the County Manager or his designee.
- Interdepartmental transfers shall be presented to the Board of Commissioners for recognition prior to the end of the fiscal year.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year, or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant areas where estimates are made are allowance for doubtful accounts and depreciation lives.

F. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity

Deposits and Investments

All deposits of the County are made in Board-designated official depositories and are secured as required by G.S. 159-31. The County may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County 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 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 County's investments are carried at fair value. Non-participating interest earning contracts are accounted for at cost. The NC Capital Management Trust Government Portfolio, an SEC-registered 2a-7 government money market fund, is valued at fair value.

Cash and Cash Equivalents

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

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Restricted Assets

Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. The federal asset forfeiture and state-controlled substance funds are also classified as restricted assets because their use is restricted for future law enforcement expenditures. CARES Act funds (advance from grantor) in the amount of \$10,842 are classified as restricted cash because they must be expended in accordance with the guidance and section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act. ARPA funds (advance from grantor) in the amount of \$7,981,057 are classified as restricted cash because they must be expended in accordance with American Rescue Plan Act of 2021.

General Fund:

Federal asset forfeiture funds	\$ 81,024
State controlled substance funds	<u>298,781</u>
Total General Fund	379,805

Public Schools Capital Project Fund:

Advance from grantor	10,842
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American Rescue Plan Act Fund:

Advance from grantor	<u>7,981,057</u>
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Total governmental activities	8,371,704
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Business-Type Activities:

Water Fund:

Customer deposits	<u>100,820</u>
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Total restricted cash	<u><u>\$ 8,472,524</u></u>
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Ad Valorem Taxes Receivable

In accordance with state law [G.S. 105-347 and G.S. 159-13(a)], the County levies and collects ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due 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, 2020. As allowed by state law, the County has established a schedule of discounts that apply to taxes which are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

Allowance 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.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Inventories

The inventories of the County are valued at cost, which approximates market, using the first-in, first-out method. The County's General Fund inventory consists of expendable supplies that are recorded as expenditures when purchased. The inventory of the County's Enterprise Fund consists of materials and supplies held for consumption or resale. The cost of the inventory carried in the County's Enterprise Fund is recorded as an expense as it is consumed or sold.

Capital Assets

Purchased or constructed assets are reported at 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. All other purchased or constructed capital assets are reported at cost or estimated historical cost. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' life are not capitalized.

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

<u>Asset</u>	<u>Estimated Useful Lives</u>
Buildings	40 years
Improvements	25 years
Furniture and equipment	5 years
Vehicles	5 years
Computer equipment	5 years

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net 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 two items that meet the criteria – pension and OPEB related deferrals.

In addition to liabilities, the Statement of Net 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 criteria for this category – prepaid taxes, property taxes receivable, ambulance receivable, and pension and OPEB related deferrals.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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 in the applicable governmental activities, business-type activities, or proprietary fund-type Statement of Net Position.

In the fund financial statements for governmental fund-types, the face amount of debt issued is reported as other financing sources.

Compensated Absences

The vacation policies of the County provide for the accumulation of up to thirty (30) days earned vacation leave, with such leave being fully vested when earned. For the County's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. Compensated absences of the County have typically been liquidated in the governmental funds and are accounted for on the LIFO basis, assuming that employees are taking leave time as it is earned. Compensated absences are reported in the governmental funds only if they have matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement).

The sick leave policy of the County provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since 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.

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, 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.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

The governmental fund types classify fund balances as follows:

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

Inventories – portion of fund balance that is not an available resource because it represents the year-end balance of inventories, which are not spendable resources.

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

Restricted for Stabilization by State Statute – 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 non-spendable. 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 – 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 Public Safety – portion of fund balance restricted by revenue source for public safety related activities such as police, fire, EMS, and E-911.

Restricted for Human Services (Adoption) – portion of fund balance restricted by revenue source to enhance and expand adoption programs, secure permanent homes for hard to place children, and encourage partnerships between public and private agencies to secure permanency for children; also, to help provide adoption services such as recruitment, pre-adoption training, post placement support, and facilitation of legal procedures.

Restricted for Education – portion of fund balance restricted by revenue source to be used to support public education.

Restricted for Human Services – portion of fund balance that can only be used to benefit beneficiaries under the Social Security's Representative Payee Program.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Restricted fund balance at June 30, 2021 is as follows:

<u>Purpose</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>
Restricted, All Other:		
Register of Deeds	\$ 68,760	\$ -
Human services (adoption)	353,780	-
Human services	-	76,446
Public safety	379,805	677,305
Education	-	90,229
Total	<u>\$ 802,345</u>	<u>\$ 843,980</u>

Restricted fund balance/net position on Exhibit A varies from Exhibit C by the register of deeds pension plan calculation for full accrual purposes of \$144,122 at June 30, 2021.

Committed Fund Balance. The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing board can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Committed for Future Capital Projects – portion of fund balance budgeted by the Board to be used for future capital projects.

Committed fund balance at June 30, 2021 is as follows:

<u>Purpose</u>	<u>Public Schools Capital Project Fund</u>	<u>General Capital Project Fund</u>
Future capital projects	<u>\$ 7,203,106</u>	<u>\$ 1,242,319</u>

Assigned Fund Balance. Assigned fund balance is the portion of fund balance that Caldwell County intends to use for specific purposes. The County's governing body has the authority to assign fund balance.

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; however, the budget ordinance authorizes the Manager to make certain modifications utilizing a contingency line item without requiring Board approval.

Assigned for Economic Development – portion of fund balance budgeted by the Board for economic development incentives and projects.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Assigned fund balance at June 30, 2021 is as follows:

Purpose	Sales Tax	
	General Fund	Reinvestment Fund
Subsequent year's expenditures	\$ 4,399,248	\$ 2,000,000
Economic development	-	2,032,610
Total	<u>\$ 4,399,248</u>	<u>\$ 4,032,610</u>

Unassigned Fund Balance. Unassigned fund balance represents the portion of fund balance that has not been assigned to another fund or is not restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Caldwell 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: debt proceeds, federal funds, state funds, local non-County funds, and/or 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 or when required by grant or other contractual agreements.

The County has not officially adopted a fund balance policy.

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	\$ 15,068,053
Less:	
Inventories	(86,353)
Stabilization by state statute	<u>(5,124,980)</u>
Fund balance available for appropriation	<u>\$ 9,856,720</u>

Defined Benefit Cost-Sharing 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 Register of Deeds' Supplemental Pension Plan (RODSPF) (collectively, the "state-administered defined, benefit pension plans"). For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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 for all plans are reported at fair value.

2. Detail Notes on All Funds

A. Assets

Deposits

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

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness on any other financial institution used by the County. The County complies with the provisions, G.S. 159-31, when designating official depositories and verifying that deposits are properly secured. The County does not have a policy regarding custodial credit risk for deposits.

At June 30, 2021, the County's deposits had a carrying amount of \$40,145,500 and a bank balance of \$43,478,131. Of the bank balance, \$250,000 was covered by federal depository insurance and \$43,228,131 was covered by collateral held under the Pooling Method.

At June 30, 2021, the County had \$28,264 cash on hand.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Investments

As of June 30, 2021, the County's investment balances were as follows:

<u>Investment Type</u>	<u>Valuation Measurement Method</u>	<u>Fair Value</u>	<u>Less Than 6 Months</u>	<u>6-12 Months</u>	<u>Maturity</u>
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	\$ 1,409,173	\$ 1,409,173	N/A	N/A
Total investments		<u>\$ 1,409,173</u>			

*Because the NC Capital Management Trust Term Portfolio has a weighted average maturity of less than 90 days, it was presented as an investment with a maturity of less than 6 months.

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

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

Interest Rate Risk. The County has no formal investment policy regarding interest rate risk.

Credit Risk. The County has no formal policy regarding credit risk, but has internal management procedures that limits the County's investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. The County's investment in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAm by Standard & Poor's and AAA-mf by Moody's Investor Service as of June 30, 2021.

Property Tax – Use-Value Assessment on Certain Lands

In accordance with the General Statutes, agriculture, horticulture, and forest land may be taxed at present-use value as opposed to market value. When the property loses its eligibility for use-valuation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with 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.

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 1,552,243	\$ 232,836	\$ 1,785,079
2019	1,613,685	161,368	1,775,053
2020	1,645,139	82,257	1,727,396
2021	1,894,802	-	1,894,802
Total	<u>\$ 6,705,869</u>	<u>\$ 476,461</u>	<u>\$ 7,182,330</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Receivables

Receivables at the government-wide level at June 30, 2021 were as follows:

	<u>Accounts</u>	<u>Property Taxes</u>	<u>Due from Other Governments</u>	<u>Total</u>
Governmental Activities:				
General property taxes	\$ -	\$ 4,579,230	\$ -	\$ 4,579,230
Allowance for doubtful accounts	-	(2,807,681)	-	(2,807,681)
Fire district taxes	-	235,521	-	235,521
Allowance for doubtful accounts	-	(50,503)	-	(50,503)
Rescue squad taxes	-	22,144	-	22,144
Allowance for doubtful accounts	-	(20,493)	-	(20,493)
Total	-	1,958,218	-	1,958,218
 Ambulance receivables	10,921,611	-	-	10,921,611
Allowance for doubtful accounts	(10,197,296)	-	-	(10,197,296)
Sales tax receivable	3,464,604	-	-	3,464,604
DSS 1571 receivable	857,294	-	-	857,294
Other receivables	892,637	-	435,361	1,327,998
Sales tax refund	-	-	396,965	396,965
Total governmental activities	<u>\$ 5,938,850</u>	<u>\$ 1,958,218</u>	<u>\$ 832,326</u>	<u>\$ 8,729,394</u>
 Business-Type Activities:				
Water	\$ 857,024	\$ -	\$ -	\$ 857,024
Allowance for doubtful accounts	(411,825)	-	-	(411,825)
Sales tax refund	-	-	13,999	13,999
Total business-type activities	<u>\$ 445,199</u>	<u>\$ -</u>	<u>\$ 13,999</u>	<u>\$ 459,198</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Increases	Decreases	Transfers	Balance June 30, 2021
Governmental Activities:					
Non-Depreciable Capital Assets:					
Land	\$ 8,018,100	\$ 34,500	\$ -	\$ -	\$ 8,052,600
Construction in progress	2,748,459	667,416	-	(3,091,105)	324,770
Total non-depreciable capital assets	<u>10,766,559</u>	<u>701,916</u>	<u>-</u>	<u>(3,091,105)</u>	<u>8,377,370</u>
Depreciable Capital Assets:					
Buildings	32,684,468	74,608	(153,566)	3,091,105	35,696,615
Equipment and furniture	14,803,144	787,719	-	-	15,590,863
Vehicles	8,173,792	1,004,140	(112,042)	-	9,065,890
Total depreciable capital assets	<u>55,661,404</u>	<u>1,866,467</u>	<u>(265,608)</u>	<u>3,091,105</u>	<u>60,353,368</u>
Less Accumulated Depreciation:					
Buildings	15,045,753	712,069	(153,566)	-	15,604,256
Equipment and furniture	11,805,910	1,285,986	-	-	13,091,896
Vehicles	5,856,231	853,173	(112,042)	-	6,597,362
Total accumulated depreciation	<u>32,707,894</u>	<u>\$ 2,851,228</u>	<u>\$ (265,608)</u>	<u>\$ -</u>	<u>35,293,514</u>
Total depreciable capital assets, net	<u>22,953,510</u>				<u>25,059,854</u>
Governmental activities capital assets, net	<u>\$ 33,720,069</u>				<u>\$ 33,437,224</u>

Depreciation expense was charged to the governmental functions as follows:

General government	\$ 304,109
Public safety	1,994,008
Economic and physical development	4,208
Environmental protection	15,399
Human services	450,833
Cultural and recreational	82,671
Total	<u>\$ 2,851,228</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

	Balance July 1, 2020	Increases	Decreases	Transfers	Balance June 30, 2021
Business-Type Activities:					
Non-Depreciable Capital Assets:					
Land	\$ 60,181	\$ -	\$ -	\$ -	\$ 60,181
Construction in progress	1,310,489	89,964	-	(1,196,988)	203,465
Total non-depreciable capital assets	<u>1,370,670</u>	<u>89,964</u>	<u>-</u>	<u>-</u>	<u>263,646</u>
Depreciable Capital Assets:					
Buildings	173,863	-	-	-	173,863
Water lines	15,662,184	20,152	-	-	15,682,336
Water valves	254,907	-	-	-	254,907
Fire hydrants	485,698	-	-	-	485,698
Water meters	431,637	-	-	-	431,637
Other system components	2,780,659	-	-	1,196,988	3,977,647
Equipment and vehicles	1,721,822	69,959	(25,194)	-	1,766,587
Total depreciable capital assets	<u>21,510,770</u>	<u>90,111</u>	<u>(25,194)</u>	<u>1,196,988</u>	<u>22,772,675</u>
Less Accumulated Depreciation:					
Buildings	35,887	5,899	-	-	41,786
Water lines	12,712,087	91,454	-	-	12,803,541
Water valves	241,604	3,186	-	-	244,790
Fire hydrants	375,008	7,662	-	-	382,670
Water meters	386,948	5,406	-	-	392,354
Other system components	1,661,485	43,819	-	-	1,705,304
Equipment and vehicles	1,347,507	190,720	(25,194)	-	1,513,033
Total accumulated depreciation	<u>16,760,526</u>	<u>\$ 348,146</u>	<u>\$ (25,194)</u>	<u>\$ -</u>	<u>17,083,478</u>
Total depreciable capital assets, net	<u>4,750,244</u>				<u>5,689,197</u>
Business-type activities capital assets, net	<u>\$ 6,120,914</u>				<u>\$ 5,952,843</u>

Construction Commitments

The County has active construction projects as of June 30, 2021. At year-end, the County's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Granite Falls Middle School	\$ 19,133,414	\$ 8,466,586
Animal shelter	244,434	3,369,746
EMS bases	3,291,721	2,461

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

B. Liabilities

Payables

Payables at the government-wide level at June 30, 2021 were as follows:

	Governmental Activities	Business-Type Activities	Total
Trade payables	\$ 1,570,519	\$ 136,136	\$ 1,706,655
Hospitalization reserve	752,110	-	752,110
Total	<u>\$ 2,322,629</u>	<u>\$ 136,136</u>	<u>\$ 2,458,765</u>

Pension Plan Obligations

Local Governmental Employees' Retirement System

Plan Description. The County is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing, multiple-employer, defined, benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR 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.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age or have completed 15 years of service as a LEO and have reached age 50 or have completed five years of creditable service as a LEO and have reached age 55 or have completed 15 of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to 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, 2021 was 10.84% of compensation for law enforcement officers and 10.21% for general employees, 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 \$2,683,972 for the year ended June 30, 2021.

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, 2021, the County reported a liability of \$13,470,387 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 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, 2021, the County's proportion was 0.37696% (measured as of June 30, 2020), which was an increase of 0.03780% from its proportion as of June 30, 2020 (measured as of June 30, 2019).

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

For the year ended June 30, 2021, the County recognized pension expense of \$4,720,153. At June 30, 2021, 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	\$ 1,701,072	\$ -
Changes of assumptions	1,002,461	-
Net difference between projected and actual earnings on pension plan investments	1,895,596	-
Changes in proportion and differences between County contributions and proportionate share of contributions	457,432	144,506
County contributions subsequent to the measurement date	2,683,972	-
Total	<u>\$ 7,740,533</u>	<u>\$ 144,506</u>

\$2,683,972 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Total
2022	\$ 1,372,332
2023	1,835,127
2024	1,143,599
2025	560,997
2026	-
Thereafter	-
Total	<u>\$ 4,912,055</u>

Actuarial Assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increase	3.50 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

The plan actuary currently uses mortality rates based on the RP-2014 Total Data Set for Health 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, 2019 valuation, with the exception of the discount rate, 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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	<u>6.0%</u>	4.0%
Total	<u>100.0%</u>	

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.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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 contribution 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 benefits 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%, 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 one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability (asset)	<u>\$ 27,329,947</u>	<u>\$ 13,470,387</u>	<u>\$ 1,952,118</u>

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

Law Enforcement Officers' Special Separation Allowance

Plan Description. The 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% 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. A separate report was not issued for the plan.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2019, the Separation Allowance's membership consisted of:

Retirees receiving benefits	5
Terminated plan member entitled to, but not yet receiving, benefits	-
Active plan members	<u>77</u>
Total	<u>82</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 and refunds 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.

Actuarial Assumptions

The entry age normal actuarial cost method was used in the December 31, 2019 valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increase	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	1.93 percent

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

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

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

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

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Deaths After Retirement (Healthy): Mortality rates are based on the Safety Mortality Table for Retirees. Rates for all members are multiplied by 97% and set forward by 1 year.

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

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

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

Contributions. The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and, at present, has chosen to fund the benefit payments on a pay-as-you-go basis through appropriations made in the General Fund operating budget. 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 \$91,321 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, 2021, the County reported a total pension liability of \$2,787,465. The total pension liability was measured as of December 31, 2020 based on a December 31, 2019 actuarial valuation. The total pension liability was rolled forward to December 31, 2020 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2021, the County recognized pension expense of \$346,696.

At June 30, 2021, 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	\$ 178,580	\$ 2,872
Changes of assumptions	696,515	41,294
Benefit payments and plan administrative expense made subsequent to the measurement date	49,746	-
Total	<u>\$ 924,841</u>	<u>\$ 44,166</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

\$49,746 reported as deferred outflows of resources related to pensions resulting from County 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 ending June 30, 2022. Other amounts reported as deferred outflows or inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending	
June 30	Total
2022	\$ 172,957
2023	175,133
2024	166,220
2025	153,996
2026	135,673
Thereafter	26,950
Total	<u>\$ 830,929</u>

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 1.93%, as well as what the County's total pension liability would be if it were calculated using a discount rate that is one percentage point lower (0.93%) or one percentage point higher (2.93%) than the current rate:

	1% Decrease (0.93%)	Discount Rate (1.93%)	1% Increase (2.93%)
Total pension liability	<u>\$ 3,046,116</u>	<u>\$ 2,787,465</u>	<u>\$ 2,554,143</u>

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

	2021
Beginning balance	<u>\$ 1,869,705</u>
Service cost	114,275
Interest on the total pension liability	59,464
Differences between expected and actual experience in the measurement of the total pension liability	89,759
Changes of assumptions or other inputs	745,583
Benefit payments	<u>(91,321)</u>
Net changes	<u>917,760</u>
Ending balance of the total pension liability	<u>\$ 2,787,465</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Changes of Assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 3.26% at December 31, 2019 (measurement date) to 1.93% at December 31, 2020 (measurement date).

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

Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The County contributes to the Supplemental Retirement Income Plan (Plan), a defined, contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The state's ACFR 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 5% of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the Plan. Contributions for the year ended June 30, 2021, were \$247,754, which consisted of \$190,234 from the County and \$57,520 from the law enforcement officers. No amounts were forfeited.

Register of Deeds' Supplemental Pension Fund

Plan Description. The County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a non-contributory, cost-sharing multiple-employer defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Registers of Deeds' Supplemental Pension Fund is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The State's ACFR 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

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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 \$7,573 for the year ended June 30, 2021.

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

At June 30, 2021, the County reported an asset of \$151,644 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2020. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 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, 2021, the County's proportion was 0.66168% (measured as of June 30, 2020), which was an increase of 0.04922% from its proportion as of June 30, 2020 (measured as of June 30, 2019).

For the year ended June 30, 2021, the County recognized pension expense of \$(4,259). At June 30, 2021, 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	\$ -	\$ 3,090
Net difference between projected and actual earnings on pension plan investments	-	12,976
Changes in proportion and differences between County contributions and proportionate share of contributions	7,204	6,233
County contributions subsequent to the measurement date	7,573	-
Total	<u>\$ 14,777</u>	<u>\$ 22,299</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

\$7,573 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 ending June 30, 2022. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending	
June 30	Total
2022	\$ (1,770)
2023	(4,200)
2024	(5,856)
2025	(3,269)
2026	-
Thereafter	-
Total	<u>\$ (15,095)</u>

Actuarial Assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increase	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, 2019 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.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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, 2020 is 1.4%.

