

REVIEWED

By SLGFD at 6:59 am, Jan 20, 2022

MAKING.

LIVING

BETTER.

2021

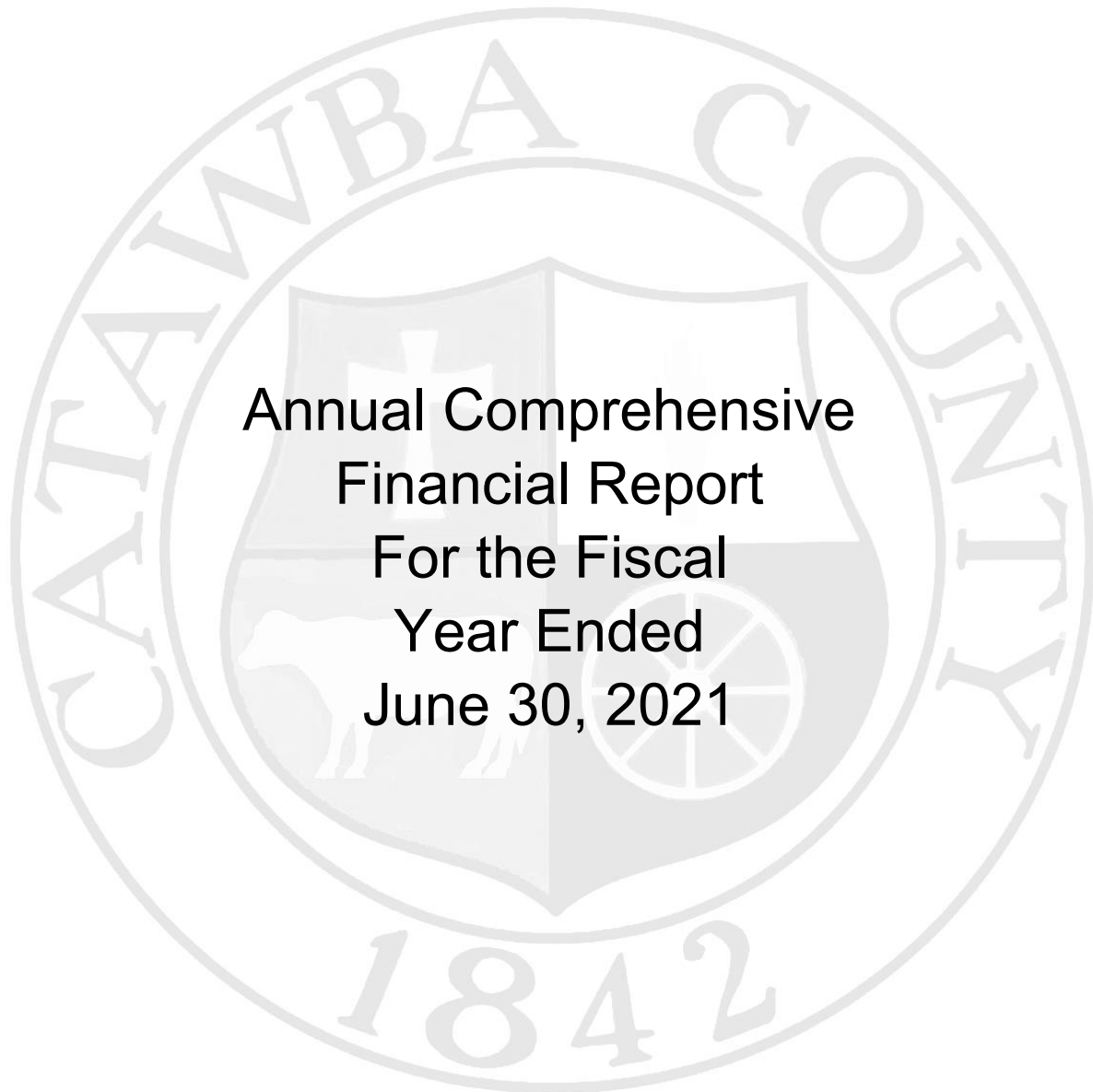
Annual Comprehensive
Financial Report

For the Fiscal Year Ended
June 30, 2021



catawba county
north carolina

Catawba County, North Carolina



Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2021

Mick Berry, County Manager

Jeanne Jarrett, Interim Chief Financial Officer

Prepared by Catawba County Finance Department

Published December 20, 2021



Catawba County, North Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021

Table of Contents

Page

Introductory Section

Letter of Transmittal.....	i
GFOA Certificate of Achievement.....	ix
Organization Chart	x