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%, 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%) or 1-percentage-point higher (4.75%) than the current rate:

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
County's proportionate share of the net pension liability (asset)	<u>\$ (128,803)</u>	<u>\$ (151,644)</u>	<u>\$ (170,971)</u>

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

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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 June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The total pension liability for LEOSSA was measured as of December 31, 2020, with an actuarial valuation date of December 31, 2019. 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>LEOSSA</u>	<u>ROD</u>	<u>Total</u>
Proportionate share of net pension liability (asset)	\$ 13,470,387	NA	\$ (151,644)	\$ 13,318,743
Proportion of the net pension liability (asset)	0.37696%	NA	-0.66168%	
Total pension liability	-	\$ 2,787,465	-	\$ 2,787,465
Pension expense	\$ 4,720,153	\$ 346,696	\$ (4,259)	\$ 5,062,590

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>LGERS</u>	<u>LEOSSA</u>	<u>ROD</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 1,701,072	\$ 178,580	\$ -	\$ 1,879,652
Changes of assumptions	1,002,461	696,515	-	1,698,976
Net difference between projected and actual earnings on pension plan investments	1,895,596	-	-	1,895,596
Changes in proportion and differences between County contributions and proportionate share of contributions	457,432	-	7,204	464,636
County contributions (LGERS, ROD) and benefit payments and administration costs (LEOSSA) subsequent to the measurement date	<u>2,683,972</u>	<u>49,746</u>	<u>7,573</u>	<u>2,741,291</u>
Total	<u>\$ 7,740,533</u>	<u>\$ 924,841</u>	<u>\$ 14,777</u>	<u>\$ 8,680,151</u>
<u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	\$ -	\$ 2,872	\$ 3,090	\$ 5,962
Changes of assumptions	-	41,294	-	41,294
Net difference between projected and actual earnings on pension plan investments	-	-	12,976	12,976
Changes in proportion and differences between County contributions and proportionate share of contributions	<u>144,506</u>	<u>-</u>	<u>6,233</u>	<u>150,739</u>
Total	<u>\$ 144,506</u>	<u>\$ 44,166</u>	<u>\$ 22,299</u>	<u>\$ 210,971</u>

Other Post-Employment Benefits – Healthcare Benefits

Plan Description. The County (by local ordinance) provides post-employment healthcare benefits to retirees of the County as a single-employer, defined, benefit plan, provided they participate in the North Carolina Local Governmental Employees' Retirement System (LGERS) and have at least thirty years of creditable service with the County. The County pays 50% of the cost of coverage for these benefits through private insurers until the retiree reaches the age for Medicare eligibility. Also, the County's retirees can purchase coverage for their dependents at the County's group rates if that dependent was previously covered at the time of retirement. New dependents cannot be added after retirement. The County Commissioners may amend the benefit provisions. A separate report was not issued for the Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Membership of the Plan consisted of the following at June 30, 2020, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	19
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	<u>561</u>
Total	<u><u>580</u></u>

Funding Policy. The County pays 50% of the cost of coverage for the healthcare benefits paid to qualified retirees under a County resolution that can be amended by the County Board. The County's members pay the current active employee rate for dependent coverage if the retiree elects to purchase the coverage. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis.

Total OPEB Liability

The County's total OPEB liability of \$2,800,105 was measured as of June 30, 2020 and was determined by an actuarial valuation as June 30, 2020.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50 percent
Salary increases	3.50%-7.75%, including wage inflation
Discount rate	2.21 percent
Healthcare cost trend rates	Pre-Medicare - 7.00% for 2020 decreasing to an ultimate rate of 4.50% by 2030

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at June 30, 2020	<u>\$ 2,948,262</u>
Changes for the year:	
Service cost	138,200
Interest	104,932
Differences between expected and actual experience	(579,093)
Changes of assumptions or other inputs	366,131
Benefit payments	<u>(178,327)</u>
Net changes	<u>(148,157)</u>
Balance at June 30, 2021	<u><u>\$ 2,800,105</u></u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Changes in assumptions and other inputs reflect a change in the Municipal Bond Index Rate from 3.50% to 2.21%.

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

Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2015.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2010 – December 31, 2014, adopted by the LGERS Board.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2020 valuation were based on a review of recent plan experience done concurrently with the June 30, 2020 valuation.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21 percent) or 1-percentage-point higher (3.21 percent) than the current discount rate:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	<u>\$ 3,127,210</u>	<u>\$ 2,800,105</u>	<u>\$ 2,511,297</u>

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	Current	1% Increase
Total OPEB liability	<u>\$ 2,427,172</u>	<u>\$ 2,800,105</u>	<u>\$ 3,258,939</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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

For the year ended June 30, 2021, the County recognized OPEB expense of \$173,581. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,657	\$ 855,917
Changes of assumptions	439,527	99,967
Benefit payments and plan administrative expense made subsequent to the measurement date	131,629	-
Total	<u>\$ 577,813</u>	<u>\$ 955,884</u>

\$131,629 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred inflows or outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Total
2022	\$ (69,551)
2023	(69,551)
2024	(69,551)
2025	(69,551)
2026	(69,551)
Thereafter	(161,945)
Total	<u>\$ (509,700)</u>

Other Employment Benefits

In addition to providing pension 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 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 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

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

benefit will be a minimum of \$25,000 but will not exceed \$50,000. Because all death benefit payments are made from the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants. 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. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The County considers these contributions to be immaterial.

Closure and Post-Closure Care Costs – Landfill Facility

Federal and state laws and regulations require the County to place a final cover on its Mt. Herman Landfill facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$120,048 reported as landfill closure and post-closure care liability at June 30, 2021 represents a cumulative amount reported to date based on the use of 100% of the total estimated capacity of the old landfill that is subject to these regulations. These amounts are based on what it would cost to perform all closure and post-closure care in 1998. The County closed the landfill on April 1, 1998. Actual closure and post-closure costs may be higher due to inflation, changes in technology, or changes in regulations. As actual cost of closure and post-closure are incurred, they will be recognized as expenditures and reductions of the accrued liability.

The County built a new landfill in 1998. Republic Industries operates the landfill in accordance with all regulations and will dispose of all residential waste within the County. All closure and post-closure costs will be assumed by Republic Industries.

The County is required by federal and state laws and regulations to demonstrate financial assurance for the required closure, post-closure, and corrective action. Financial assurance may be demonstrated by one of the several prescribed methods. The County has chosen to use the Local Government Financial Test method. Under this method, the local government must annually satisfy each of four components: 1) show financial health by means of financial ratios or bond rating indicators, 2) meet an operating deficit requirement, 3) not be in default on any outstanding general obligation debt or any long-term obligations, and 4) not have outstanding general obligation bonds rated lower than investment grade. The County is in compliance with the four requirements of the Local Government Financial Test.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Deferred Outflows and Inflows of Resources

Deferred outflows of resources at year-end are comprised of the following:

<u>Source</u>	<u>Amount</u>
Pension deferrals	\$ 8,680,151
OPEB deferrals	577,813
Total	<u>\$ 9,257,964</u>

Deferred inflows of resources at year-end are comprised of the following:

<u>Source</u>	<u>Amount</u>
Taxes receivable, net (General Fund and Special Revenue Fund)	\$ 1,958,218
Prepaid taxes	52,325
Ambulance receivables, net (General Fund)	355,018
OPEB deferrals	955,884
Pension deferrals	210,971
Total	<u>\$ 3,532,416</u>

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 obtains property coverage through SIA Insurance Services, Inc. equal to replacement cost values of owned property subject to a limit of \$57,245,785 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; and crime coverage of \$250,000 per occurrence. The County is insured for its health insurance with the State Health Plan and is fully insured for its workers' compensation insurance with the North Carolina County Commissioners' Association.

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 County does not carry flood insurance.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Finance Director and Tax Administrator are each covered with a \$50,000 bond. The Register of Deeds and the Sheriff are both covered by a \$10,000 bond. All employees who have access to cash are covered by a blanket bond of \$250,000. This blanket bond also covers the Finance Director, Register of Deeds, Tax Administrator, and Sheriff.

Long-Term Obligations

Operating Leases

The County is committed under various operating leases for building space and equipment. These operating leases can be canceled with proper notice. For the year ended June 30, 2021, lease expenditures totaled \$138,282. The following is a schedule of future minimum rental payments required under these leases:

Year Ending	Amount
June 30	
2022	\$ 125,975
2023	95,032
2024	72,253
2025	1,180
Total minimum payments required	<u>\$ 294,440</u>

Installment Purchases

As authorized by state law (G.S. 160A-20 and 153A-158.1), the County financed various property and equipment acquisitions by installment purchase.

As authorized by state law (G.S. 160A-20 and 153A-158.1), the County has entered into two installment financing agreements for school renovations and improvements for Caldwell County schools. These installment purchases were issued pursuant to deeds of trust that require legal title remain with the County as long as the debt is outstanding. The County entered into leases with the Board of Education of Caldwell County that transfers the rights and responsibilities for maintenance and insurance of the properties to the Board of Education. These leases call for nominal annual lease payments and contain a bargain purchase option. The lease terms are the same as the installment purchase obligations. Due to the economic substance of these transitions, the capital assets associated with the installment purchase obligations are recorded by the Board of Education.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Installment purchase contracts at June 30, 2021 are comprised of the following:

Serviced by the County's General Fund:

\$676,415 for expansion of the Mental Health Facility, financed for 30 years at 0% interest and due in monthly installments	\$ 607,518
\$5,950,000 financing for the construction of the ASU Center facility on the campus of CCC&TI, due in annual installments of \$326,100 through July 2012; annual payment increases to \$542,568, including interest at 3.5%, through July 2025	2,335,875
\$16,300,000 contract for the Early College facility on the campus of CCC&TI, upgrade to emergency communications system to include new towers, new equipment, renovations to the Courthouse and the County offices building, financed for 20 years at 3.075% interest, due in semi-annual installments (one installment is interest only, the other is principal and interest)	5,147,368
\$12,500,000 for a new facility on the government campus adjacent to the existing Sheriff's Department building to house both the Department of Social Services and the Health Department, financed for 20 years at 3.431% interest, due in semi-annual installments (one installment is interest only, the other is principal and interest)	3,947,369
\$2,971,361 Qualified School Construction Bonds for the addition of new classrooms at Sawmills Elementary School and Hudson Elementary School, financed for 14 years at 2.17% interest, due in annual installments through December 2024	792,363
\$2,248,500 for the replacement of HVAC systems at Davenport, Hudson and Gamewell schools; funded by BB&T through the federal stimulus program's QSCB loan program with an effective interest rate of zero; payments due annually through 2025	749,500

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

\$1,264,000 59 month financing to purchase capital outlay consisting of vehicles and other equipment. Financed at an interest rate of 1.60% through September of 2022	518,000
\$1,457,000 59 month financing to purchase capital outlay consisting of ambulances and other emergency response vehicles. Financed at an interest rate of 2.79% through September of 2023	897,000
\$12,300,000 borrowing to renovate and build additions to Granite Falls Middle School. Financed at an interest rate of 3.04% through April 2034	12,048,000
\$3,045,000 borrowing to construct two EMS bases in the city of Lenoir. Financed at an interest rate of 2.83% through June 2034	2,639,000
\$1,470,000 59 month financing to purchase capital outlay consisting of various vehicles and equipment. Financed at an interest rate of 1.6787% through June 2025	1,185,000
\$515,000 59 month financing to purchase capital outlay consisting of various vehicles and equipment. Financed at an interest rate of 1.18% through January 2026	515,000
\$14,500,000 borrowing to construct new middle school to replace the old facility that housed William Lenoir Middle School. Fifteen year term with interest rate fixed at 2.81% for the first ten years with a variable rate for the final five with a cap of 9%	<u>8,552,000</u>
Total serviced by the General Fund	<u>\$ 39,933,993</u>

The County's outstanding note from direct placements related to governmental activities of \$607,518 is secured by a deed of trust on the mental health facility located on Morganton Boulevard. Upon the failure to pay or make timely payments, the outstanding principal is due, and all leases and rents of residential units are assigned to NCHFA. Upon default, interest on the loan increases to 10% and the lender can enforce its security interest in the mortgaged property, including initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$2,335,875 is secured by a deed of trust on the building on the campus of the community college referred to as the ASU center. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and accrued interest are due. The lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$5,147,368 is secured by a deed of trust on the County's courthouse building and by the facility on the campus of Caldwell Community College and Technical Institute referred to as the Early College. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and accrued interest are due.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

The lender can enforce its security interest in the mortgaged properties, which includes initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$3,947,369 is secured by a deed of trust on the county owned building referred to as the Health and Human Services Building located off Morganton Boulevard in Lenoir, NC. Upon the failure to pay or make timely payments or the failure to budget / appropriate for the debt service, the outstanding principal and accrued interest are due. The lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$792,363 is secured by a deed of trust on Sawmills Elementary School. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and accrued interest are due. The lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$749,500 is secured by a deed of trust on Gamewell Middle School. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and accrued interest are due. The lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$518,000 is secured by a security interest in various vehicles and equipment. Upon the failure to pay or make timely payments, the failure to budget/appropriate for the debt service, failure to perform any term, condition, or covenant for a period of 30 days after written notice, or an attachment, levy or execution is levied on or against any of the vehicles or equipment, the outstanding principal is due. Upon default, interest on the loan increases by 4.00% and the lender can sell, lease, or sublease the vehicles and equipment.

The County's outstanding note from direct placements related to governmental activities of \$897,000 is secured by a security interest in various vehicles and equipment. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and interest are due. Upon default, the lender will take possession of the vehicles and equipment securing the loan and the County will relinquish all rights to the vehicles and equipment.

The County's outstanding note from direct placements related to governmental activities of \$12,048,000 is secured by a deed of trust on Granite Falls Middle School. Upon the failure to pay or make timely payments, the failure to budget/appropriate for the debt service or the removal of the appropriation from the budget, the outstanding principal and accrued interest are due. The lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

The County's outstanding note from direct placements related to governmental activities of \$2,639,000 is secured by a deed of trust on two emergency medical services buildings. Upon the failure to pay or make timely payments, the failure to budget/appropriate for the debt service or the removal of the appropriation from the budget, the outstanding principal and accrued interest are due. Upon default, interest on the loan increases by 4.00% and the lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$1,185,000 is secured by a security interest in various vehicles and equipment. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and interest are due. Upon default, the lender will take possession of the vehicles and equipment securing the loan and the County will relinquish all rights to the vehicles and equipment.

The County's outstanding note from direct placements related to governmental activities of \$515,000 is secured by a security interest in various vehicles and equipment. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and interest are due. Upon default, the lender will take possession of the vehicles and equipment securing the loan and the County will relinquish all rights to the vehicles and equipment.

The County's outstanding note from direct placements related to governmental activities of \$8,552,000 is secured by a deed of trust on William Lenoir Middle School. Upon the failure to pay or make timely payments, the failure to budget/appropriate for the debt service or the removal of the appropriation from the budget, the outstanding principal and accrued interest are due. Upon default, interest on the loan increases by 4.00% and the lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

Current Refinancing

On November 12, 2020, the County issued a \$8,597,000 installment financing contract, to refund a 2017 installment financing contract. As a result, the refunded debt is considered defeased and the liability has been removed from the governmental activities column of the Statement of Net Position. The installment financing contract, with payment dates of March 1 and September 1, will mature September 1, 2028. The installment financing contract carries an interest rate at 1.20%. The refunding produced \$181,873 of net present value savings of 2.18% of the refunded par amount.

On November 12, 2020, the County issued a \$15,879,000 installment financing contract, to refund 2019 installment financing contracts. As a result, the refunded debt is considered defeased and the liability has been removed from the governmental activities column of the Statement of Net Position. The installment financing contract, with a payment date of April 1, will mature April 1, 2034. The installment financing contract carries an interest rate at 1.40%. The refunding produced \$903,518 of net present value savings of 5.97% of the refunded par amount.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Annual debt service requirements to maturity for the County's direct placement installment purchases are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2022	\$ 5,613,925	\$ 603,101
2023	5,609,725	510,109
2024	5,341,740	416,716
2025	5,040,974	327,239
2026	4,513,342	246,305
2027-2031	10,272,809	528,487
2032-2036	3,194,012	87,262
2037-2041	347,466	-
2042-2046	-	-
2047-2049	-	-
Total	<u>\$ 39,933,993</u>	<u>\$ 2,719,219</u>

At June 30, 2021, the County had a legal debt margin of approximately \$581,105,000.

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, 2021:

	Balance			Balance	Current
	July 1, 2020	Increases	Decreases	June 30, 2021	Portion of Balance
Governmental Activities:					
Notes from direct placements	\$ 43,970,245	\$ 24,991,000	\$ 29,027,252	\$ 39,933,993	\$ 5,613,925
Compensated absences	1,668,104	2,342,175	1,824,960	2,185,319	1,748,255
Total OPEB liability	2,889,297	-	145,193	2,744,104	-
Accrued post-closure care	147,420	1,769	29,141	120,048	-
Net pension liability (LGERS)	9,076,949	4,124,028	-	13,200,977	-
Total pension obligation (LEOSSA)	<u>1,869,705</u>	<u>1,009,081</u>	<u>91,321</u>	<u>2,787,465</u>	<u>-</u>
Total governmental activities	<u>\$ 59,621,720</u>	<u>\$ 32,468,053</u>	<u>\$ 31,117,867</u>	<u>\$ 60,971,906</u>	<u>\$ 7,362,180</u>
Business-Type Activities:					
Compensated absences	\$ 46,909	\$ 63,645	\$ 55,605	\$ 54,949	\$ 43,959
Total OPEB liability	58,965	-	2,964	56,001	-
Net pension liability (LGERS)	<u>185,246</u>	<u>84,164</u>	<u>-</u>	<u>269,410</u>	<u>-</u>
Total business-type activities	<u>\$ 291,120</u>	<u>\$ 147,809</u>	<u>\$ 58,569</u>	<u>\$ 380,360</u>	<u>\$ 43,959</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Compensated absences typically have been liquidated in the General Fund and the Enterprise Fund. OPEB typically has been liquidated in the General Fund. Compensated absences are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.

Net Investment in Capital Assets

Net investment in capital assets at June 30, 2021 is computed as follows:

Capital assets, net of accumulated depreciation	\$ 33,437,224
Less capital debt:	
Gross debt	39,933,993
Less:	
School & EDC debt related to assets to which the County does not hold title	(27,154,369)
Net capital debt	12,779,624
Net investment in capital assets	\$ 20,657,600

Conduit Debt Obligations

The Authority has previously issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds were 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, 2021, there were no industrial revenue bonds outstanding.

C. Interfund Balances and Activity

Transfers in (out) for the year ended June 30, 2021, are summarized below.

From	To	Amount	Purpose
General Capital Projects Fund	General Fund	\$ 320,000	Use of 524 sales tax funds for additional SRO's at County schools
General Capital Projects Fund	Schools Capital Project Fund - Sales Tax	700,000	Debt service on GFMS project
General Capital Projects Fund	Public Schools Capital Project Fund	600,000	Purchase of land adjacent to Lower Creek Elementary
Sales Tax Reinvestment Fund	General Fund	350,000	Transfer to help fund two new EMS bases (debt service)
Water Fund	Water Tanks Capital Project Fund	916,000	Water tank repairs - Cedar Rock & Draco
Total		\$ 2,886,000	

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

3. Joint Ventures

The County, in conjunction with the State of North Carolina, the Caldwell County Board of Education, and the Board of Commissioners of Watauga County, participates in a joint venture to operate Caldwell Community College. The County, the Board of Education, and the Governor each appoint four members of the fifteen-member Board of Trustees of the Community College. The Board of Commissioners of Watauga County appoints two members, and the President of the Community College's student government association serves as an ex-officio, non-voting member. The Community College is included as a component unit in the financial statements of the State of North Carolina.

The County has an ongoing statutory responsibility to provide funding for the facilities of the Community College. This responsibility is fulfilled by means of an annual appropriation covering plant operations and maintenance, capital outlay, and some operating expenses. In addition, the County periodically issues general obligation bonds and installment purchase debt to provide financing for new and restructured facilities. As of June 30, 2021, \$5,028,979 of debt issued for this purpose was still outstanding.

The County contributed \$3,518,619 for operating and capital purposes during the fiscal year ended June 30, 2021. In addition, the County made debt service payments of \$970,576 during the fiscal year on installment purchase debt issued for community college capital facilities.

The participating governments do not have any equity interest in the Community College; therefore, no equity interest has been reflected in these financial statements. Complete financial statements for the Community College may be obtained at the College's administrative offices on Highway 321, Hudson, North Carolina.

Vaya Health is the MH/DD/SAS area program for the following 23 counties: Alexander, Alleghany, Ashe, Avery, Buncombe, Caldwell, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania, Watauga, Wilkes, and Yancey. The County Commissioners are responsible for appointing two of the 46 members of the Board of Directors of Vaya Health for MH/DD/SAS. The County Commissioners also appoint one at-large member to the Vaya Health Board, but this member has no voting power. The County's accountability for this organization does not extend beyond making these appointments.

4. Jointly Governed Organizations

The Western Piedmont Council of Governments (the "Council") was established in November 1968 by the County in conjunction with three other counties and twenty-three municipalities. Each participating government appoints one member to the Council's governing board. The Council's financing is derived from voluntary annual dues paid by member governments and from federal and state grants. The County paid dues of \$35,402 to the Council during the fiscal year ended June 30, 2021.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

The Region E Development Corporation (the “Corporation”) was founded in 1982 by the Commissioners of the four counties of the Unifour Area. It serves as the access point for small businesses to obtain financing under the U.S. Small Business Administration’s 504 Loan Program. Six of the twenty-five members of the Corporation are appointed by the Caldwell County Board of Commissioners. The County does not provide any regular appropriation of funds for the Corporation.

Blue Ridge Community Action, Inc. (the “BRCA”) is a private, non-profit, tax-exempt organization, which operates various programs providing aid and services to economically disadvantaged, handicapped, and elderly persons. BRCA is supported primarily by federal and state grants and appropriations from local governments. It is governed by a Board of Directors representing the County Commissions of Caldwell County and Burke County, local civic organizations, and communities with a high incidence of poverty. The Caldwell County Board of Commissioners appoints three of the eighteen members of the Board of Directors. For the year ended June 30, 2021, the County provided \$13,473 to support the home delivered meals program.

Foothills Regional Airport Authority was established by Caldwell County in conjunction with one other county and two municipalities. Each participating government appoints two members to the authority’s governing board. Each government funds the authority in equal amounts. For the fiscal year ended June 30, 2021, Caldwell County contributed \$47,137.

5. 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 that 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.

6. 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 monies to the grantor agencies. Based upon prior experience, management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Coronavirus Disease (COVID-19)

During the fiscal year 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19), a worldwide pandemic. The COVID-19 pandemic has had significant effects on global markets, supply chains, businesses, and communities. Specific to the County, COVID-19 may continue to impact various parts of its fiscal year 2021-22 operations and financial results. Management believes the County is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as events associated with the pandemic continue to develop.

7. Claims, Judgement, and Contingent Liabilities

At June 30, 2021, 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.

8. Change in Accounting Principle

The County implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, effective July 1, 2020. The statement establishes criteria for identifying fiduciary activities of all state and local governments and provides guidance on how to report fiduciary activities within the financial statements. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The statement also describes four fiduciary funds that should be reported if criteria outlined in the statement are met: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. The use of agency funds was eliminated. The statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

As part of implementing the statement, the County performed a comprehensive review of its fiduciary relationships and applied the criteria within the guidance. As a result, fund balance and net position were restated as follows:

Governmental Activities Net Position - Increase (Decrease)	Nonmajor Special Revenue Fund Balance - Increase (Decrease)	Fiduciary Net Position - Custodial Fund - Increase (Decrease)	
\$ 36,695	\$ 36,695	\$ -	Cash received under the Social Security Administration's Representative Payee Program net of liabilities owed for payments on behalf of beneficiaries were reclassified out of the Agency Fund into the Representative Payee Fund. The portion of liabilities in the Agency Fund representing net cash available at the beginning of the year were restated as fund balance.
8,720	8,720	-	Cash and receivables from fines and forfeitures net of liabilities owed were reclassified out of the Agency Fund into a newly created Fines and Forfeitures Special Revenue Fund. The portion of liabilities in the Agency Fund representing net cash available at the beginning of the year were restated as fund balance.
-	-	35,433	Cash related to funds held on behalf of incarcerated inmates net of liabilities owed for payments on behalf of beneficiaries were reclassified out of the Agency Fund into Jail Inmate Pay Custodial Fund. The portion of liabilities in the Agency Fund representing net cash available at the beginning of the year restated as fund balance.
-	-	37,917	Cash, taxes receivables and liabilities related to ad valorem and vehicle property taxes collected by the County on behalf of various municipalities were reclassified out of the Agency Fund into the Custodial Fund. The portion of liabilities attributable to taxes receivable at the beginning of the year were restated as custodial net position.
<u>\$ 45,415</u>	<u>\$ 45,415</u>	<u>\$ 73,350</u>	

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

9. Subsequent Events

Caldwell County was awarded \$15,962,113 from the Federal American Rescue Plan (ARP). The County received \$7,981,057 in May 2021. The remaining amount of \$7,981,056 is expected to be received within the next 12 months.

Caldwell County closed on an installment financing contract on July 22, 2021 for the purpose of constructing a new animal shelter. The contract was for \$3,700,000 and carries an interest rate of 1.99%. Payments are made annually on August 1st and the debt matures August 1, 2036.

REQUIRED SUPPLEMENTARY FINANCIAL DATA

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

- **Other Post-Employment Benefits – Schedule of Changes in the Total OPEB Liability and Related Ratios**
- **Law Enforcement Officers’ Special Separation Allowance – Schedule of Changes in Total Pension Liability**
- **Law Enforcement Officers’ Special Separation Allowance – Schedule of Total Pension Liability as a Percentage of Covered Payroll**
- **Local Governmental Employees’ Retirement System – Proportionate Share of Net Pension Liability (Asset)**
- **Local Governmental Employees’ Retirement System – Contributions**
- **Register of Deeds’ Supplemental Pension Fund – Proportionate Share of Net Pension Liability (Asset)**
- **Register of Deeds’ Supplemental Pension Fund – Contributions**



CALDWELL COUNTY, NORTH CAROLINA

OTHER POST-EMPLOYMENT BENEFITS

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

LAST FOUR FISCAL YEARS

	Other Post-Employment Benefits			
	2021	2020	2019	2018
Service cost	\$ 138,200	\$ 126,343	\$ 163,077	\$ 178,535
Interest	104,932	106,468	110,381	96,162
Differences between expected and actual experience	(579,093)	(23,156)	(450,313)	11,053
Changes of assumptions or other inputs	366,131	107,120	33,594	(165,955)
Benefit payments	(178,327)	(208,946)	(231,748)	(196,737)
Net change in total OPEB liability	(148,157)	107,829	(375,009)	(76,942)
Total OPEB liability - beginning	2,948,262	2,840,433	3,215,442	3,292,384
Total OPEB liability - ending	<u>\$ 2,800,105</u>	<u>\$ 2,948,262</u>	<u>\$ 2,840,433</u>	<u>\$ 3,215,442</u>
Covered payroll	\$ 23,341,121	\$ 19,511,954	\$ 19,511,954	\$ 19,582,380
Total OPEB liability as a percentage of covered payroll	12.00%	15.11%	14.56%	16.42%

Notes to the Required Schedules:

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:

Fiscal Year	Rate
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
LAST FIVE FISCAL YEARS

	Law Enforcement Officers' Special Separation Allowance				
	2021	2020	2019	2018	2017
Beginning balance	\$ 1,869,705	\$ 1,679,198	\$ 1,546,222	\$ 1,391,989	\$ 1,338,948
Service cost	114,275	89,209	91,339	75,166	78,498
Interest on the total pension liability	59,464	59,804	47,757	52,578	47,113
Differences between expected and actual experience in the measurement of the total pension liability	89,759	56,947	129,494	(8,216)	-
Changes of assumptions or other inputs	745,583	57,016	(65,791)	94,447	(34,077)
Benefit payments	(91,321)	(72,469)	(69,823)	(59,742)	(38,493)
Ending balance of the total pension liability	<u>\$ 2,787,465</u>	<u>\$ 1,869,705</u>	<u>\$ 1,679,198</u>	<u>\$ 1,546,222</u>	<u>\$ 1,391,989</u>

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

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE****REQUIRED SUPPLEMENTARY INFORMATION****SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL****LAST FIVE FISCAL YEARS**

	Law Enforcement Officers' Special Separation Allowance				
	2021	2020	2019	2018	2017
Total pension liability	\$ 2,787,465	\$ 1,869,705	\$ 1,679,198	\$ 1,546,222	\$ 1,391,989
Covered payroll	3,998,998	3,359,068	3,226,682	3,020,106	2,924,773
Total pension liability as a percentage of covered payroll	69.70%	55.66%	52.04%	51.20%	47.59%

Notes to the Schedules:

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

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA

CALDWELL COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) REQUIRED SUPPLEMENTARY INFORMATION LAST EIGHT FISCAL YEARS*

Local Governmental Employees' Retirement System				
	2021	2020	2019	2018
Caldwell County's proportion of the net pension liability (asset) (%)	0.37696%	0.33916%	0.35492%	0.35885%
Caldwell County's proportion of the net pension liability (asset) (\$)	\$ 13,470,387	\$ 9,262,195	\$ 8,419,914	\$ 5,482,232
Caldwell County's covered payroll	\$ 25,605,966	\$ 23,639,579	\$ 22,049,890	\$ 21,329,068
Caldwell County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	52.61%	39.18%	38.19%	25.70%
Plan fiduciary net position as a percentage of the total pension liability**	88.61%	90.86%	91.63%	94.18%

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

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

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA
**CALDWELL COUNTY'S PROPORTIONATE SHARE
 OF NET PENSION LIABILITY (ASSET)
 REQUIRED SUPPLEMENTARY INFORMATION
 LAST EIGHT FISCAL YEARS***

	Local Governmental Employees' Retirement System			
	2017	2016	2015	2014
Caldwell County's proportion of the net pension liability (asset) (%)	0.36841%	0.35415%	0.34861%	0.34430%
Caldwell County's proportion of the net pension liability (asset) (\$)	\$ 7,818,892	\$ 1,589,402	\$ (2,055,915)	\$ 4,150,137
Caldwell County's covered payroll	\$ 20,958,493	\$ 20,047,230	\$ 19,324,605	\$ 17,879,977
Caldwell County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	37.31%	7.93%	(10.64%)	23.21%
Plan fiduciary net position as a percentage of the total pension liability**	91.47%	98.09%	102.64%	94.35%

CALDWELL COUNTY, NORTH CAROLINA**CALDWELL COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS**

	Local Governmental Employees' Retirement System			
	2021	2020	2019	2018
Contractually required contribution	\$ 2,683,972	\$ 2,327,296	\$ 1,866,454	\$ 1,685,322
Contributions in relation to the contractually required contribution	<u>2,683,972</u>	<u>2,327,296</u>	<u>1,866,454</u>	<u>1,685,322</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Caldwell County's covered payroll	\$ 26,106,605	\$ 25,605,966	\$ 23,639,579	\$ 22,049,890
Contributions as a percentage of covered payroll	10.28%	9.09%	7.90%	7.64%

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA**CALDWELL COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS**

	Local Governmental Employees' Retirement System			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,583,959	\$ 1,426,692	\$ 1,423,076	\$ 1,366,046
Contributions in relation to the contractually required contribution	<u>1,583,959</u>	<u>1,426,692</u>	<u>1,423,076</u>	<u>1,366,046</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Caldwell County's covered payroll	\$ 21,329,068	\$ 20,958,493	\$ 20,047,230	\$ 19,324,605
Contributions as a percentage of covered payroll	7.43%	6.81%	7.10%	7.07%

CALDWELL COUNTY, NORTH CAROLINA

**CALDWELL COUNTY'S PROPORTIONATE SHARE
OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS***

Register of Deeds' Supplemental Pension Fund				
	2021	2020	2019	2018
Caldwell County's proportion of the net pension liability (asset) (%)	0.66168%	0.61246%	0.68684%	0.67060%
Caldwell County's proportion of the net pension liability (asset) (\$)	\$ (151,644)	\$ (120,912)	\$ (113,761)	\$ (114,465)
Caldwell County's covered payroll	\$ 73,575	\$ 73,271	\$ 73,271	\$ 72,734
Caldwell County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-206.11%	-165.02%	-155.26%	-157.37%
Plan fiduciary net position as a percentage of the total pension liability**	173.62%	164.11%	153.31%	153.77%

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

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

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA
**CALDWELL COUNTY'S PROPORTIONATE SHARE
 OF NET PENSION LIABILITY (ASSET)
 REQUIRED SUPPLEMENTARY INFORMATION
 LAST EIGHT FISCAL YEARS***

Register of Deeds' Supplemental Pension Fund				
	2017	2016	2015	2014
Caldwell County's proportion of the net pension liability (asset) (%)	0.75778%	0.72118%	0.76574%	0.68111%
Caldwell County's proportion of the net pension liability (asset) (\$)	\$ (141,675)	\$ (167,130)	\$ (173,562)	\$ (145,485)
Caldwell County's covered payroll	\$ 71,275	\$ 69,845	\$ 68,441	\$ 66,963
Caldwell County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-198.77%	-239.29%	-253.59%	-217.26%
Plan fiduciary net position as a percentage of the total pension liability**	160.17%	197.29%	193.88%	190.50%

CALDWELL COUNTY, NORTH CAROLINA**CALDWELL COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS**

Register of Deeds' Supplemental Pension Fund				
	2021	2020	2019	2018
Contractually required contribution	\$ 7,573	\$ 6,336	\$ 5,821	\$ 5,878
Contributions in relation to the contractually required contribution	7,573	6,336	5,821	5,878
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Caldwell County's covered payroll	\$ 74,421	\$ 73,575	\$ 73,271	\$ 73,271
Contributions as a percentage of covered payroll	10.18%	8.61%	7.94%	8.02%

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA**CALDWELL COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS**

Register of Deeds' Supplemental Pension Fund				
	2017	2016	2015	2014
Contractually required contribution	\$ 5,827	\$ 6,191	\$ 5,771	\$ 6,252
Contributions in relation to the contractually required contribution	5,827	6,191	5,771	6,252
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Caldwell County's covered payroll	\$ 72,734	\$ 71,275	\$ 69,845	\$ 68,441
Contributions as a percentage of covered payroll	8.01%	8.69%	8.26%	9.13%



THE GENERAL FUND

The General Fund accounts for resources traditionally associated with the government that are not required legally or by sound fiscal management to be accounted for in other funds.



CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance Over/Under
Revenues:			
Ad valorem taxes	\$ 46,968,485	\$ 49,140,196	\$ 2,171,711
Local Option Sales Tax:			
Article 39 one percent	3,852,441	4,634,980	782,539
Article 40 one-half of one percent	3,392,338	3,883,072	490,734
Article 42 one-half of one percent	575,000	734,097	159,097
Article 44 one-half of one percent	-	227	227
Total	7,819,779	9,252,376	1,432,597
Other Taxes and Licenses:			
Real estate transfer tax	200,000	391,176	191,176
Local occupancy tax	220,000	213,904	(6,096)
Scrap tire tax	150,000	112,947	(37,053)
White goods tax	50,000	42,518	(7,482)
Schedule B licenses	3,000	1,770	(1,230)
Gross receipts tax	3,000	4,910	1,910
Total	626,000	767,225	141,225
Unrestricted Intergovernmental:			
Payment in lieu of taxes	120,000	135,570	15,570
State hold-harmless reimbursement	100,000	953,719	853,719
Cable franchise tax	360,000	335,989	(24,011)
Soft cost reimbursement	46,130	43,933	(2,197)
EDC occupancy tax	12,000	50,726	38,726
Total	638,130	1,519,937	881,807
Restricted Intergovernmental:			
Federal and state aid - health	3,535,951	3,116,336	(419,615)
Federal and state aid - social services	9,912,785	9,439,465	(473,320)
Federal and state aid - law enforcement	604,371	536,043	(68,328)
Federal and state aid - library	132,500	134,276	1,776
Federal and state aid - miscellaneous	682,923	527,051	(155,872)
Federal and state aid - JCPC	263,703	263,703	-
Federal and state aid - ambulance	550,530	601,545	51,015
Federal and state shared - controlled substance	5,000	58,155	53,155
Court facility fees	115,000	103,387	(11,613)
ABC revenue	18,000	21,075	3,075
Total	15,820,763	14,801,036	(1,019,727)

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance Over/Under
Permits and Fees:			
Inspection department	250,000	442,304	192,304
Marriage license	12,000	12,650	650
Environmental fees	70,000	130,270	60,270
Civil fees	115,000	76,303	(38,697)
Weapons permits	138,000	245,860	107,860
Register of Deeds	330,000	412,958	82,958
Miscellaneous	3,000	6,441	3,441
Total	918,000	1,326,786	408,786
Sales and Services:			
Ambulance fees	2,960,623	2,764,948	(195,675)
Animal control	35,000	34,919	(81)
Jail fees	300,900	250,337	(50,563)
Jail commissary	80,000	98,736	18,736
Sheriff collection fees	1,000	806	(194)
Health department fees	193,000	306,744	113,744
Household fees	700,000	727,486	27,486
Republic host fees	850,000	929,752	79,752
Library fines and fees	18,000	7,534	(10,466)
Collection fees - special tax districts and towns	15,000	14,974	(26)
Miscellaneous	128,004	63,826	(64,178)
Total	5,281,527	5,200,062	(81,465)
Investment Earnings	50,000	(12,054)	(62,054)
Miscellaneous:			
Contributions	117,000	85,753	(31,247)
Other	192,072	78,954	(113,118)
Total	309,072	164,707	(144,365)
Total revenues	78,431,756	82,160,271	3,728,515
Expenditures:			
General Government:			
Administration:			
Salaries and benefits	333,343	324,688	
Operating expenditures	219,094	162,349	
Total	552,437	487,037	65,400

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance Over/Under
Board of Elections:			
Salaries and benefits	237,463	206,429	
Operating expenditures	479,733	416,864	
Capital outlay	68,796	67,018	
Total	<u>785,992</u>	<u>690,311</u>	<u>95,681</u>
Register of Deeds:			
Salaries and benefits	377,632	366,123	
Operating expenditures	151,075	104,325	
Total	<u>528,707</u>	<u>470,448</u>	<u>58,259</u>
Finance:			
Salaries and benefits	439,710	434,244	
Operating expenditures	101,854	86,264	
Total	<u>541,564</u>	<u>520,508</u>	<u>21,056</u>
Information Services:			
Salaries and benefits	567,667	561,714	
Operating expenditures	505,846	425,375	
Capital outlay	117,488	32,796	
Total	<u>1,191,001</u>	<u>1,019,885</u>	<u>171,116</u>
Scanning:			
Salaries and benefits	123,173	113,529	
Operating expenditures	22,000	7,239	
Total	<u>145,173</u>	<u>120,768</u>	<u>24,405</u>
Tax Administrator:			
Salaries and benefits	642,981	635,894	
Operating expenditures	423,119	335,793	
Total	<u>1,066,100</u>	<u>971,687</u>	<u>94,413</u>
Revaluation:			
Salaries and benefits	271,034	270,981	
Operating expenditures	104,077	57,328	
Capital outlay	50,000	-	
Total	<u>425,111</u>	<u>328,309</u>	<u>96,802</u>