Financial Section

Report of Independent Certified Public Accountants	1
Management Discussion and Analysis	5

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position	16
Statement of Activities	18

Fund Financial Statements:

Balance Sheet – Governmental Funds	20
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position ...	21
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – General Fund	24
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual to the Statement of Revenues, Expenditures, and Changes in Fund Balances –Governmental Funds	25
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – American Rescue Plan Act (ARPA) Fund	26
Statement of Net Position – Proprietary Funds	28
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	30
Statement of Cash Flows – Proprietary Funds	32
Statement of Fiduciary Net Position – Fiduciary Funds	34
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	35
Notes to the Financial Statements.....	38

Required Supplemental Financial Data:

Other Post Employment Health Care Benefit Schedule of Changes in Total OPEB Liability	90
Local Government Employees' Retirement System Schedule of Proportionate Share of Net Pension Liability (Asset)	92

Catawba County, North Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021

Table of Contents - continued

	Page
Local Government Employees' Retirement System	
Schedule of Contributions	94
Register of Deeds Supplemental Pension Fund	
Schedule of Proportionate Share of Net Pension Liability (Asset)	96
Register of Deeds Supplemental Pension Fund	
Schedule of Contributions	98
Law Enforcement Officers' Special Separation Allowance	
Schedule of Changes in Pension Liability and Liability as Percentage of Payroll	100
Law Enforcement Officers' Special Separation Allowance	
Notes to the Required Schedules	100
<i>Individual and Combining Fund Financial Statements and Schedules:</i>	
<i>General Fund</i>	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	103
Reappraisal Fund	119
<i>Nonmajor Governmental Funds</i>	
Combining Balance Sheet – Nonmajor Governmental Funds	122
Combining Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Nonmajor Governmental Funds	123
<i>Special Revenue Funds</i>	
Combining Balance Sheet - Nonmajor Special Revenue Funds	126
Subcombining Balance Sheet – Fire District Funds	130
Combining Statement of Revenues, Expenditures, and Changes in	
Fund Balances - Nonmajor Special Revenue Funds	134
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
Emergency Telephone System Fund	138
PSAP Reconciliation.....	139
Narcotics Seized Funds and Property Fund	140
State Unauthorized Substance Abuse Fund	141
Narcotics Federal Seized Justice Fund	142
Narcotics Federal Seized Treasury Fund	143
Rescue Squads Fund	144
Library Endowment Fund	145
Gretchen Peed Scholarship Fund	146
Parks/Historic Preservation Trust Fund	147
Community Development Fund	148
Coronavirus Aid, Relief and Economic Security (CARES) Act Fund	149
Fines and Forfeitures Fund	150

Catawba County, North Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021

Table of Contents – continued

	Page
Representative Payee Fund	151
Deed of Trust Fund	152
Subcombining Schedule of Revenues, Expenditures and Changes in	
Fund Balances – Fire District Funds	154
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
Mountain View Fire District Fund	157
Propst Fire District Fund	158
St. Stephens Fire District Fund	159
Conover Rural Fire District Fund	160
Oxford Fire District Fund	161
Sherrills Ford Fire District Fund	162
Bandys Fire District Fund	163
Maiden Fire District Fund	164
Claremont Fire District Fund	165
Catawba Fire District Fund	166
Long View Fire District Fund	167
Newton Rural Fire District Fund	168
Cooksville Fire District Fund	169
Hickory Rural Fire District Fund	170
<i>Capital Projects Funds</i>	
Combining Balance Sheet - Nonmajor Capital Projects Funds	172
Combining Statement of Revenues, Expenditures, and Changes in	
Fund Balances - Nonmajor Capital Projects Funds	173
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
General Capital Projects Fund	174
School Capital Projects Fund	176
School Construction Fund	178
Hospital Capital Reserve Fund	180
<i>Enterprise Funds</i>	
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	
Solid Waste Management Fund	182
Solid Waste Management Capital Fund	184
Water and Sewer Fund	186
Water and Sewer Capital Fund	188
<i>Custodial Funds</i>	
Combining Statement of Fiduciary Net Position -	
All Custodial Funds	190