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance Over/Under
Public Information:			
Salaries and benefits	157,307	161,057	
Operating expenditures	49,406	(31,276)	
Total	206,713	129,781	76,932
Building Maintenance:			
Salaries and benefits	433,992	440,236	
Operating expenditures	689,033	583,536	
Capital outlay	5,900	5,698	
Total	1,128,925	1,029,470	99,455
Land Records:			
Salaries and benefits	142,340	141,049	
Operating expenditures	43,600	38,672	
Total	185,940	179,721	6,219
Human Resources:			
Salaries and benefits	1,432,632	1,288,485	
Operating expenditures	546,839	512,999	
Total	1,979,471	1,801,484	177,987
Veterans Administration:			
Salaries and benefits	119,932	121,498	
Operating expenditures	12,966	4,419	
Total	132,898	125,917	6,981
Special Services:			
Law library - courthouse	6,000	-	6,000
Institute of Government	9,000	7,889	1,111
Western Piedmont Council of Governments	35,402	35,402	-
Vehicle fuel	-	(589)	589
Administrative expenses	(161,316)	(161,316)	-
Community service program	6,000	6,000	-
Broadband internet	100,000	100,000	-
Total	(4,914)	(12,614)	7,700
Total general government	8,865,118	7,862,712	1,002,406

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance Over/Under
Public Safety:			
Animal Control:			
Salaries and benefits	468,766	407,838	
Operating expenditures	215,000	174,892	
Total	683,766	582,730	101,036
Sheriff's Department:			
Salaries and benefits	826,302	755,720	
Operating expenditures	571,795	502,629	
Total	1,398,097	1,258,349	139,748
Patrol Division:			
Salaries and benefits	2,162,966	1,982,075	
Operating expenditures	376,301	305,008	
Capital outlay	66,013	58,171	
Total	2,605,280	2,345,254	260,026
Investigative Division:			
Salaries and benefits	883,968	923,858	
Operating expenditures	132,968	97,038	
Capital outlay	11,000	10,805	
Total	1,027,936	1,031,701	(3,765)
Support Division:			
Salaries and benefits	756,196	777,153	
Operating expenditures	288,831	184,790	
Capital outlay	382,608	364,632	
Total	1,427,635	1,326,575	101,060
Reserve Division:			
Salaries and benefits	52,607	35,605	
Operating expenditures	8,400	1,884	
Total	61,007	37,489	23,518
County Jail and Building:			
Salaries and benefits	2,858,501	2,457,120	
Operating expenditures	1,563,589	1,289,988	
Capital outlay	74,952	59,898	
Total	4,497,042	3,807,006	690,036

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance Over/Under
School Resource Officer:			
Salaries and benefits	873,667	781,794	
Operating expenditures	45,000	31,731	
Total	918,667	813,525	105,142
Emergency Medical Services:			
Salaries and benefits	5,619,624	6,030,361	
Operating expenditures	1,109,618	709,452	
Capital outlay	307,388	306,482	
Total	7,036,630	7,046,295	(9,665)
Emergency Management:			
Salaries and benefits	196,411	199,020	
Operating expenditures	251,850	186,299	
Capital outlay	75,571	66,530	
Total	523,832	451,849	71,983
Fire Marshal:			
Salaries and benefits	290,539	342,619	
Operating expenditures	90,350	60,718	
Total	380,889	403,337	(22,448)
Communications Center:			
Salaries and benefits	1,219,390	1,102,256	
Operating expenditures	483,684	444,514	
Total	1,703,074	1,546,770	156,304
Emergency Services Building:			
Operating expenditures	102,450	79,027	
Total	102,450	79,027	23,423
Special Services:			
Court reform expense	3,762	3,762	-
Crime Stoppers	3,600	3,600	-
COOP Plan	2,800	-	2,800
PILT sharing	40,025	40,025	-
Forest contract - NC State	83,970	72,269	11,701
Total	134,157	119,656	14,501
Total public safety	22,500,462	20,849,563	1,650,899

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance Over/Under
Environmental Protection:			
Convenience Center:			
Salaries and benefits	242,571	224,728	
Operating expenditures	488,796	436,121	
Total	731,367	660,849	70,518
Total environmental protection	731,367	660,849	70,518
Economic and Physical Development:			
Planning and Development:			
Salaries and benefits	156,923	158,550	
Operating expenditures	38,798	21,855	
Total	195,721	180,405	15,316
Building Inspection:			
Salaries and benefits	360,341	374,881	
Operating expenditures	63,504	42,388	
Total	423,845	417,269	6,576
Cooperative Extension:			
Salaries and benefits	16,662	15,468	
Operating expenditures	209,312	181,818	
Total	225,974	197,286	28,688
Soil and Water Conservation:			
Salaries and benefits	107,686	87,041	
Operating expenditures	31,033	12,992	
Total	138,719	100,033	38,686
Economic Development:			
Salaries and benefits	141,730	143,155	
Operating expenditures	8,937,040	8,798,810	
Total	9,078,770	8,941,965	136,805
Special Services:			
Occupancy tax expenditures	220,000	213,904	
Caldwell Railroad Commission	3,754	-	
Foothills Regional Airport Authority	47,137	47,137	
Total	270,891	261,041	9,850
Total economic and physical development	10,333,920	10,097,999	235,921

CALDWELL COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance Over/Under
Human Services:			
Human Services Building:			
Salaries and benefits	123,594	131,876	
Operating expenditures	207,800	177,984	
Capital outlay	58,697	58,697	
Total	390,091	368,557	21,534
Health:			
Health Support:			
Salaries and benefits	528,023	491,424	
Operating expenditures	128,000	(44,056)	
Total	656,023	447,368	208,655
Environmental Health:			
Salaries and benefits	370,656	363,013	
Operating expenditures	138,050	40,072	
Capital outlay	90,000	-	
Total	598,706	403,085	195,621
Women's Health:			
Salaries and benefits	466,694	447,788	
Operating expenditures	43,250	39,035	
Total	509,944	486,823	23,121
Child Health:			
Salaries and benefits	845,769	779,689	
Operating expenditures	53,731	30,745	
Total	899,500	810,434	89,066
Dental Health:			
Salaries and benefits	273,864	252,556	
Operating expenditures	152,275	115,295	
Capital outlay	11,711	11,711	
Total	437,850	379,562	58,288
Clinic:			
Salaries and benefits	1,566,606	1,466,048	
Operating expenditures	792,853	487,454	
Capital outlay	123,886	99,985	
Total	2,483,345	2,053,487	429,858

CALDWELL COUNTY, NORTH CAROLINA
**GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2021**

	Final Budget	Actual	Variance Over/Under
Women, Infants, and Children:			
Salaries and benefits	357,979	313,680	
Operating expenditures	57,758	48,207	
Total	415,737	361,887	53,850
Primary Care Center:			
Operating expenditures	4,040	4,036	
Total	4,040	4,036	4
Total health	6,005,145	4,946,682	1,058,463
Social Services:			
Administration:			
Salaries and benefits	9,074,609	8,766,682	
Operating expenditures	792,896	617,119	
Total	9,867,505	9,383,801	483,704
Public Assistance:			
Adult resources	691,254	491,504	
Child resources	3,262,000	2,102,224	
Temporary resources	1,089,541	1,003,026	
Medicaid	65,000	5,482	
Total	5,107,795	3,602,236	1,505,559
Total social services	14,975,300	12,986,037	1,989,263
Special Services:			
Medical examiner	85,109	92,150	(7,041)
Mental health	122,138	123,173	(1,035)
Sheltered home	8,500	8,500	-
Council on Adolescent Health	12,000	12,000	-
Food for the elderly	13,473	13,473	-
Senior center	5,000	5,000	-
Psychological services	29,366	29,366	-
Youthful sex offender services	39,282	39,282	-
Peace pipeline	45,275	45,275	-
Juvenile justice intervention	786	786	-
Miscellaneous CBA expenditures	15,500	15,159	341
Caldwell House	6,000	6,000	-
Project Challenge	71,500	71,500	-

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance Over/Under
Caldwell opportunities	7,500	7,500	-
Western Piedmont sister cities	23,044	23,042	2
Rural planning organization	30,000	30,000	-
Western Piedmont Regional Transit Authority	67,117	67,117	-
Robin's Nest	10,000	10,000	-
Caldwell Friends	10,669	10,669	-
Total	<u>602,259</u>	<u>609,992</u>	<u>(7,733)</u>
 Total human services	 <u>21,972,795</u>	 <u>18,911,268</u>	 <u>3,061,527</u>
Cultural and Recreational:			
Library:			
Salaries and benefits	1,073,137	912,105	
Operating expenditures	327,842	296,189	
Capital outlay	<u>127,541</u>	<u>126,364</u>	
Total	<u>1,528,520</u>	<u>1,334,658</u>	<u>193,862</u>
Library Buildings:			
Operating expenditures	<u>46,550</u>	<u>40,309</u>	
Total	<u>46,550</u>	<u>40,309</u>	<u>6,241</u>
County Parks and Recreation:			
Wilson's Creek Center	<u>49,466</u>	<u>16,172</u>	
Total	<u>49,466</u>	<u>16,172</u>	<u>33,294</u>
Special Services:			
Caldwell Arts Council	1,500	1,500	-
Historical Society	2,500	2,500	-
Baton Ruritan Park	8,000	8,000	-
Dudley Shoals Park	5,000	5,000	-
Oak Hill Park	9,628	9,628	-
Collettsville Park	18,114	18,114	-
North Catawba Optimist Park	14,500	14,500	-
Kings Creek Community Athletic	1,500	1,500	-
Gamewell Optimist Club	3,500	3,500	-
Special Olympics	2,500	2,500	-
Fort Defiance	<u>3,500</u>	<u>3,500</u>	<u>-</u>
Total	<u>70,242</u>	<u>70,242</u>	<u>-</u>
 Total cultural and recreational	 <u>1,694,778</u>	 <u>1,461,381</u>	 <u>233,397</u>

CALDWELL COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Education:			
Public Schools:			
Current expense	14,875,000	14,874,155	
Total	14,875,000	14,874,155	845
Community College:			
Current expense	3,373,619	3,365,336	
Capital outlay	180,000	180,000	
Total	3,553,619	3,545,336	8,283
Education Foundation	11,520	11,520	-
Kids at Work	52,111	52,111	-
Communities in Schools	33,000	33,000	-
Total education	18,525,250	18,516,122	9,128
Debt Service:			
Principal retirement	2,877,250	3,082,127	(204,877)
Interest and fees	776,515	406,829	369,686
Total debt service	3,653,765	3,488,956	164,809
Contingency	161,927	-	161,927
Total expenditures	88,439,382	81,848,850	6,590,532
Revenues over (under) expenditures	(10,007,626)	311,421	10,319,047
Other Financing Sources (Uses):			
Installment purchase financing issued	515,000	515,000	-
Refinanced debt issued	2,886,000	2,886,000	-
Payment of refinanced installment purchase	(2,898,134)	(2,898,134)	-
Transfers:			
Transfers from other funds	670,000	670,000	-
Proceeds from sale of capital assets	31,418	385,260	353,842
Appropriated fund balance	8,803,342	-	(8,803,342)
Total other financing sources (uses)	10,007,626	1,558,126	(8,449,500)

CALDWELL COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Net change in fund balance	\$ -	1,869,547	\$ 1,869,547
Fund Balance:			
Beginning of year - July 1		<u>13,198,506</u>	
End of year - June 30		<u>\$ 15,068,053</u>	

PUBLIC SCHOOLS CAPITAL PROJECT FUND

This fund is used to track the costs associated with the renovations of existing schools.



CALDWELL COUNTY, NORTH CAROLINA

PUBLIC SCHOOLS CAPITAL PROJECT FUND - MAJOR FUND SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual		
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Restricted intergovernmental:				
ADM funds	\$ 384,903	\$ 372,440	\$ -	\$ 372,440
Public school lottery funds	19,892,550	9,382,896	9,204,235	18,587,131
Investment earnings	-	182,204	1,027	183,231
Total revenues	<u>20,277,453</u>	<u>9,937,540</u>	<u>9,205,262</u>	<u>19,142,802</u>
Expenditures:				
Capital outlay:				
Education:				
Granite Falls Middle School:				
Construction and design	27,600,000	9,286,677	9,846,738	19,133,415
Lower Creek Elementary School:				
Land	610,000	603,421	-	603,421
School improvements - ADM	384,903	372,440	-	372,440
School improvements - lottery	4,892,550	5,069,158	-	5,069,158
Debt service:				
Interest and fees	-	75,575	-	75,575
Total expenditures	<u>33,487,453</u>	<u>15,407,271</u>	<u>9,846,738</u>	<u>25,254,009</u>
Revenues over (under) expenditures	<u>(13,210,000)</u>	<u>(5,469,731)</u>	<u>(641,476)</u>	<u>(6,111,207)</u>
Other Financing Sources (Uses):				
Installment purchase financing issued	12,300,000	12,431,396	-	12,431,396
Transfers:				
Transfers from other funds	<u>910,000</u>	<u>310,000</u>	<u>600,000</u>	<u>910,000</u>
Total other financing sources (uses)	<u>13,210,000</u>	<u>12,741,396</u>	<u>600,000</u>	<u>13,341,396</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 7,271,665</u>	<u>\$ (41,476)</u>	<u>\$ 7,230,189</u>



GENERAL CAPITAL PROJECTS FUND

This fund includes the following individual projects:

The EMS Base Renovations Project - This project will construct two new EMS bases to serve the Lenoir area. One will be located in Lower Creek near the intersection of Highways 90 and 18. The other will be located behind Valmead School off of Highway 321 North.

The Animal Shelter Project – The County began a capital project that would construct a new animal shelter to replace the current facility with a more modern and capable one. An architect has designed the new facility but the project was placed on hold due to the pandemic. The County hopes to re-start this project at the appropriate time.

CARES Act Funding – The County has received funding from the federal CARES act to help combat the spread of the covid-19 virus. A portion of this money is being shared with the municipalities located within the County.

The HHS Building Road Project - This project will provide a new entrance road to the government campus on Morganton Boulevard. This new road will service both the Human Services building and the Sheriff's Office. It will also help take some traffic away from the mental health facility. Work on this project is substantially complete.

The Ground Water Monitoring Project - These are funds set aside years ago after the closing of the old landfill site on Mount Herman. The County uses these funds to perform testing of the ground water around the old site so that it may detect any environmental issues.

Capital Accumulation – These are funds set aside to address future needs.

Community College Capital Outlay – These are funds set aside for the community college to use for capital outlay expenditures.



CALDWELL COUNTY, NORTH CAROLINA
GENERAL CAPITAL PROJECT FUND - MAJOR FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual		
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Restricted intergovernmental	\$ 3,181,969	\$ 676,722	\$ 2,494,405	\$ 3,171,127
Local option sales tax	4,717,321	3,949,442	1,231,779	5,181,221
Investment earnings	-	81,664	64	81,728
Miscellaneous revenue	-	20,925	-	20,925
Total revenues	<u>7,899,290</u>	<u>4,728,753</u>	<u>3,726,248</u>	<u>8,455,001</u>
Expenditures:				
Capital outlay:				
Public safety:				
Sheriff	98,884	98,884	-	98,884
EMS base renovations	3,294,183	2,740,241	551,479	3,291,720
Animal shelter	3,942,181	139,046	105,388	244,434
CARES Act funding	3,181,969	676,722	2,430,266	3,106,988
Human services:				
HHS Building Road project	491,835	479,864	-	479,864
Environmental protection:				
Groundwater monitoring	359,945	240,959	29,141	270,100
Economic and physical development:				
Capital accumulation	988,450	291,081	-	291,081
Education:				
Community college capital outlay	<u>350,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>12,707,447</u>	<u>4,666,797</u>	<u>3,116,274</u>	<u>7,783,071</u>
Revenues over (under) expenditures	<u>(4,808,157)</u>	<u>61,956</u>	<u>609,974</u>	<u>671,930</u>
Other Financing Sources (Uses) :				
Installment purchase financing issued	6,745,000	3,045,000	-	3,045,000
Appropriated fund balance	1,091,431	-	-	-
Transfers from other funds	1,339,047	1,270,016	-	1,270,016
Transfers to other funds	<u>(4,367,321)</u>	<u>(1,969,321)</u>	<u>(1,620,000)</u>	<u>(3,589,321)</u>
Total other financing sources (uses)	<u>4,808,157</u>	<u>2,345,695</u>	<u>(1,620,000)</u>	<u>725,695</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 2,407,651</u>	<u>\$ (1,010,026)</u>	<u>\$ 1,397,625</u>



AMERICAN RESCUE PLAN ACT FUND

This fund is used to track the revenue and expenditures of funds received from the American Rescue Plan Act.



CALDWELL COUNTY, NORTH CAROLINA

AMERICAN RESCUE PLAN ACT FUND - MAJOR FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date
Revenues:				
Restricted intergovernmental:				
American Rescue Plan Act	\$ 7,981,057	\$ -	\$ -	\$ -
Expenditures:				
Public safety:				
Grant expenditures	7,981,057	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund Balance:				
Beginning of year - July 1			-	
End of year - June 30			\$ -	



COMBINING STATEMENTS FOR NONMAJOR FUNDS



CALDWELL COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

	Special Revenue Funds (Schedule D-1)	Capital Project Fund	Total Nonmajor Governmental Funds (Exhibit C)
Assets:			
Cash and cash equivalents	\$ 4,850,909	\$ 90,229	\$ 4,941,138
Taxes receivable - net	186,669	-	186,669
Accounts receivable	39,901	1,056,894	1,096,795
Due from other governments	11,994	-	11,994
Total assets	<u>\$ 5,089,473</u>	<u>\$ 1,147,123</u>	<u>\$ 6,236,596</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	<u>\$ 64,548</u>	<u>\$ -</u>	<u>\$ 64,548</u>
Deferred Inflows of Resources:			
Property taxes receivable	<u>186,669</u>	<u>-</u>	<u>186,669</u>
Fund Balances:			
Restricted:			
Stabilization by state statute	51,895	1,056,894	1,108,789
Restricted, all other	753,751	90,229	843,980
Assigned	<u>4,032,610</u>	<u>-</u>	<u>4,032,610</u>
Total fund balances	<u>4,838,256</u>	<u>1,147,123</u>	<u>5,985,379</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,089,473</u>	<u>\$ 1,147,123</u>	<u>\$ 6,236,596</u>

CALDWELL COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue Funds (Schedule D-2)	Capital Project Fund (Schedule E-1)	Total Nonmajor Governmental Funds (Exhibit D)
Revenues:			
Ad valorem taxes	\$ 4,654,201	\$ -	\$ 4,654,201
Local option sales tax	-	4,204,109	4,204,109
Unrestricted intergovernmental	607,000	-	607,000
Restricted intergovernmental	840,439	-	840,439
Miscellaneous	671,727	-	671,727
Total revenues	<u>6,773,367</u>	<u>4,204,109</u>	<u>10,977,476</u>
Expenditures:			
Current:			
Public safety	4,884,230	-	4,884,230
General government	512,080	-	512,080
Economic and physical development	862,107	-	862,107
Education	155,189	1,807,753	1,962,942
Human services	172,804	-	172,804
Debt service:			
Principal retirement	-	1,366,215	1,366,215
Interest and fees	-	1,361,127	1,361,127
Total expenditures	<u>6,586,410</u>	<u>4,535,095</u>	<u>11,121,505</u>
Revenues over (under) expenditures	<u>186,957</u>	<u>(330,986)</u>	<u>(144,029)</u>
Other Financing Sources (Uses):			
Long-term debt issued			
Refinanced debt issued	-	21,590,000	21,590,000
Payment on refinanced debt	-	(21,680,776)	(21,680,776)
Transfers:			
Transfers from other funds	-	700,000	700,000
Transfers to other funds	(350,000)	-	(350,000)
Total other financing sources (uses)	<u>(350,000)</u>	<u>609,224</u>	<u>259,224</u>
Net change in fund balances	<u>(163,043)</u>	<u>278,238</u>	<u>115,195</u>
Fund Balances:			
Beginning of year - July 1, as previously reported	4,955,884	868,885	5,824,769
Prior period adjustment - change in accounting principle	45,415	-	45,415
Beginning of year - July 1, as restated	<u>5,001,299</u>	<u>868,885</u>	<u>5,870,184</u>
End of year - June 30	<u>\$ 4,838,256</u>	<u>\$ 1,147,123</u>	<u>\$ 5,985,379</u>

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted for expenditure for particular purposes.

Sales Tax Reinvestment Fund – This fund accounts for contributions of a portion of sales tax revenues from five municipalities to be used for the common good of the County and its citizens, primarily for economic development purposes.

Fire District Fund – accounts for the ad valorem tax levies for the fire districts.

Rescue Fund – accounts for the ad valorem tax levies for the rescue readiness tax. This tax has not been levied in a few years. The fund is still open to account for the collection of delinquent years taxes.

Emergency Telephone System Fund – accounts for collection of monies to provide enhanced 911 services.

Fines and Forfeitures Fund – accounts for various legal fines and forfeitures that the County is required to remit to the Caldwell County Board of Education

Deed of Trust Fund – accounts for the \$5 of each fee collected by the Register of Deeds for registering or filing a deed of trust or mortgage.

Representative Payee Fund – accounts for monies held by the Social Services department for the benefit of certain individuals in the County.

CALDWELL COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021

	<u>Sales Tax Reinvestment Fund</u>	<u>Fire Districts Fund</u>	<u>Rescue Fund</u>	<u>Emergency Telephone System Fund</u>
Assets:				
Cash and cash equivalents	\$ 4,032,610	\$ 20,201	\$ 62,765	\$ 614,520
Taxes receivable - net	-	185,018	1,651	-
Accounts receivable	-	2	-	26,721
Due from other governments	-	-	776	11,218
Total assets	<u>\$ 4,032,610</u>	<u>\$ 205,221</u>	<u>\$ 65,192</u>	<u>\$ 652,459</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ 20,181	\$ -	\$ -
Deferred Inflows of Resources:				
Property taxes receivable	-	185,018	1,651	-
Fund Balances:				
Restricted:				
Stabilization by state statute	-	2	776	37,939
Restricted, all other	-	20	62,765	614,520
Assigned	4,032,610	-	-	-
Total fund balances	<u>4,032,610</u>	<u>22</u>	<u>63,541</u>	<u>652,459</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,032,610</u>	<u>\$ 205,221</u>	<u>\$ 65,192</u>	<u>\$ 652,459</u>

CALDWELL COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021

	Fines and Forfeitures Fund	Deed of Trust Fund	Representative Payee Fund	Total Nonmajor Special Revenue Funds
Assets:				
Cash and cash equivalents	\$ -	\$ 44,367	\$ 76,446	\$ 4,850,909
Taxes receivable - net	-	-	-	186,669
Accounts receivable	13,178	-	-	39,901
Due from other governments	-	-	-	11,994
Total assets	<u>\$ 13,178</u>	<u>\$ 44,367</u>	<u>\$ 76,446</u>	<u>\$ 5,089,473</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ 44,367	\$ -	\$ 64,548
Deferred Inflows of Resources:				
Property taxes receivable	-	-	-	186,669
Fund Balances:				
Restricted:				
Stabilization by state statute	13,178	-	-	51,895
Restricted, all other	-	-	76,446	753,751
Assigned	-	-	-	4,032,610
Total fund balances	<u>13,178</u>	<u>-</u>	<u>76,446</u>	<u>4,838,256</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 13,178</u>	<u>\$ 44,367</u>	<u>\$ 76,446</u>	<u>\$ 5,089,473</u>

CALDWELL COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

	Sales Tax Reinvestment Fund	Fire Districts Fund	Rescue Fund	Emergency Telephone System Fund
Revenues:				
Ad valorem taxes	\$ -	\$ 4,643,771	\$ 10,430	\$ -
Unrestricted intergovernmental	607,000	-	-	-
Restricted intergovernmental	307,234	-	-	320,650
Miscellaneous	-	-	-	-
Total revenues	<u>914,234</u>	<u>4,643,771</u>	<u>10,430</u>	<u>320,650</u>
Expenditures:				
Public safety	-	4,642,291	16,335	225,604
General government	-	-	-	-
Economic and physical development	862,107	-	-	-
Human services	-	-	-	-
Education	-	-	-	-
Total expenditures	<u>862,107</u>	<u>4,642,291</u>	<u>16,335</u>	<u>225,604</u>
Revenues over (under) expenditures	<u>52,127</u>	<u>1,480</u>	<u>(5,905)</u>	<u>95,046</u>
Other Financing Sources (Uses):				
Transfers:				
Transfers to other funds	<u>(350,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(297,873)</u>	<u>1,480</u>	<u>(5,905)</u>	<u>95,046</u>
Fund Balances:				
Beginning of year - July 1, as previously reported	4,330,483	(1,458)	69,446	557,413
Prior period adjustment - change in accounting principle	-	-	-	-
Beginning of year - July 1, as restated	<u>4,330,483</u>	<u>(1,458)</u>	<u>69,446</u>	<u>557,413</u>
End of year - June 30	<u>\$ 4,032,610</u>	<u>\$ 22</u>	<u>\$ 63,541</u>	<u>\$ 652,459</u>

CALDWELL COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

	Fines and Forfeitures Fund	Deed of Trust Fund	Representative Payee Fund	Total Nonmajor Special Revenue Funds
Revenues:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 4,654,201
Unrestricted intergovernmental	-	-	-	607,000
Restricted intergovernmental	-	-	212,555	840,439
Miscellaneous	159,647	512,080	-	671,727
Total revenues	159,647	512,080	212,555	6,773,367
Expenditures:				
Public safety	-	-	-	4,884,230
General government	-	512,080	-	512,080
Economic and physical development	-	-	-	862,107
Human services	-	-	172,804	172,804
Education	155,189	-	-	155,189
Total expenditures	155,189	512,080	172,804	6,586,410
Revenues over (under) expenditures	4,458	-	39,751	186,957
Other Financing Sources (Uses):				
Transfers:				
Transfers to other funds	-	-	-	(350,000)
Net change in fund balances	4,458	-	39,751	(163,043)
Fund Balances:				
Beginning of year - July 1, as previously reported	-	-	-	4,955,884
Prior period adjustment - change in accounting principle	8,720	-	36,695	45,415
Beginning of year - July 1, as restated	8,720	-	36,695	5,001,299
End of year - June 30	\$ 13,178	\$ -	\$ 76,446	\$ 4,838,256

CALDWELL COUNTY, NORTH CAROLINA

SALES TAX REINVESTMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Unrestricted intergovernmental:			
Local municipalities	\$ 600,000	\$ 600,000	\$ -
Other unrestricted revenue	-	7,000	7,000
Restricted intergovernmental	-	307,234	307,234
Total revenues	<u>600,000</u>	<u>914,234</u>	<u>314,234</u>
Expenditures:			
Economic development:			
Economic development incentive	1,942,766	554,872	1,387,894
Grant expenditures	<u>307,234</u>	<u>307,235</u>	<u>(1)</u>
Total expenditures	<u>2,250,000</u>	<u>862,107</u>	<u>1,387,893</u>
Revenues over (under) expenditures	<u>(1,650,000)</u>	<u>52,127</u>	<u>1,702,127</u>
Other Financing Sources (Uses):			
Transfers:			
Transfers to other funds	(350,000)	(350,000)	-
Appropriated fund balance	<u>2,000,000</u>	<u>-</u>	<u>(2,000,000)</u>
Total other financing sources (uses)	<u>1,650,000</u>	<u>(350,000)</u>	<u>(2,000,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>(297,873)</u>	<u>\$ (297,873)</u>
Fund Balance:			
Beginning of year - July 1		<u>4,330,483</u>	
End of year - June 30		<u>\$ 4,032,610</u>	

CALDWELL COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Ad valorem taxes	\$ 4,687,687	\$ 4,643,771	\$ (43,916)
Investment earnings	875	-	(875)
Total revenues	<u>4,688,562</u>	<u>4,643,771</u>	<u>(44,791)</u>
Expenditures:			
Public safety:			
Bethlehem Fire District	11,122	9,216	1,906
Blowing Rock Fire District	200,212	197,123	3,089
Collettsville Fire District	313,105	308,020	5,085
Gamewell Fire District	419,040	415,498	3,542
Grace Chapel Fire District	487,662	483,155	4,507
Granite Falls Fire District	108,802	101,006	7,796
Gunpowder Fire District	725,324	728,364	(3,040)
Kings Creek Fire District	197,322	195,420	1,902
Little River Fire District	252,575	251,105	1,470
North Catawba Fire District	928,164	932,794	(4,630)
Patterson Fire District	248,771	235,948	12,823
Sawmills Fire District	490,908	491,699	(791)
Valmead Fire District	185,437	177,960	7,477
Yadkin Fire District	120,118	114,983	5,135
Total expenditures	<u>4,688,562</u>	<u>4,642,291</u>	<u>46,271</u>
Net change in fund balance	<u>\$ -</u>	<u>1,480</u>	<u>\$ 1,480</u>
Fund Balance:			
Beginning of year - July 1		<u>(1,458)</u>	
End of year - June 30		<u>\$ 22</u>	

CALDWELL COUNTY, NORTH CAROLINA

RESCUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Ad valorem taxes	\$ 24,720	\$ 10,430	\$ (14,290)
Investment earnings	1,500	-	(1,500)
Total revenues	<u>26,220</u>	<u>10,430</u>	<u>(15,790)</u>
 Expenditures:			
Public safety	<u>48,378</u>	<u>16,335</u>	<u>32,043</u>
 Revenues over (under) expenditures	(22,158)	(5,905)	16,253
 Other Financing Sources (Uses):			
Appropriated fund balance	<u>22,158</u>	<u>-</u>	<u>(22,158)</u>
 Net change in fund balance	<u>\$ -</u>	<u>(5,905)</u>	<u>\$ (5,905)</u>
 Fund Balance:			
Beginning of year - July 1		<u>69,446</u>	
 End of year - June 30		<u>\$ 63,541</u>	

CALDWELL COUNTY, NORTH CAROLINA
**EMERGENCY TELEPHONE SYSTEM FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Other taxes and licenses:			
911 funds	\$ 320,652	\$ 320,650	\$ (2)
Expenditures:			
Public safety:			
Implemental functions	5,000	3,436	1,564
Telephone	80,000	72,325	7,675
Software maintenance	18,500	16,100	2,400
Hardware maintenance	168,153	131,603	36,550
Training	8,000	465	7,535
Capital outlay	14,673	-	14,673
S.L. 2010-158 expenditures	26,326	1,675	24,651
Total	<u>320,652</u>	<u>225,604</u>	<u>95,048</u>
Net change in fund balance	\$ <u>-</u>	95,046	\$ <u>95,046</u>
Fund Balance:			
Beginning of year - July 1		<u>557,413</u>	
End of year - June 30		<u>\$ 652,459</u>	

CALDWELL COUNTY, NORTH CAROLINA

FINES AND FORFEITURES FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Miscellaneous revenue	\$ 250,000	\$ 159,647	\$ (90,353)
Expenditures:			
Education:			
Fees	250,000	155,189	94,811
Net change in fund balance	\$ -	4,458	\$ 4,458
Fund Balance:			
Beginning of year - July 1		-	
Restatement		8,720	
Beginning of year - July 1, as restated		8,720	
End of year - June 30		\$ 13,178	

CALDWELL COUNTY, NORTH CAROLINA

DEED OF TRUST FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Miscellaneous revenue	\$ 500,000	\$ 512,080	\$ 12,080
Expenditures:			
General government:			
Contractual services	500,000	512,080	12,080
Net change in fund balance	\$ -	-	\$ -
Fund Balance:			
Beginning of year - July 1		-	
End of year - June 30		\$ -	

CALDWELL COUNTY, NORTH CAROLINA

REPRESENTATIVE PAYEE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Restricted intergovernmental:			
Grant revenue	\$ 150,000	\$ 212,555	\$ 62,555
Expenditures:			
Human services:			
Grant expenditures	150,000	172,804	22,804
Net change in fund balance	\$ -	39,751	\$ 39,751
Fund Balance:			
Beginning of year - July 1		-	
Restatement		36,695	
Beginning of year - July 1, as restated		36,695	
End of year - June 30		\$ 76,446	

NONMAJOR CAPITAL PROJECT FUND

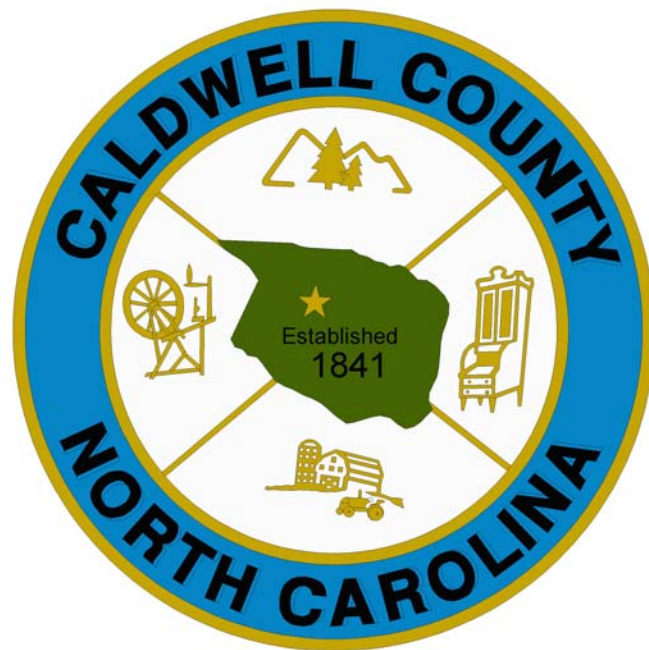
Capital project funds are used to account for the acquisition or construction of major capital facilities other than those financed by proprietary and trust funds.

Schools Capital Project Fund – Sales Tax - This fund is used to account for the portion of the sales tax that is received by the County but is restricted to the use of public school system capital needs.



CALDWELL COUNTY, NORTH CAROLINA
**SCHOOLS CAPITAL PROJECT FUND - SALES TAX
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Local option sales tax	\$ 4,050,000	\$ 4,204,109	\$ 154,109
Expenditures:			
Capital outlay:			
Education:			
School improvements - sales tax	1,862,500	1,807,753	54,747
Debt service:			
Principal retirement	2,396,000	1,366,215	1,029,785
Interest and fees	400,724	1,361,127	(960,403)
Total expenditures	<u>4,659,224</u>	<u>4,535,095</u>	<u>124,129</u>
Revenues over (under) expenditures	<u>(609,224)</u>	<u>(330,986)</u>	<u>278,238</u>
Other Financing Sources (Uses) :			
Refinanced debt issued	21,590,000	21,590,000	-
Payment on refinanced debt	(21,680,776)	(21,680,776)	-
Transfers:			
Transfers from other funds	<u>700,000</u>	<u>700,000</u>	<u>-</u>
Total other financing sources (uses)	<u>609,224</u>	<u>609,224</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	278,238	<u>\$ 278,238</u>
Fund Balance:			
Beginning of year - July 1		<u>868,885</u>	
End of year - June 30		<u>\$ 1,147,123</u>	



ENTERPRISE FUND

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

The sole enterprise fund operated by Caldwell County is its Water Fund. This fund provides water lines to various areas of the County where municipal water lines are not available. The water is purchased from municipalities and then carried via lines owned by the County to its various customers. The operations of this fund are financed entirely from user fees; no local tax dollars are necessary to operate the Water Fund.

Water Tanks Capital Project Fund – The purpose of this fund is to upgrade our existing water system infrastructure. The county had a hydraulic study performed which identified areas that need improvement in order to maintain water quality and water pressure. One of the key parts of this is to add an additional storage tank to the system. This project is funded entirely with existing funds generated by the water operations fund. The county has substantially completed one tank and another is under way.



CALDWELL COUNTY, NORTH CAROLINA

WATER FUND SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Operating revenues:			
Charges for services:			
Water and sewer charges/fees	\$ 3,621,000	\$ 3,695,133	\$ 74,133
Reconnection fees	20,000	5,150	(14,850)
Water taps	40,000	99,150	59,150
Other operating revenues	5,000	2,101	(2,899)
Total operating revenues	<u>3,686,000</u>	<u>3,801,534</u>	<u>115,534</u>
Non-operating revenues:			
Investment earnings	<u>3,000</u>	<u>-</u>	<u>(3,000)</u>
Total revenues	<u>3,689,000</u>	<u>3,801,534</u>	<u>112,534</u>
Expenditures:			
Operating expenses:			
Water purchases		1,367,473	
Salaries		519,987	
Employee benefits		162,197	
Travel and training		2,200	
Contractual services		86,511	
Repairs and maintenance		42,525	
Other operating expenditures		580,399	
Capital outlay		90,111	
Total operating expenses	<u>3,701,838</u>	<u>2,851,403</u>	<u>850,435</u>
Total expenditures	<u>3,701,838</u>	<u>2,851,403</u>	<u>850,435</u>
Revenues over (under) expenditures	<u>(12,838)</u>	<u>950,131</u>	<u>962,969</u>
Other Financing Sources (Uses):			
Transfers:			
Intrafund transfers from (to) water capital projects	(916,000)	(916,000)	-
Appropriated fund balance	928,838	-	(928,838)
Total other financing sources (uses)	<u>12,838</u>	<u>(916,000)</u>	<u>(928,838)</u>

CALDWELL COUNTY, NORTH CAROLINA

WATER FUND

**SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	34,131	\$ 34,131
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
Intrafund transfers - capital projects		916,000	
Depreciation		(348,146)	
Change in net pension liability		(84,164)	
Change in deferred outflows of resources - pension		41,836	
Change in deferred inflows of resources - pension		1,604	
Change in deferred outflows of resources - OPEB		5,500	
Change in deferred inflows of resources - OPEB		(9,172)	
Change in OPEB liability		2,964	
Change in compensated absences		(8,040)	
Capital outlay		90,111	
Water Capital Project Fund activities:			
Capital project expenditures (total)		(89,964)	
Capital project items capitalized to capital assets		<u>89,964</u>	
Change in net position		\$ <u>642,624</u>	

CALDWELL COUNTY, NORTH CAROLINA

WATER TANKS CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL (NON-GAAP)
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual		
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Investment earnings	\$ -	\$ 45,656	\$ -	\$ 45,656
Expenditures:				
Water projects:				
Engineering	200,000	694	34,641	35,335
Construction	3,528,000	1,300,294	55,323	1,355,617
Maintenance supplies	410,000	400,000	-	400,000
Total expenditures	4,138,000	1,700,988	89,964	1,790,952
Revenues over (under) expenditures	(4,138,000)	(1,655,332)	(89,964)	(1,745,296)
Other Financing Sources (Uses) :				
Transfer (to) from Water Fund	4,138,000	3,222,000	916,000	4,138,000
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 1,566,668	\$ 826,036	\$ 2,392,704



CUSTODIAL FUNDS

(Fiduciary Fund Types)

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

Tax Collector Fund – accounts for ad valorem property taxes that are billed and collected by the County for a municipality within the County.

Jail Inmate Pay Fund – accounts for monies held for prisoners at the Caldwell County Jail.



CALDWELL COUNTY, NORTH CAROLINA
**COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021**

	<u>Tax Collector Fund</u>	<u>Jail Inmate Pay Fund</u>	<u>Total Custodial Funds</u>
Assets:			
Cash and cash equivalents	\$ 1,567	\$ 42,314	\$ 43,881
Taxes receivable for other governments, net	<u>35,265</u>	<u>-</u>	<u>35,265</u>
Total assets	<u>36,832</u>	<u>42,314</u>	<u>79,146</u>
Liabilities:			
Due to other governments	<u>4,481</u>	<u>-</u>	<u>4,481</u>
Net Position:			
Restricted for:			
Individuals, organizations, and other governments	<u>\$ 32,351</u>	<u>\$ 42,314</u>	<u>\$ 74,665</u>

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

CALDWELL COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Tax Collector Fund	Jail Inmate Pay Fund	Total Custodial Funds
Additions:			
Ad valorem taxes for other governments	\$ 2,044,124	\$ -	\$ 2,044,124
Collections on behalf of inmates	-	262,084	262,084
Total additions	<u>2,044,124</u>	<u>262,084</u>	<u>2,306,208</u>
Deductions:			
Payments on behalf of inmates	-	255,203	255,203
Tax distributions to other governments	<u>2,049,690</u>	<u>-</u>	<u>2,049,690</u>
Total deductions	<u>2,049,690</u>	<u>255,203</u>	<u>2,304,893</u>
Net increase (decrease) in fiduciary net position	<u>(5,566)</u>	<u>6,881</u>	<u>1,315</u>
Net position - beginning, as previously reported	-	-	-
Prior period adjustment - change in accounting principle	<u>37,917</u>	<u>35,433</u>	<u>73,350</u>
Net position - beginning, as restated	<u>37,917</u>	<u>35,433</u>	<u>73,350</u>
Net position - ending	<u>\$ 32,351</u>	<u>\$ 42,314</u>	<u>\$ 74,665</u>

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

OTHER SCHEDULES

This section contains additional information on property taxes.