Catawba County, North Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021

Table of Contents – continued

	Page
Combining Statement of Changes in Fiduciary Net Position -	
All Custodial Funds.....	191
Other Schedules:	
Schedule of Cash and Investment Balances	194
Analysis of Current Tax Levy.....	196
Schedule of Taxes Receivable	197
General Long-Term Debt Requirements and Maturity Schedule	198
Statistical Section	
Net Position by Component.....	200
Changes in Net Position	202
Fund Balances, Governmental Funds	204
Changes in Fund Balances, Governmental Funds.....	206
Assessed Valuation and Actual Value of Taxable Property.....	208
Property Tax Rates – Direct and Overlapping Governments	210
Principal Property Taxpayers.....	212
Property Tax Levies and Collections	214
Ratios of Outstanding Debt by Type	216
Legal Debt Margin Information	218
Demographic and Economic Statistics	220
Principle Employers.....	221
Full Time Equivalent County Employees by Function	222
Operating Indicators by Function	224
Capital Asset Statistics by Function.....	226

BOARD OF COMMISSIONERS



C. Randall Isenhower
Chair



Barbara G. Beatty
Vice Chair



Austin M. Allran



Kitty W. Barnes



Sherry E. Butler



catawba county finance

Catawba County Board of Commissioners
and Citizens of Catawba County, North Carolina

December 20, 2021

State law requires all local governments to have their financial records audited by a certified public accountant using generally accepted auditing standards as soon as possible after the close of each fiscal year. Local governments are also required to publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP). Pursuant to those requirements, we hereby issue the Annual Comprehensive Financial Report) for Catawba County for the fiscal year ending June 30, 2021.

THE REPORT

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all information presented herein. To provide a reasonable basis for making these representations, County management has established a comprehensive internal controls framework designed to both protect the organization's assets from loss, theft, or misuse and to compile sufficient reliable information for preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's internal controls framework 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.

The County's financial statements have been audited by Martin, Starnes, & Associates, CPAs, P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ending 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 the County's financial statements for the fiscal year ending June 30, 2021 are fairly presented in conformity with GAAP. Issuance of an unmodified opinion means an auditor, upon review of a county's financial statements and accompanying notes, certifies the financial statements are reliable and represent the true financial condition of the county. 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 the County was part of a broader

catawbacountync.gov

Catawba County Government Center

25 Government Drive | PO Box 389 | Newton NC 28658 | 828.465.8210

MAKING. LIVING. BETTER.

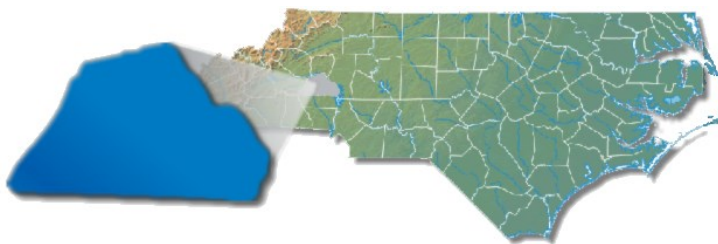
federally- and state-mandated “Single Audit” designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements but also on the audited government’s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

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

COUNTY PROFILE

Named for the Catawba Indians who resided in the area prior to European settlement in 1747, Catawba County (established in 1842) encompasses a 414-square mile area and is located in a peaceful valley just east of North Carolina’s Blue Ridge Mountains. The center of the Greater Hickory metropolitan statistical area (MSA), Catawba County is conveniently located within a 1-hour drive to Charlotte, Asheville, and Winston-Salem, and affords easy access to both Interstate 40 and Highway 321. The Greater Hickory MSA consists of Alexander, Burke, Caldwell and Catawba counties. The County’s mid-Atlantic location is halfway between New York and Miami and includes a land of scenic beauty and diverse cultures with a large industrial workforce.