- **Schedule of Ad Valorem Taxes Receivable**
- **Analysis of Current Tax Levy**



CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF AD VALOREM TAXES RECEIVABLE

JUNE 30, 2021

<u>Fiscal Year</u>	<u>Uncollected Balance July 1, 2020</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Uncollected Balance June 30, 2021</u>
2020-2021	\$ -	\$ 48,906,822	\$ 47,738,638	\$ 1,168,184
2019-2020	1,284,504	-	526,530	757,974
2018-2019	898,264	-	259,273	638,991
2017-2018	638,705	-	152,712	485,993
2016-2017	510,044	-	113,312	396,732
2015-2016	404,918	-	93,067	311,851
2014-2015	318,770	-	77,353	241,417
2013-2014	286,521	-	67,870	218,651
2012-2013	257,780	-	64,346	193,434
2011-2012	222,196	-	56,193	166,003
2010-2011	162,291	-	162,291	-
Total	<u>\$ 4,983,993</u>	<u>\$ 48,906,822</u>	<u>\$ 49,311,585</u>	4,579,230
Allowance for doubtful receivables				<u>(2,807,681)</u>
Ad valorem taxes receivable - net				<u>\$ 1,771,549</u>
Reconcilement with Revenues:				
Ad valorem taxes				\$ 49,140,196
Reconciling items:				
Interest collected				(505,989)
Discounts and adjustments allowed				535,137
Miscellaneous adjustments				(7,236)
Amount written off for tax year 2010-2011, per Statute of Limitations				<u>149,477</u>
Total collections and credits				<u>\$ 49,311,585</u>

CALDWELL COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
FOR THE YEAR ENDED JUNE 30, 2021

				Total Levy	
	County-Wide			Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
	Property Valuation	Rate	Amount of Levy		
Original Levy:					
Property taxed at:					
Current year's rate	\$ 7,490,862,110	\$ 0.6300	\$ 47,192,431	\$ 42,410,955	\$ 4,781,476
Total	<u>7,490,862,110</u>		<u>47,192,431</u>	<u>42,410,955</u>	<u>4,781,476</u>
Discoveries:					
Current year taxes	<u>272,125,606</u>		<u>1,714,391</u>	<u>1,714,391</u>	<u>-</u>
Total	<u>272,125,606</u>		<u>1,714,391</u>	<u>1,714,391</u>	<u>-</u>
Total property valuation	<u>\$ 7,762,987,716</u>				
Net Levy			48,906,822	44,125,346	4,781,476
Uncollected tax at June 30, 2021			<u>1,168,184</u>	<u>1,168,184</u>	<u>-</u>
Current Year's Taxes Collected			<u>\$ 47,738,638</u>	<u>\$ 42,957,162</u>	<u>\$ 4,781,476</u>
Current Levy Collection Percentage			<u>97.61%</u>	<u>97.35%</u>	<u>100.00%</u>

CALDWELL COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY COUNTY-WIDE LEVY FOR THE YEAR ENDED JUNE 30, 2021

Secondary Market Disclosures:

Assessed Valuation:

Assessment ratio (1)	<u>100%</u>
Real property	\$ 4,929,680,227
Personal property	2,583,307,489
Public service companies	<u>250,000,000</u>
Total assessed valuation	<u>\$ 7,762,987,716</u>
Tax rate per \$100 (2)	<u>\$ 0.6300</u>
Levy (includes discoveries, releases, and abatements) (3)	<u>\$ 48,906,822</u>

In addition to the County-wide rate, the County levies taxes on behalf of several fire districts and the Rescue Squad Association:

Fire districts	\$ 4,463,593
Total	<u>\$ 4,463,593</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.

CALDWELL COUNTY, NORTH CAROLINA**EMERGENCY TELEPHONE SYSTEM FUND UNSPENT BALANCE
PSAP RECONCILIATION
JUNE 30, 2021**

Amounts reported on the Emergency Telephone System Fund budget to actual (Schedule D-6)
are different from the PSAP revenue-expenditure report because:

Ending fund balance, reported on budget to actual (Schedule D-6)	\$ 652,459
--	------------

Allowable 911 expenditures previously reported in the General Fund (interfund transfer to be recorded in the Emergency Telephone System Fund in the subsequent year):	_____ -
--	---------

Ending balance, PSAP revenue-expenditure report	<u><u>\$ 652,459</u></u>
---	--------------------------

STATISTICAL SECTION

(unaudited)

The information contained in this section includes tables showing trends and is provided for supplementary analysis only.



STATISTICAL SECTION

This part of Caldwell County's annual comprehensive 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. The following schedules fall in this category:

- Net Position by Component – *table 1*
- Changes in Net Position – *table 2*
- Fund Balances of Governmental Funds – *table 3*
- Changes in Fund Balance of Governmental Funds – *table 4*

Revenue Capacity – These schedules present information to help the reader assess the factors affecting the County's ability to generate its property taxes. The following schedules fall in this category:

- Assessed Value of Taxable Property – *table 5*
- Property Tax Rates - Direct and Overlapping – *table 6*
- Principal Property Taxpayers – *table 7*
- Property Tax Levies and Collections – *table 8*

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. The following schedules fall in this category:

- Ratios of Outstanding Debt by Type – *table 9*
- Ratios of General Bonded Debt Outstanding – *table 10*
- Direct and Overlapping Governmental Activities Debt – *table 11*
- Legal Debt Margin Information – *table 12*

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. The following schedules fall in this category:

- Demographic and Economic Statistics – *table 13*
- Principal Employers – *table 14*

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. The following schedules fall in this category:

- Full-Time Equivalent County Employees by Function – *table 15*
- Operating Indicators by Function – *table 16*
- Capital Asset Statistics by Function – *table 17*
- Miscellaneous Information – *table 18*

CALDWELL COUNTY, NORTH CAROLINA

**Net Position by Component
For the Last Ten Fiscal Years**

	Fiscal Year Ended June 30,				
	2012	2013	2014	2015	2016
Governmental Activities					
Net investment in capital assets	\$ 17,405,500	\$ 16,244,931	\$ 30,783,723	\$ 18,060,668	\$ 20,245,509
Restricted	6,867,965	5,962,605	5,861,894	7,168,909	6,179,122
Unrestricted	(3,643,043)	2,972,940	(13,203,563)	(15,528,468)	(15,970,780)
Total governmental activities net position	\$ 20,630,422	\$ 25,180,476	\$ 23,442,054	\$ 9,701,109	\$ 10,453,851
Business-Type Activities					
Net investment in capital assets	\$ 6,706,831	\$ 6,542,043	\$ 6,135,073	\$ 5,928,124	\$ 5,631,176
Restricted	-	-	-	-	-
Unrestricted	4,692,293	5,391,897	5,870,662	6,484,095	6,706,120
Total business-type activities net position	\$ 11,399,124	\$ 11,933,940	\$ 12,005,735	\$ 12,412,219	\$ 12,337,296
Primary Government					
Net investment in capital assets	\$ 24,112,331	\$ 22,786,974	\$ 36,918,796	\$ 23,988,792	\$ 25,876,685
Restricted	6,867,965	5,962,605	5,861,894	7,168,909	6,179,122
Unrestricted	1,049,250	8,364,837	(7,332,901)	(9,044,373)	(9,264,660)
Total primary government net position	\$ 32,029,546	\$ 37,114,416	\$ 35,447,789	\$ 22,113,328	\$ 22,791,147

CALDWELL COUNTY, NORTH CAROLINA

Net Position by Component
For the Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2017	2018	2019	2020	2021
Governmental Activities					
Net investment in capital assets	\$ 21,196,659	\$ 21,014,795	\$ 17,318,673	\$ 20,519,489	\$ 20,657,600
Restricted	6,454,777	6,278,616	6,665,914	6,301,202	8,206,605
Unrestricted	(13,606,813)	(11,598,214)	(9,209,633)	(16,497,159)	(16,554,520)
Total governmental activities net position	\$ 14,044,623	\$ 15,695,197	\$ 14,774,954	\$ 10,323,532	\$ 12,309,685
Business-Type Activities					
Net investment in capital assets	\$ 5,396,787	\$ 5,406,248	\$ 5,830,768	\$ 6,120,914	\$ 5,952,843
Restricted	-	-	-	-	-
Unrestricted	7,246,103	7,726,382	7,332,075	7,240,379	8,051,074
Total business-type activities net position	\$ 12,642,890	\$ 13,132,630	\$ 13,162,843	\$ 13,361,293	\$ 14,003,917
Primary Government					
Net investment in capital assets	\$ 26,593,446	\$ 26,421,043	\$ 23,149,441	\$ 26,640,403	\$ 26,610,443
Restricted	6,454,777	6,278,616	6,665,914	6,301,202	8,206,605
Unrestricted	(6,360,710)	(3,871,832)	(1,877,558)	(9,256,780)	(8,503,446)
Total primary government net position	\$ 26,687,513	\$ 28,827,827	\$ 27,937,797	\$ 23,684,825	\$ 26,313,602

CALDWELL COUNTY, NORTH CAROLINA

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Changes in Net Position, Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2013	2014	2015	2016
Expenses					
Governmental Activities:					
General Government	\$ 5,572,490	\$ 5,937,620	\$ 6,305,830	\$ 6,211,896	\$ 6,845,366
Public Safety	16,479,850	17,203,962	19,957,279	19,274,686	20,638,553
Environmental Protection	474,617	468,991	330,695	368,373	509,242
Economic and Physical Development	3,703,056	3,769,854	5,354,305	6,951,531	7,639,737
Human Services	23,268,124	22,368,529	21,721,385	21,860,299	22,248,546
Cultural and Recreational	1,415,319	1,384,266	1,413,792	1,366,651	1,441,711
Education	22,076,249	20,522,469	22,337,357	31,447,698	21,413,329
Interest	1,546,524	966,760	1,121,084	1,829,765	1,117,397
Total governmental activities expenses	74,536,229	72,622,451	78,541,727	89,310,898	81,853,881
Business-Type Activities:					
Water	2,828,800	2,798,480	3,354,087	3,072,617	3,623,573
Total business-type activities expenses	2,828,800	2,798,480	3,354,087	3,072,617	3,623,573
Total Primary Government Expenses	\$ 77,365,029	\$ 75,420,931	\$ 81,895,814	\$ 92,383,515	\$ 85,477,454
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Government	\$ 2,298,938	\$ 1,879,735	\$ 2,213,386	\$ 2,350,903	\$ 2,219,976
Public Safety	4,021,004	4,198,842	4,319,569	4,155,880	4,294,169
Environmental Protection	853,585	858,482	926,598	964,897	883,338
Economic and Physical Development	17,000	18,829	24,809	30,287	63,890
Human Services	1,505,761	715,138	198,949	158,856	189,690
Cultural and Recreational	34,829	29,951	29,777	28,804	26,813
Other Grants and Contributions:					
General Government	-	-	-	-	-
Public Safety	1,376,670	1,293,563	1,344,280	1,392,403	2,238,320
Environmental Protection	-	-	-	-	-
Economic and Physical Development	-	-	-	-	-
Human Services	15,377,107	14,768,143	14,534,714	14,658,535	16,072,575
Cultural and Recreational	257,945	280,495	252,531	248,640	234,056
Education	-	-	-	-	-
Capital Grants and Contributions:					
General Government	-	-	-	-	-
Public Safety	-	-	-	395,275	-
Education	1,122,112	998,602	1,453,620	144,191	396,930
Economic and Physical Development	430,414	(99,395)	95,594	-	1,014,715
Cultural and Recreational	-	-	-	-	-
Environmental Protection	-	-	-	-	-
Human Services	-	-	-	-	-
Total governmental activities program revenues	27,295,365	24,942,385	25,393,827	24,528,671	27,634,472
Business-Type Activities:					
Charges for Services:					
Water	3,397,148	3,461,305	3,423,028	3,532,780	3,545,293
Other Grants and Contributions	-	-	-	-	-
Total business-type activities program revenues	3,397,148	3,461,305	3,423,028	3,532,780	3,545,293
Total Primary Government Program Revenues	30,692,513	28,403,690	28,816,855	28,061,451	31,179,765

CALDWELL COUNTY, NORTH CAROLINA

Table 2
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Changes in Net Position, Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2017	2018	2019	2020	2021
Expenses					
Governmental Activities:					
General Government	\$ 6,431,654	\$ 6,514,507	\$ 7,506,731	\$ 7,831,317	\$ 8,765,643
Public Safety	21,653,096	21,793,763	24,761,507	27,510,078	29,941,422
Environmental Protection	550,780	578,401	523,614	598,699	662,124
Economic and Physical Development	6,452,959	7,030,709	7,455,800	11,056,030	10,985,907
Human Services	22,610,724	18,548,252	18,787,491	20,177,661	20,523,436
Cultural and Recreational	1,487,024	1,550,598	1,228,472	1,516,791	1,557,071
Education	20,636,632	22,611,641	24,345,296	27,823,687	30,325,802
Interest	1,124,600	813,953	895,464	1,178,248	1,623,120
Total governmental activities expenses	80,947,469	79,441,824	85,504,375	97,692,511	104,384,525
Business-Type Activities:					
Water	3,273,223	3,080,206	3,634,169	3,671,249	3,158,910
Total business-type activities expenses	3,273,223	3,080,206	3,634,169	3,671,249	3,158,910
Total Primary Government Expenses	\$ 84,220,692	\$ 82,522,030	\$ 89,138,544	\$ 101,363,760	\$ 107,543,435
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Government	\$ 2,396,343	\$ 2,004,610	\$ 2,197,028	\$ 1,924,681	\$ 2,783,033
Public Safety	3,819,540	3,397,084	3,441,255	3,346,058	3,507,142
Environmental Protection	1,049,356	1,098,694	1,238,594	1,213,112	1,334,979
Economic and Physical Development	23,050	32,479	34,135	50,049	50,726
Human Services	204,388	179,399	208,025	218,117	306,744
Cultural and Recreational	18,464	19,911	36,616	24,554	7,534
Other Grants and Contributions:					
General Government	-	-	-	-	-
Public Safety	1,488,320	1,862,926	1,779,751	2,006,307	1,904,558
Environmental Protection	-	-	-	-	-
Economic and Physical Development	-	-	-	-	-
Human Services	15,799,464	11,310,939	11,656,203	10,822,231	13,440,083
Cultural and Recreational	274,389	262,222	257,324	231,234	220,029
Education	-	-	-	-	-
Capital Grants and Contributions:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Education	1,005,124	2,591,790	815,486	4,313,738	9,204,235
Economic and Physical Development	135,791	34,568	-	676,722	2,494,405
Cultural and Recreational	-	-	-	-	-
Environmental Protection	-	-	-	-	-
Human Services	-	-	-	-	-
Total governmental activities program revenues	26,214,229	22,794,622	21,664,417	24,826,803	35,253,468
Business-Type Activities:					
Charges for Services:					
Water	3,571,972	3,630,964	3,672,609	3,765,637	3,801,534
Other Grants and Contributions	-	-	-	-	-
Total business-type activities program revenues	3,571,972	3,630,964	3,672,609	3,765,637	3,801,534
Total Primary Government Program Revenues	29,786,201	26,425,586	25,337,026	28,592,440	39,055,002

Changes in Net Position, Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2013	2014	2015	2016
Net (Expense)/Revenue					
Governmental activities	(47,240,864)	(47,680,066)	(53,147,900)	(64,782,227)	(54,219,409)
Business-type activities	568,348	662,825	68,941	460,163	(78,280)
Total primary government net expense	<u>(46,672,516)</u>	<u>(47,017,241)</u>	<u>(53,078,959)</u>	<u>(64,322,064)</u>	<u>(54,297,689)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes	38,944,274	38,830,489	41,145,366	42,083,076	43,443,559
Local Option Sales Tax	9,288,329	9,371,153	9,841,286	10,399,692	10,545,869
Other Taxes and License	1,141,149	1,048,889	1,089,813	1,124,511	969,058
Intergovernmental	-	-	-	-	-
Investment Earnings	59,756	43,883	17,401	10,675	13,665
Miscellaneous	-	-	-	-	-
Gain (Loss) on sale of capital assets	-	2,801,006	-	-	-
Transfers	134,699	134,700	-	-	-
Total Governmental Activities	<u>49,568,207</u>	<u>52,230,120</u>	<u>52,093,866</u>	<u>53,617,954</u>	<u>54,972,151</u>
Business-Type Activities:					
Investment Earnings	7,697	6,671	2,874	2,003	3,357
Miscellaneous	-	-	-	-	-
Gain (Loss) on sale of capital assets	(2,601,072)	-	-	-	-
Transfers	(134,699)	(134,700)	-	-	-
Total Business-Type Activities	<u>(2,728,074)</u>	<u>(128,029)</u>	<u>2,874</u>	<u>2,003</u>	<u>3,357</u>
Total Primary Government General Revenues and Other Change in Net Position	<u>46,840,133</u>	<u>52,102,091</u>	<u>52,096,740</u>	<u>53,619,957</u>	<u>54,975,508</u>
Change in Net Position					
Governmental activities	2,327,343	4,550,054	(1,054,034)	(11,164,273)	752,742
Business-type activities	<u>(2,159,726)</u>	<u>534,796</u>	<u>71,815</u>	<u>462,166</u>	<u>(74,923)</u>
Total Primary Government, June 30	<u>\$ 167,617</u>	<u>\$ 5,084,850</u>	<u>\$ (982,219)</u>	<u>\$ (10,702,107)</u>	<u>\$ 677,819</u>

Changes in Net Position, Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2017	2018	2019	2020	2021
Net (Expense)/Revenue					
Governmental activities	(54,733,240)	(56,647,202)	(63,839,958)	(72,865,708)	(69,131,057)
Business-type activities	298,749	550,758	38,440	94,388	642,624
Total primary government net expense	<u>(54,434,491)</u>	<u>(56,096,444)</u>	<u>(63,801,518)</u>	<u>(72,771,320)</u>	<u>(68,488,433)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes	46,145,791	46,573,903	48,916,444	53,117,812	53,594,991
Local Option Sales Tax	11,288,798	11,444,115	12,197,179	13,088,515	15,295,264
Other Taxes and License	1,291,439	1,089,152	1,335,621	1,665,238	2,192,503
Intergovernmental	-	-	-	-	-
Investment Earnings	30,559	55,941	370,471	542,721	(10,963)
Miscellaneous	-	-	-	-	-
Gain (Loss) on sale of capital assets	-	-	-	-	-
Transfers	-	15,725	100,000	-	-
Total Governmental Activities	<u>58,756,587</u>	<u>59,178,836</u>	<u>62,919,715</u>	<u>68,414,286</u>	<u>71,071,795</u>
Business-Type Activities:					
Investment Earnings	6,845	16,620	91,773	104,062	-
Miscellaneous	-	-	-	-	-
Gain (Loss) on sale of capital assets	-	-	-	-	-
Transfers	-	(15,725)	(100,000)	-	-
Total Business-Type Activities	<u>6,845</u>	<u>895</u>	<u>(8,227)</u>	<u>104,062</u>	<u>-</u>
Total Primary Government General Revenues and Other Change in Net Position	<u>58,763,432</u>	<u>59,179,731</u>	<u>62,911,488</u>	<u>68,518,348</u>	<u>71,071,795</u>
Change in Net Position					
Governmental activities	4,023,347	2,531,634	(920,243)	(4,451,422)	1,940,738
Business-type activities	305,594	551,653	30,213	198,450	642,624
Total Primary Government, June 30	<u>\$ 4,328,941</u>	<u>\$ 3,083,287</u>	<u>\$ (890,030)</u>	<u>\$ (4,252,972)</u>	<u>\$ 2,583,362</u>

CALDWELL COUNTY, NORTH CAROLINA

Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2013	2014	2015	2016
General Fund					
Non-spendable	\$ 65,931	\$ 51,253	\$ 59,193	\$ 78,107	\$ 64,293
Restricted	4,767,310	4,597,110	4,437,430	4,934,175	4,571,255
Committed	-	-	-	-	-
Assigned	3,170,924	4,832,465	6,719,990	7,554,536	5,293,708
Unassigned	9,066,420	6,946,418	5,403,379	3,021,352	3,498,350
Total General Fund	\$ 17,070,585	\$ 16,427,246	\$ 16,619,992	\$ 15,588,170	\$ 13,427,606
All Other Governmental Funds					
Restricted in Special Revenue Fund	\$ 659,752	\$ 1,365,272	\$ 703,132	\$ 488,292	\$ 661,631
Restricted in Capital Project Fund	1,441,024	223	13,840,506	3,563,177	946,236
Committed in Capital Project Fund	1,387,543	3,767,538	3,102,875	1,902,498	965,658
Committed in Special Revenue Fund	-	2,677,056	-	-	-
Assigned Special Revenue Fund	1,911,739	33,666	3,117,800	3,527,221	3,958,397
Unassigned in Capital Project Fund	(260,947)	-	-	(828,751)	-
Unassigned in Special Revenue Fund	-	(15)	(17,528)	(11,933)	(92)
Total all other governmental funds	\$ 5,139,111	\$ 7,843,740	\$ 20,746,785	\$ 8,640,504	\$ 6,531,830

The totals for the fiscal year ended June 30, 2014 and June 30, 2019 were inflated due to the county borrowing and holding but not yet expending funds for a new middle school.

CALDWELL COUNTY, NORTH CAROLINA

Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2017	2018	2019	2020	2021
General Fund					
Non-spendable	\$ 116,396	\$ 65,935	\$ 70,027	\$ 80,038	\$ 86,353
Restricted	5,035,904	5,110,904	4,717,626	5,038,628	5,927,325
Committed	-	-	-	-	-
Assigned	5,349,474	5,221,742	6,402,933	8,079,840	4,399,248
Unassigned	3,391,976	3,492,253	2,901,867	-	4,655,127
Total General Fund	\$ 13,893,750	\$ 13,890,834	\$ 14,092,453	\$ 13,198,506	\$ 15,068,053
All Other Governmental Funds					
Restricted in Special Revenue Fund	\$ 326,430	\$ 429,001	\$ 1,527,477	\$ 626,859	\$ 1,952,769
Restricted in Capital Project Fund	1,092,443	1,106,097	14,389,485	8,805,918	182,389
Committed in Capital Project Fund	962,975	2,118,551	1,874,217	1,742,283	8,445,425
Committed in Special Revenue Fund	-	-	-	-	-
Assigned Special Revenue Fund	4,783,399	4,438,549	4,455,646	4,330,483	4,032,610
Unassigned in Capital Project Fund	-	-	(1,210,848)	-	-
Unassigned in Special Revenue Fund	(59)	(419)	(25,742)	(1,458)	-
Total all other governmental funds	\$ 7,165,188	\$ 8,091,779	\$ 21,010,235	\$ 15,504,085	\$ 14,613,193

CALDWELL COUNTY, NORTH CAROLINA

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2013	2014	2015	2016
Revenues					
Ad Valorem Taxes	\$ 38,541,713	\$ 39,022,556	\$ 41,619,214	\$ 42,571,130	\$ 43,648,495
Local Options Sales Taxes	8,088,329	8,134,653	8,507,179	9,522,192	9,598,869
Other Taxes	336,917	368,196	406,041	428,432	448,698
Inter-governmental	21,409,559	19,553,041	20,309,332	19,373,274	22,064,303
Permits & Fees	853,603	892,712	979,459	931,087	988,384
Sales and Services	6,823,988	6,137,928	5,850,886	5,645,211	5,726,191
Investment Earnings	59,756	43,883	17,401	10,675	13,665
Miscellaneous	231,880	322,125	325,850	201,836	295,520
Total Revenues	76,345,745	74,475,094	78,015,362	78,683,837	82,784,125
Expenditures					
General Government	\$ 5,590,159	\$ 5,832,168	\$ 6,075,394	\$ 6,002,597	\$ 6,877,314
Public Safety	15,879,567	16,365,114	17,851,907	17,853,941	20,978,370
Environmental Protection	492,800	484,047	344,473	402,536	537,042
Economic & Physical Development	3,692,991	3,767,605	5,454,012	6,964,432	7,618,898
Human Services	22,703,809	22,004,519	21,289,154	22,239,953	22,714,866
Cultural & Recreational	1,323,224	1,300,335	1,330,819	1,347,740	1,378,635
Education	22,076,249	20,522,469	22,337,357	31,447,698	21,413,329
Capital Projects	-	-	-	-	-
Capital Outlay	-	-	-	2,229,692	2,916,456
Debt Service					
Principal	4,566,328	4,129,494	3,689,354	3,319,456	4,394,126
Interest	1,546,524	966,760	1,093,326	1,306,878	1,208,520
Total Expenditures	77,871,651	75,372,511	79,465,796	93,114,923	90,037,556
Excess of revenues over (under) expenditures	\$ (1,525,906)	\$ (897,417)	\$ (1,450,434)	\$ (14,431,086)	\$ (7,253,431)
Other Financing Sources (Uses)					
Bond Proceeds	-	-	-	-	-
Payment to Bond Holders (refinancing)	-	-	-	-	-
Bond Premium	-	-	-	-	-
Installment purchase financing issued	231,080	-	14,500,000	1,247,810	-
Payment on Installment purchases (refinancing)	-	-	-	-	-
Sales of Capital Assets	15,236	2,824,007	46,225	45,173	67,737
Transfers in	446,352	384,430	-	632,893	1,278,468
Transfers out	(311,653)	(249,640)	-	(632,893)	(1,278,468)
Total other financing sources (uses)	381,015	2,958,797	14,546,225	1,292,983	67,737
Net change in fund balances	\$ (1,144,891)	\$ 2,061,380	\$ 13,095,791	\$ (13,138,103)	\$ (7,185,694)
Debt Service as a percentage of governmental expenditures	7.98%	6.88%	6.02%	5.09%	6.43%

CALDWELL COUNTY, NORTH CAROLINA

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2017	2018	2019	2020	2021
Revenues					
Ad Valorem Taxes	\$ 46,110,069	\$ 46,575,273	\$ 49,201,039	\$ 53,398,738	\$ 53,794,397
Local Options Sales Taxes	10,417,798	10,834,115	11,577,179	12,488,515	14,688,264
Other Taxes	442,271	520,956	552,603	645,097	767,225
Inter-governmental	21,002,980	17,630,702	16,367,207	19,942,394	29,467,052
Permits & Fees	909,252	979,574	1,051,454	1,129,771	1,326,786
Sales and Services	5,436,642	5,288,156	5,263,584	5,094,698	5,200,062
Investment Earnings	30,559	55,941	370,471	542,721	(10,963)
Miscellaneous	503,351	198,837	348,877	246,202	836,434
Total Revenues	84,852,922	82,083,554	84,732,414	93,488,136	106,069,257
Expenditures					
General Government	\$ 6,273,085	\$ 6,661,990	\$ 7,606,776	\$ 7,555,281	\$ 8,374,792
Public Safety	20,278,212	21,463,205	23,521,007	26,775,204	27,511,488
Environmental Protection	569,454	634,799	568,219	592,607	689,990
Economic & Physical Development	6,447,532	7,026,565	7,469,748	11,032,936	10,960,106
Human Services	22,819,988	18,077,155	18,940,939	18,840,700	19,084,072
Cultural & Recreational	1,395,475	1,462,763	1,351,342	1,627,550	1,461,381
Education	20,636,632	22,611,641	24,345,296	27,823,687	30,325,802
Capital Projects	-	-	-	-	-
Capital Outlay	1,842,524	2,057,591	2,627,889	1,504,835	1,309,438
Debt Service					
Principal	4,408,808	4,378,276	3,953,657	4,447,624	4,448,342
Interest	1,201,437	818,662	820,564	1,210,021	1,767,956
Total Expenditures	85,873,147	85,192,647	91,205,437	101,410,445	105,933,367
Excess of revenues over (under) expenditures	\$ (1,020,225)	\$ (3,109,093)	\$ (6,473,023)	\$ (7,922,309)	\$ 135,890
Other Financing Sources (Uses)					
Bond Proceeds	-	-	-	-	-
Payment to Bond Holders (refinancing)	-	-	-	-	24,476,000
Bond Premium	-	-	-	-	-
Installment purchase financing issued	12,639,000	1,940,415	16,802,000	1,470,000	515,000
Payment on Installment purchases (refinancing)	(12,428,000)	-	-	-	(24,578,910)
Sales of Capital Assets	66,203	34,732	63,209	52,242	385,260
Transfers in	313,371	1,516,573	1,635,476	1,703,983	1,970,000
Transfers out	(313,371)	(1,516,573)	(1,535,476)	(1,703,983)	(1,970,000)
Total other financing sources (uses)	277,203	1,975,147	16,965,209	1,522,242	797,350
Net change in fund balances	\$ (743,022)	\$ (1,133,946)	\$ 10,492,186	\$ (6,400,067)	\$ 933,240
Debt Service as a percentage of governmental expenditures	6.68%	6.25%	5.47%	5.83%	6.13%

Table 5

CALDWELL COUNTY, NORTH CAROLINA

Assessed Value of Taxable Property Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property			Personal Property	Total	Total Direct Tax Rate
	Residential Property	Commercial Property	Other			
2012	\$ 3,426,480,303	\$ 902,868,206	\$ 148,757,743	\$ 1,062,451,120	\$ 5,540,557,372	0.6599
2013	3,414,325,936	920,237,105	167,839,261	1,172,319,060	5,674,721,362	0.6299
2014	3,659,115,363	947,655,902	162,932,838	1,537,951,255	6,307,655,358	0.6000
2015	3,657,284,205	996,743,902	172,991,129	1,606,514,532	6,433,533,768	0.6000
2016	3,689,922,794	1,030,356,302	192,102,157	1,709,561,514	6,621,942,767	0.6000
2017	3,687,722,501	1,155,096,002	193,828,780	1,644,220,879	6,680,868,162	0.6300
2018	3,702,907,198	1,145,810,002	215,587,323	1,733,348,971	6,797,653,494	0.6300
2019	3,721,285,395	1,143,940,019	225,805,053	1,936,786,983	7,027,817,450	0.6300
2020	3,739,571,424	1,157,572,319	239,013,042	2,517,082,643	7,653,239,428	0.6300
2021	3,769,484,125	1,160,196,102	250,000,000	2,583,307,489	7,762,987,716	0.6300



CALDWELL COUNTY, NORTH CAROLINA

North Carolina
Property Tax Rates
Direct and Overlapping Governments
(Per \$100 of Assessed Value)
Last Ten Fiscal Years

	Taxes Payable in the Fiscal Year Ended June 30,				
	2021	2020	2019	2018	2017
COUNTY DIRECT RATE					
County-Wide Rate *	\$ 0.6300	\$ 0.6300	\$ 0.6300	\$ 0.6300	\$ 0.6300
CITY					
City of Lenoir	0.5800	0.5800	0.5800	0.5800	0.5800
City of Hickory	0.5875	0.5875	0.5875	0.5665	0.5665
SPECIAL DISTRICTS					
Lenoir Special District	0.2500	0.2500	0.2500	0.2500	0.2500
TOWNS					
Hudson	0.4300	0.4300	0.4300	0.4300	0.4300
Granite Falls	0.4485	0.4485	0.4485	0.4485	0.4485
Rhodhiss	0.5500	0.5500	0.5500	0.5500	0.5500
Blowing Rock	0.3900	0.3900	0.3900	0.3700	0.3700
Sawmills	0.2000	0.2000	0.2000	0.2000	0.2000
Rutherford College	0.1200	0.1200	0.1200	n/a	n/a
VILLAGES					
Cedar Rock	0.1500	0.1500	0.1500	0.1500	0.1500
RESCUE SERVICES	-	-	-	-	0.0085
FIRE DISTRICTS	0.0395	0.0395	0.0395	0.0395	0.0395
	to	to	to	to	to
	0.1580	0.1580	0.1580	0.1385	0.1385

* The county-wide direct property tax rate is shown above, there are no component rates.

CALDWELL COUNTY, NORTH CAROLINA

North Carolina
Property Tax Rates
Direct and Overlapping Governments
(Per \$100 of Assessed Value)
Last Ten Fiscal Years

	Taxes Payable in the Fiscal Year Ended June 30,				
	2016	2015	2014	2013	2012
COUNTY DIRECT RATE					
County-Wide Rate *	\$ 0.6000	\$ 0.6000	\$ 0.6000	\$ 0.6299	\$ 0.6599
CITY					
City of Lenoir	0.5800	0.5800	0.5600	0.5600	0.5400
City of Hickory	0.5665	0.5665	0.5000	0.5000	0.5000
SPECIAL DISTRICTS					
Lenoir Special District	0.2500	0.2500	0.2500	0.2500	0.2500
TOWNS					
Hudson	0.3900	0.3900	0.3900	0.3700	0.3700
Granite Falls	0.4400	0.4400	0.4400	0.4400	0.4200
Rhodhiss	0.5500	0.5500	0.5500	0.5500	0.5500
Blowing Rock	0.3300	0.3100	0.2800	0.2800	0.2800
Sawmills	0.2000	0.2000	0.2000	0.2000	0.2000
Rutherford College	n/a	n/a	n/a	n/a	n/a
VILLAGES					
Cedar Rock	0.1500	0.1500	0.1500	0.1500	0.1500
RESCUE SERVICES	0.0085	0.0085	0.0085	0.0085	0.0085
FIRE DISTRICTS	0.0310	0.0310	0.0310	0.0310	0.0310
	to	to	to	to	to
	0.1300	0.1300	0.1300	0.1300	0.1300

* The county-wide direct property tax rate is shown above, there are no component rates.

CALDWELL COUNTY, NORTH CAROLINA**Principal Property Taxpayers,
Current Year and Ten Years Ago**

Taxpayer	Fiscal Year Ended June 30, 2021			Fiscal Year Ended June 30, 2011		
	Assessed Value	Rank	Percentage of Total County Assessed Value	Assessed Value	Rank	Percentage of Total County Assessed Value
Google	\$ 1,107,747,389	1	14.27%	\$ 73,958,292	3	1.35%
Tapaha Dynamics LLC	355,607,500	2	4.58%	80,938,300	2	1.48%
MDI/Merchant Distributors	160,276,446	3	2.06%	112,500,242	1	2.06%
Duke Energy	106,054,410	4	1.37%	53,175,038	4	0.97%
Blue Ridge Electric Membership/Energie:	71,872,644	5	0.93%	42,100,983	5	0.77%
Exela	42,031,863	6	0.54%			
Walmart	36,168,702	7	0.47%	32,771,100	6	0.60%
Bernhardt Industries	28,862,742	8	0.37%	29,281,933	7	0.54%
Sealed Air Corporation	28,692,908	9	0.37%			
Greer Laboratories Inc	25,247,558	10	0.33%			
Broyhill Industries				26,555,290	8	0.49%
BellSouth				17,981,735	9	0.33%
Neptco				17,734,123	10	0.32%

* Source: Caldwell County Tax Records

Table 8

CALDWELL COUNTY, NORTH CAROLINA

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Adjusted Levy		Amount	Percentage of Adjusted Levy
2021	\$ 48,906,822	\$ 47,738,638	97.61%	\$ -	\$ 47,738,638	97.61%
2020	48,292,192	47,007,689	97.34%	-	47,007,689	97.34%
2019	44,275,250	42,775,463	96.61%	601,523	43,376,986	97.97%
2018	42,839,522	41,194,901	96.16%	1,005,916	42,200,817	97.77%
2017	42,109,895	40,529,324	96.25%	1,070,527	41,033,696	97.44%
2016	39,744,478	38,217,503	96.16%	1,122,058	38,662,183	97.28%
2015	38,611,973	37,065,023	95.99%	1,228,180	37,852,940	98.03%
2014	37,906,403	35,909,696	94.73%	1,710,187	37,215,701	98.18%
2013	35,746,118	34,386,100	96.20%	1,102,239	35,060,443	98.08%
2012	36,566,382	35,461,834	96.98%	882,351	35,986,405	98.41%

Table 9

CALDWELL COUNTY, NORTH CAROLINA

Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Installment Purchases	Capital Leases	Water Bonds	General Obligation Bonds	Installment Purchases	Capital Leases			
2012	\$ 3,945,000	\$ -	\$ 35,964,568	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,909,568	2.48%	479.82
2013	2,445,000	-	33,335,074	-	-	-	-	-	35,780,074	2.31%	430.48
2014	1,385,000	-	45,815,967	-	-	-	-	-	47,200,967	2.97%	567.89
2015	825,000	-	43,771,174	-	-	-	-	-	44,596,174	2.77%	536.55
2016	500,000	-	39,236,947	998,248	-	-	-	-	40,735,195	2.53%	490.09
2017	185,000	-	35,788,397	748,686	-	-	-	-	36,722,083	2.13%	441.81
2018	-	-	33,075,223	499,124	-	-	-	-	33,574,347	1.27%	403.94
2019	-	-	46,050,780	249,562	-	-	-	-	46,300,342	1.67%	557.05
2020	-	-	43,970,245	-	-	-	-	-	43,970,245	1.51%	529.02
2021	-	-	39,933,993	-	-	-	-	-	39,933,993	1.32%	480.46

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

CALDWELL COUNTY, NORTH CAROLINA

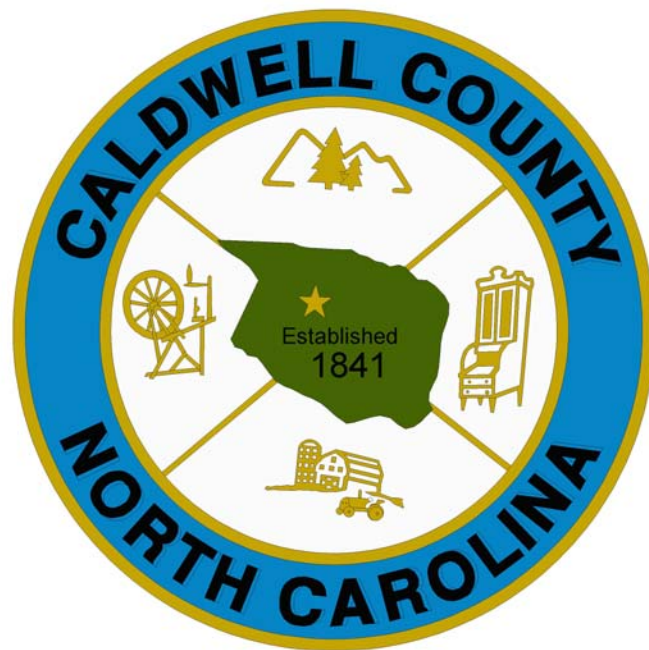
Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

Fiscal Year Ended June 30	General Bonded Debt Outstanding	Percentage of Personal Income	Percentage of Actual Value of Taxable Property	Per Capita	Population
2012	\$ 3,945,000	0.24%	0.07%	47.43	83,176
2013	2,445,000	0.16%	0.04%	29.42	83,117
2014	1,385,000	0.09%	0.02%	16.66	83,117
2015	825,000	0.05%	0.01%	9.93	83,117
2016	500,000	0.03%	0.01%	6.06	82,445
2017	185,000	0.01%	0.00%	2.25	82,292
2018	-	n/a	n/a	n/a	81,623
2019	-	n/a	n/a	n/a	81,981
2020	-	n/a	n/a	n/a	82,247
2021	-	n/a	n/a	n/a	82,482