The County has eight cities and towns within its boundaries, and is home to a population of 160,732 residents, which positions it as the 18th largest county in North Carolina and one of the 29 urban counties with population of 100,000 or more. Catawba County was one of the first of North Carolina’s 100 counties to adopt the County-Manager Form of government. It is



governed by five commissioners (Randy Isenhower-Chair, Barbara Beatty-Vice Chair, Kitty Barnes, Sherry Butler, and Austin Allran) who are elected by countywide vote in partisan elections and serve four-year staggered terms.

The County Manager is appointed to serve as Chief Executive Officer and is responsible for the enforcement of laws and ordinances, preparation and administration of the annual budget, delivery of services, implementing policies, managing daily operations, and appointment of department heads.

Catawba County provides citizens with a broad range of services that include public safety, environmental protection, health and human services, cultural and recreational programs, community and economic development, and education. This report encompasses the County’s activities in maintaining these services and includes its financial support to outside agencies, boards and commissions to assist their efforts in serving citizens. Among these are the Catawba County, Hickory Public and Newton-Conover City Schools, Catawba Valley Community College, Catawba County Economic Development Corporation and the Greater Hickory Metro Convention and Visitors Bureau.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when considered in the context of the overarching economic environment in which the County operates.

BOND RATING

The County is rated ‘AA+’ for its General Obligation Debt by Standard and Poor’s (S&P). This rating highlights and confirms the financial and economic transition the County has been undergoing over the last few years. S&P’s rating overview of the County included descriptions such as “Very strong management, strong

budgetary performance and very low overall net debt.”

LOCAL ECONOMY

Catawba County is part of the Hickory Metropolitan Statistical Area (MSA), which includes Alexander, Burke, Caldwell, and Catawba counties.

Covid-19's Effect on Catawba County Employment

As of Spring 2020, Catawba County was in the midst of over a decade of economic expansion, nearing or breaking record levels in low unemployment, gross domestic product and the value of exported goods

With the onset of Covid-19, March and April 2020 represented an unprecedented economic shock that negatively impacted nearly every economic sector – with employment falling nationally, and at the state and county levels.

Since this time, the local economy has stabilized, and new and expanding industry announcements are at an all-time high despite national concerns about labor availability.

Strong Retail Sales & Tourism Performance Indicate Sustained Recovery

Catawba County remains a retail magnet for the region, capturing 58% of the \$4.9 billion in retail sales from the four-county MSA, while accounting for only 44% of the population. Catawba County's taxable sales of \$2.89 billion showed a significant increase from 2019-20 of 16% indicating a strong comeback from the minimal growth during Covid-19. In the two previous years, retail sales increased 1% and 4%, respectively. **Statewide, the County ranks 18th in population but 15th highest in taxable sales.** These figures cement Catawba County's position as a regional retail magnet, with furniture, automotive, restaurants, and shopping options that draw visitors from surrounding communities and generate taxable sales within the County.

Catawba County ranks 21st in the State for tourism revenue, with \$220 million generated in 2020. While this represents a 27% decrease from the previous year, which can be attributed largely to Covid-19, it is slightly less than the

overall decrease in the state's tourism related revenue of 32%. This economic sector is buttressed by the presence of a wide range of cultural amenities that appeal to all audiences:

- Catawba Science Center
- Green Room Community Theatre
- Hickory Choral Society
- Hickory Community Theatre
- Hickory Crawdads Baseball Team
- Hickory Metro Convention Center
- Hickory Motor Speedway
- Hickory Museum of Art
- Newton Performing Arts Center
- Western Piedmont Symphony

A Focus on Job Growth and Investment

Catawba County has taken a proactive aggressive approach in charting its economic future through targeted expansion. In the past few years, job gains have been made as a result of significant expansion projects – funded both privately and in partnership with the public sector - occurring in a wide range of industries from traditional manufacturing to high-tech. **This mix of public-private partnership and private investment underscores the County's balanced economic health and resiliency.**

To further bolster these efforts, the County continues to actively recruit and attract targeted national and international companies with a focus on higher-wage industries like Information, and Advanced Manufacturing, the latter which leverages the County's skilled workforce and high concentration of manufacturing support systems. In 2020-2021, \$630 million in industry investments and 499 new jobs were announced in the County, according to the Economic Development Partnership of NC's Community Investment Reports. A sampling of the companies committing to deepening investments or adding jobs in Catawba County include:

- In September 2020, **MaxPax LLC**, a contract packaging company serving the needs of the cleaners, sanitizers, personal care, household and industrial products industries, began operations in a new facility in Hickory,

immediately hiring 80 employees with plans to invest \$9.55 million in building renovations and machinery and equipment and create 300 new jobs over five years.