CALDWELL COUNTY, NORTH CAROLINA

Direct and Overlapping Governmental Activities Debt
As of June 30, 2021

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Direct			
Caldwell County	\$ <u>39,933,993</u>	100.00%	\$ <u>39,933,993</u>
Total Direct Debt	\$ <u>39,933,993</u>		\$ <u>39,933,993</u>
Underlying			
City of Lenoir	\$ 972,632	100.00%	\$ 972,632
Overlapping			
City of Hickory	<u>128,546,826</u>	1.93%	<u>2,480,954</u>
Total Underlying and Overlapping Debt	\$ <u>129,519,458</u>		\$ <u>3,453,586</u>
Grand Total	\$ <u>169,453,451</u>		\$ <u>43,387,579</u>



CALDWELL COUNTY, NORTH CAROLINA

Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2013	2014	2015	2016
Assessed Value of Property	\$ 5,540,557,372	\$ 5,674,721,362	\$ 6,307,655,358	\$ 6,433,533,768	\$ 6,621,942,767
Debt Limit 8% of Assessed Value (statutory limitation)	443,244,590	453,977,709	504,612,429	514,682,701	529,755,421
Amount of Debt Applicable to Limit	-	-	-	-	-
General Obligation Bonds & Installment Purchases	39,909,568	35,780,074	47,200,967	44,596,174	40,735,195
Legal Debt Margin	\$ 407,464,516	\$ 407,386,989	\$ 457,411,462	\$ 470,086,527	\$ 489,020,226
Total net debt applicable to the limit as a percentage of debt limit	8.07%	10.26%	9.35%	8.66%	7.69%

CALDWELL COUNTY, NORTH CAROLINA

Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2017	2018	2019	2020	2021
Assessed Value of Property	\$ 6,680,868,162	\$ 6,797,653,494	\$ 7,012,817,450	\$ 7,653,239,428	\$ 7,762,987,716
Debt Limit 8% of Assessed Value (statutory limitation)	534,469,453	543,812,280	561,025,396	612,259,154	621,039,017
Amount of Debt Applicable to Limit	-	-	-	-	-
General Obligation Bonds & Installment Purchases	36,537,387	34,099,526	46,947,869	43,970,245	39,933,993
Legal Debt Margin	\$ 497,932,066	\$ 509,712,754	\$ 514,077,527	\$ 568,288,909	\$ 581,105,024
Total net debt applicable to the limit as a percentage of debt limit	6.84%	6.27%	8.37%	7.18%	6.43%

CALDWELL COUNTY, NORTH CAROLINA**Demographic and Economic Statistics**

Year	Population	Personal Income	Per Capita Personal Income	Median Age	Public School Enrollment	Private School Enrollment	Unemployment Rate
2012	83,117	\$ 1,609,311,354	\$ 19,362	42	12,555	400	13.20%
2013	83,117	1,549,300,880	18,640	42	12,333	400	10.00%
2014	82,590	1,587,544,980	19,222	42	12,072	421	7.40%
2015	82,321	1,609,540,192	19,552	44	12,060	400	7.10%
2016	82,445	1,611,964,640	19,552	43	11,918	400	6.30%
2017	82,292	1,725,827,824	20,972	43	11,569	400	4.20%
2018	81,623	2,653,400,484	32,508	44	12,187	205	4.00%
2019	81,981	2,772,178,515	33,815	44	11,236	164	3.80%
2020	82,247	2,909,405,378	35,374	44	11,255	158	8.20%
2021	82,482	3,019,583,538	36,609	45	10,745	296	5.10%

**** Source:** North Carolina Department of Commerce

CALDWELL COUNTY, NORTH CAROLINA**Principal Employers
Current Year and Ten Years Ago**

Employer	2021			2011		
	Employees	Rank	Total County Employment	Employees	Rank	Total County Employment
Caldwell County Schools	1000+	1	34,802	1000+	1	30,999
Merchants Distributors Inc	1000+	2		1000+	2	
Bernhardt Furniture Co Inc	1000+	3		500-999	3	
Caldwell Memorial Hospital Inc	1000+	4		500-999	4	
Wal-Mart Associates Inc	500-999	5		500-999	7	
Caldwell County	500-999	6		500-999	6	
Caldwell Community Coll & Tech Inst	500-999	7		500-999	5	
Sealed Air	250-499	8				
Fairfield Chair Company	250-499	9				
Skill Creations	250-499	10				
Broyhill Furniture Industries Inc				500-999	8	
Universal Mental Health Services				250-499	9	
Caldwell Freight Lines				250-499	10	

*** Source: North Carolina Department of Commerce*

CALDWELL COUNTY, NORTH CAROLINA

Full-Time Equivalent County Government Employees by Function

Function/Program	Fiscal Year Ended June 30,				
	2021	2020	2019	2018	2017
Public Safety	227	222	226	225	221
Health and Human Services	218	226	222	220	223
Environmental Protection	7	4	4	4	4
Economic Development	3	3	3	3	3
General Government	85	99	82	83	78
Cultural and Recreational	18	16	19	19	17
Enterprise Fund	13	12	13	13	14
Total	<u>571</u>	<u>582</u>	<u>569</u>	<u>567</u>	<u>560</u>

*** All data presented on table 15 comes from records maintained by staff of Caldwell County.*

CALDWELL COUNTY, NORTH CAROLINA

Full-Time Equivalent County Government Employees by Function

Function/Program	Fiscal Year Ended June 30,				
	2016	2015	2014	2013	2012
Public Safety	217	207	197	198	188
Health and Human Services	225	221	218	216	246
Environmental Protection	4	2	2	1	1
Economic Development	3	3	3	3	3
General Government	76	79	79	77	79
Cultural and Recreational	19	20	19	19	19
Enterprise Fund	13	13	12	12	13
Total	<u>557</u>	<u>545</u>	<u>530</u>	<u>526</u>	<u>549</u>

Operating Indicators by Function
Last Ten Fiscal Years

Function/Program	Fiscal Year Ended June 30,				
	2021	2020	2019	2018	2017
Public Safety					
Average Daily Population at Jail	111	157	174	168	172
Number of Arrests by Sheriff Department	2,709	2,875	2,814	3,316	3,440
Responses by Sheriff Department	41,582	39,064	39,064	44,145	43,507
Health and Human Services					
<u>Department of Social Services</u>					
Adult Medicaid applications completed	1,867	1,824	1,411	1,470	1,381
Family Medicaid applications completed	3,526	3,024	2,919	3,484	701
New Children enrolled in Medicaid	1,914	845	978	593	n/a
Special Assistance applications completed	65	63	93	78	95
Food Stamps applications taken	2,419	5,257	4,193	5,059	4,800
Food Stamps applications approved	1,794	4,637	3,921	5,123	4,614
Food Stamps applications denied	765	809	787	647	761
Child Support orders	223	179	249	376	304
Medicaid Transportation requests	n/a	20,210	22,427	18,903	20,402
Average children receiving Child Care Subsidy each month	768	780	759	703	763
Emergency Assistance applications taken	n/a	2,737	n/a	3,562	3,349
Emergency Assistance applications approved	n/a	2,395	n/a	3,530	3,286
Work First applications completed	32	21	42	39	42
Adult Protective Services referrals	390	400	537	717	744
Reported cases of Physical or Sexual Abuse to Children	10	19	24	39	27
New cases of children placed in Foster Care	73	65	97	84	81
Finalized Adoptions	48	49	41	64	50
Clients seen at reception desk	13,776	31,893	29,064	32,786	30,647
Telephone calls received by switch board	54,922	60,616	57,861	90,565	52,916
Total Number of CPS Reports Investigated	813	842	744	1,057	1,134
<u>Economic Impact of Social Services Administered Programs</u>					
Medicaid	154,198,796	122,263,231	116,437,663	109,814,040	116,437,663
Food Stamps	33,522,711	17,485,639	17,088,842	20,987,778	17,088,842
Work First	128,703	146,828	155,580	163,094	155,580
Rest Home	829,476	1,004,826	1,087,510	1,111,753	1,087,510
Energy & Crisis	954,579	705,283	752,264	723,218	752,264
Foster Care and Adoption	5,279,101	5,475,696	5,792,063	5,590,066	5,792,063
Child Daycare	3,379,607	3,368,788	3,329,635	2,996,704	3,329,635
Child Support	5,599,852	5,434,865	5,646,128	5,165,874	5,646,128
Total	\$ 203,892,825	\$ 155,885,156	\$ 150,289,685	\$ 146,552,527	\$ 150,289,685
<u>Health Department</u>					
Rabies vaccinations given by animal control	730	807	1,254	1,283	1,290
Animals adopted out from the animal shelter	137	184	425	326	246
Dollars paid out by the WIC program	\$ 1,370,593	\$ 1,502,018	\$ 1,373,811	\$ 1,350,455	\$ 1,283,237
Immunization rate for two year old children	85%	85%	84%	87%	87%
Number of children seen by dentist	1,545	2,046	2,694	2,580	1,673
Adult and child immunizations	n/a	2,286	n/a	n/a	n/a
Primary clinic visits	1,346	1,942	2,331	2,974	9,107
Nutrition contacts for WIC		22,428	19,470	17,123	7,851
Inspections carried out by Environmental Health	705	2,140	2,525	2,784	2,728
Maternity care encounters	229	2,069	2,138	1,768	1,936
Local TV programs for health education	15	19	12	18	27
<u>Environmental Protection</u>					
Solid Waste Investigations	119	129	102	139	151
Solid Waste Fines Issued	-	-	-	-	-

** All data presented on table 16 comes from records maintained by staff of Caldwell County.

Operating Indicators by Function
Last Ten Fiscal Years

Function/Program	Fiscal Year Ended June 30,				
	2016	2015	2014	2013	2012
Public Safety					
Average Daily Population at Jail	197	247	246	198	195
Number of Arrests by Sheriff Department	2,867	3,514	3,508	3,473	3,207
Responses by Sheriff Department	44,507	42,950	41,244	41,384	34,293
Health and Human Services					
<u>Department of Social Services</u>					
Adult Medicaid applications completed	1,470	1,683	2,490	2,430	2,608
Family Medicaid applications completed	3,484	3,790	5,728	6,417	6,580
New Children enrolled in Medicaid	n/a	n/a	2,952	4,053	4,342
Special Assistance applications completed	78	48	117	146	178
Food Stamps applications taken	5,059	5,478	4,061	4,900	5,582
Food Stamps applications approved	5,123	5,296	4,976	3,832	4,171
Food Stamps applications denied	647	1,513	990	1,009	1,047
Child Support orders	376	304	417	404	499
Medicaid Transportation requests	18,903	18,758	16,137	16,554	13,234
Average children receiving Child Care Subsidy each month	703	674	712	740	766
Emergency Assistance applications taken	3,562	3,504	3,841	4,832	5,017
Emergency Assistance applications approved	3,530	3,452	3,803	4,754	4,957
Work First applications completed	39	28	39	83	162
Adult Protective Services referrals	717	592	630	707	652
Reported cases of Physical or Sexual Abuse to Children	39	70	58	50	58
New cases of children placed in Foster Care	84	92	124	136	108
Finalized Adoptions	64	46	57	39	28
Clients seen at reception desk	32,786	41,760	49,303	49,787	35,303
Telephone calls received by switch board	90,565	73,723	89,011	100,547	107,194
Total Number of CPS Reports Investigated	1,057	1,117	1,020	1,000	1,979
<u>Economic Impact of Social Services Administered Programs</u>					
Medicaid	109,814,040	n/a	107,070,682	106,270,617	101,671,025
Food Stamps	20,987,778	21,289,069	20,793,667	21,117,486	24,787,284
Work First	163,094	123,334	144,606	209,246	172,302
Rest Home	1,111,753	1,187,968	1,289,393	1,418,374	1,344,695
Energy & Crisis	723,218	797,677	706,333	809,228	896,386
Foster Care and Adoption	5,590,066	5,827,764	5,305,442	5,136,449	4,870,092
Child Daycare	2,996,704	2,850,529	2,925,670	2,987,568	3,187,595
Child Support	5,165,874	5,796,790	5,831,040	6,191,419	6,417,807
Total	\$ 146,552,527	\$ 37,873,131	\$ 144,066,833	\$ 144,140,387	\$ 143,347,186
<u>Health Department</u>					
Rabies vaccinations given by animal control	1,199	1,350	923	832	893
Animals adopted out from the animal shelter	240	285	227	215	178
Dollars paid out by the WIC program	\$ 1,299,752	\$ 1,518,926	\$ 1,641,404	1,681,599	1,662,408
Immunization rate for two year old children	88%	90%	94%	89%	76%
Number of children seen by dentist	2,120	2,506	2,377	2,414	1,416
Adult and child immunizations	n/a	n/a	2,762	1,465	1,188
Primary clinic visits	9,279	9,195	8,647	9,125	1,800
Nutrition contacts for WIC	8,045	8,124	8,215	8,576	9,243
Inspections carried out by Environmental Health	1,873	1,722	1,377	1,144	1,158
Maternity care encounters	2,040	2,254	2,465	2,306	2,415
Local TV programs for health education	14	12	14	12	14
<u>Environmental Protection</u>					
Solid Waste Investigations	101	152	70	49	42
Solid Waste Fines Issued	-	-	-	-	-

Operating Indicators by Function
Last Ten Fiscal Years

Function/Program	Fiscal Year Ended June 30,				
	2021	2020	2019	2018	2017
Economic Development					
<u>Building Permits Issued</u>					
New non-residential permits	79	75	79	88	54
Non-residential additions	167	157	122	113	71
New residential permits	184	147	150	115	99
Residential additions	167	187	139	169	152
Total Issued	597	566	490	485	376
Economic Development Incentive Payments	\$ 8,596,084	\$ 9,050,599	\$ 5,913,458	\$ 5,373,148	\$ 4,273,959
<u>Major Subdivisions Approved</u>					
Preliminary	1	2	-	-	2
Final	-	-	3	3	-
Cell Tower colocator requests approved	n/a	n/a	n/a	1	-
Rezoning requests	4	5	n/a	1	2
Variance requests	1	-	-	-	-
Planning violation investigations	119	139	214	209	n/a
Planning violation complaints	119	139	215	209	n/a
Street signs installed (E911)	26	41	20	44	54
Cultural and Recreational					
Library branches	3	3	3	3	3
Full time staff	19.00	18.00	18.00	n/a	n/a
Part time staff	7.00	10.00	10.00	n/a	n/a
Total number of print items	107,215	121,470	122,549	122,931	131,818
Total number of electronic materials	265,691	180,999	168,281	84,342	118,265
Registered Borrowers	37,569	35,818	34,795	32,905	30,907
Total circulation	126,960	232,390	299,353	274,273	277,787
Number of visits to libraries	58,989	199,274	347,724	316,532	307,405
Reference questions answered	4,290	48,409	74,776	62,456	59,956
Number of uses of public computers	1,190	31,270	45,665	49,322	41,243
Study room attendance	-	801	693	n/a	n/a
Library programs hosted	342	620	667	546	570
Library program attendance	36,145	9,640	12,957	16,962	11,244

** All data presented on table 16 comes from records maintained by staff of Caldwell County.

Operating Indicators by Function
Last Ten Fiscal Years

Function/Program	Fiscal Year Ended June 30,				
	2016	2015	2014	2013	2012
Economic Development					
<u>Building Permits Issued</u>					
New non-residential permits	90	77	65	76	65
Non-residential additions	90	61	60	88	78
New residential permits	90	117	98	74	63
Residential additions	150	155	138	145	174
Total Issued	420	410	361	383	380
Economic Development Incentive Payments	\$ 5,437,696	\$ 5,437,696	\$ 3,932,145	\$ 2,495,915	\$ 1,238,559
<u>Major Subdivisions Approved</u>					
Preliminary	1	1	-	-	-
Final	1	-	-	-	-
Cell Tower colocator requests approved	-	-	-	-	-
Rezoning requests	-	-	3	1	-
Variance requests	9	1	-	-	-
Planning violation investigations	n/a	18	17	21	17
Planning violation complaints	n/a	18	17	21	17
Street signs installed (E911)	84	55	65	91	105
Cultural and Recreational					
Library branches	3	3	3	3	3
Full time staff	n/a	n/a	n/a	n/a	n/a
Part time staff	n/a	n/a	n/a	n/a	n/a
Total number of print items	125,744	128,154	142,376	133,987	140,854
Total number of electronic materials	n/a	n/a	n/a	n/a	n/a
Registered Borrowers	40,082	37,911	39,537	36,917	64,383
Total circulation	265,294	287,732	318,608	331,252	357,792
Number of visits to libraries	297,928	206,366	226,191	283,828	314,742
Reference questions answered	50,856	53,820	29,146	50,038	42,392
Number of uses of public computers	43,223	50,586	55,250	59,341	67,780
Study room attendance	n/a	n/a	n/a	n/a	n/a
Library programs hosted	n/a	n/a	n/a	n/a	n/a
Library program attendance	n/a	n/a	n/a	n/a	n/a

CALDWELL COUNTY, NORTH CAROLINA

Capital Asset Statistics by Function Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year Ended June 30,</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Public Safety					
Jail capacity	185	185	185	185	185
Jail square feet	34,600	34,600	34,600	34,600	34,600
Number of ambulances	13	13	13	13	13
Number of squad cars	103	99	99	99	90
Health and Human Services					
Square footage available to Health Department	45,660	45,660	45,660	45,660	45,660
Square footage available to DSS	70,736	70,736	70,736	70,736	70,736
Environmental Protection					
Number of convenience sites in County	9	9	9	9	9
General Government					
Square footage in County office building	32,550	32,550	32,550	32,550	32,550
Cultural and Recreational					
Number of libraries in County	3	3	3	3	3
Square footage used by libraries	37,000	34,661	34,661	57,741	57,741
Number of parks in County	4	4	4	4	4

* Data prior to 2009 is not available.

** All data presented on table 17 comes from records maintained by staff of Caldwell County.

CALDWELL COUNTY, NORTH CAROLINA

Capital Asset Statistics by Function Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year Ended June 30,</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Public Safety					
Jail capacity	185	185	185	185	185
Jail square feet	34,600	34,600	34,600	34,600	34,600
Number of ambulances	13	13	13	14	14
Number of squad cars	91	90	90	75	75
Health and Human Services					
Square footage available to Health Department	45,660	45,660	45,660	45,660	45,660
Square footage available to DSS	70,736	70,736	70,736	70,736	70,736
Environmental Protection					
Number of convenience sites in County	9	9	9	9	9
General Government					
Square footage in County office building	32,550	32,550	32,550	32,550	32,550
Cultural and Recreational					
Number of libraries in County	3	3	3	3	3
Square footage used by libraries	57,741	57,741	57,741	57,741	57,741
Number of parks in County	4	4	4	4	4

Table 18

CALDWELL COUNTY, NORTH CAROLINA**Miscellaneous Information
June 30, 2021**

Date of Incorporation	1,841
Form of Government	Commission - Manager
Number of Employees	
Full-Time Permanent	571
Other	124
Area in square miles	110
Number of Government Facilities and Services:	
Miles of Street	589 paved 108 unpaved
Fire Protection (a)	
Number of Stations	14
Number of Firefighters	498
Number of Responses	7,168
Law Enforcement (b)	
Number of Stations	1
Number of Officers	82
Cultural and Recreational	
Parks	13
Acres Covered by Parks	379
Acres Covered by National Forest	45,603
Number of Libraries	3
Number of Volumes	107,215
Number of Electronic Materials	265,691
Facilities and Services Not Included in the Reporting Entity	
Hospitals	
Number of Hospitals	1
Number of Patient Beds	120
Education (K-12)	
Number of Schools	25
Number of Classrooms	860
Number of Teachers	771
Number of Students	10,745
Higher Education (Caldwell Community College)	
Number of Locations	1
Number of Students	3,531

(a) Includes municipal and volunteer fire departments

(b) Includes Caldwell County and Towns of Lenoir, Granite Falls, Hudson and Rhodhiss

** All data presented on this page comes from records maintained by staff of Caldwell County.*