- **Euromarket Designs, Inc.**, an Illinois corporation, d/b/a Crate and Barrel, announced plans in September 2020 to develop a new 736,000 square foot regional warehouse and distribution center in Newton. The company intends to invest \$38.5 million in constructing and equipping the facility and create 150 jobs by the end of 2022.
- In October 2020, **RMC Advanced Technologies**, a subsidiary of NanoXplore headquartered in Montreal, Canada, announced plans to expand its existing manufacturing facility in Newton. Over the next three years, the company plans to create 49 new jobs and invest a minimum of \$7 million in new facility construction, machinery, and equipment.
- In December 2020, **American Fuji Seal, Inc.**, a leading maker of shrink-sleeve and self-adhesive labels, spouted pouches, and packaging machinery that is part of Japan's Fuji Seal International, announced its commitment to create 101 jobs and invest \$52 million in establishing new production operations in Hickory.
- **Bassett Furniture Industries**, a leading manufacturer and marketer of high quality home furnishings, announced in March 2021 that it would expand its Newton manufacturing operations, investing almost \$900,000 and hiring an additional 117 employees.
- In April 2021, **Gusmer Enterprises** announced plans to construct a 135,000 square foot manufacturing facility to produce liquid filtration media and devices which are used in the food, beverage, and pharmaceutical industries, including filtration products that are used in the production of Covid-19 treatments. Over the next five years, Gusmer plans to create 73 jobs and invest a minimum of \$38.2 million in new facility construction, machinery, and equipment.

- **Apple, Inc.** announced in April 2021 that it plans to invest \$1 billion in North Carolina over 10 years for expansion, almost half of which (\$448 million) will be invested in construction, improvements and equipment at its Maiden facilities.
- **Room & Board** announced plans in June 2021 to expand its Newton distribution center by 135,000 s.f., investing \$9 million and adding 6 new jobs.

In the first three and a half months of 2021-2022, investment and job announcements by new and expanding industry projects in Catawba County have already reached almost \$240 million and 497 jobs. These amounts are equal to the yearly averages of previous years, indicating that confidence in the strength of the county's economy continues to rise to new levels.

Deliberately Driving Workforce Development

While Catawba County's economy is built upon a large industrial base (with 28% of its workforce in manufacturing), deliberate and targeted growth in several key sectors has resulted in a more balanced economic composition today than what existed a decade ago. From 2010 through 2020, the following sectors have experienced over 15% employment growth, collectively comprising 27% of the current total employment:

- Professional, Scientific, and Technical Services
- Real Estate and Rental and Leasing
- Retail Trade
- Wholesale Trade

The growth in these sectors represents a 26% increase from 2010 employment levels.

Further, **the County has been a leader in the manufacture and development of fiber optics and telecommunications equipment for more than a decade**, producing approximately 50% of the world's supply of fiber optic cable and still providing significant employment opportunities for County residents.

In the context of Catawba County's efforts at economic diversification, manufacturing still

represents a mainstay industry for the community, although to a lesser extent than in years past. **Steady growth in fiber optic and telecommunications investment and employment and continued reinvestment by newer industry sectors, combined with the effects of a “re-shoring” trend that has brought furniture manufacturing jobs back to Catawba County, has brought a more balanced and sustainable economy to the County.**

Building upon the core strengths of the local economy, Catawba County has made significant strides in preparing its workforce with the skills to meet current and future labor needs of local employers. **With employment continuing to rise, cross-sector partnerships between local governments, the business community, public educational institutions, and industry-specific resources have institutionalized a full-spectrum approach to aligning local talent with available jobs.** Programs have been designed to target high-school students as well as college-aged students and adult learners to ensure the County's workforce is poised to help local businesses thrive. Several key initiatives that have emerged from these partnerships are highlighted below:

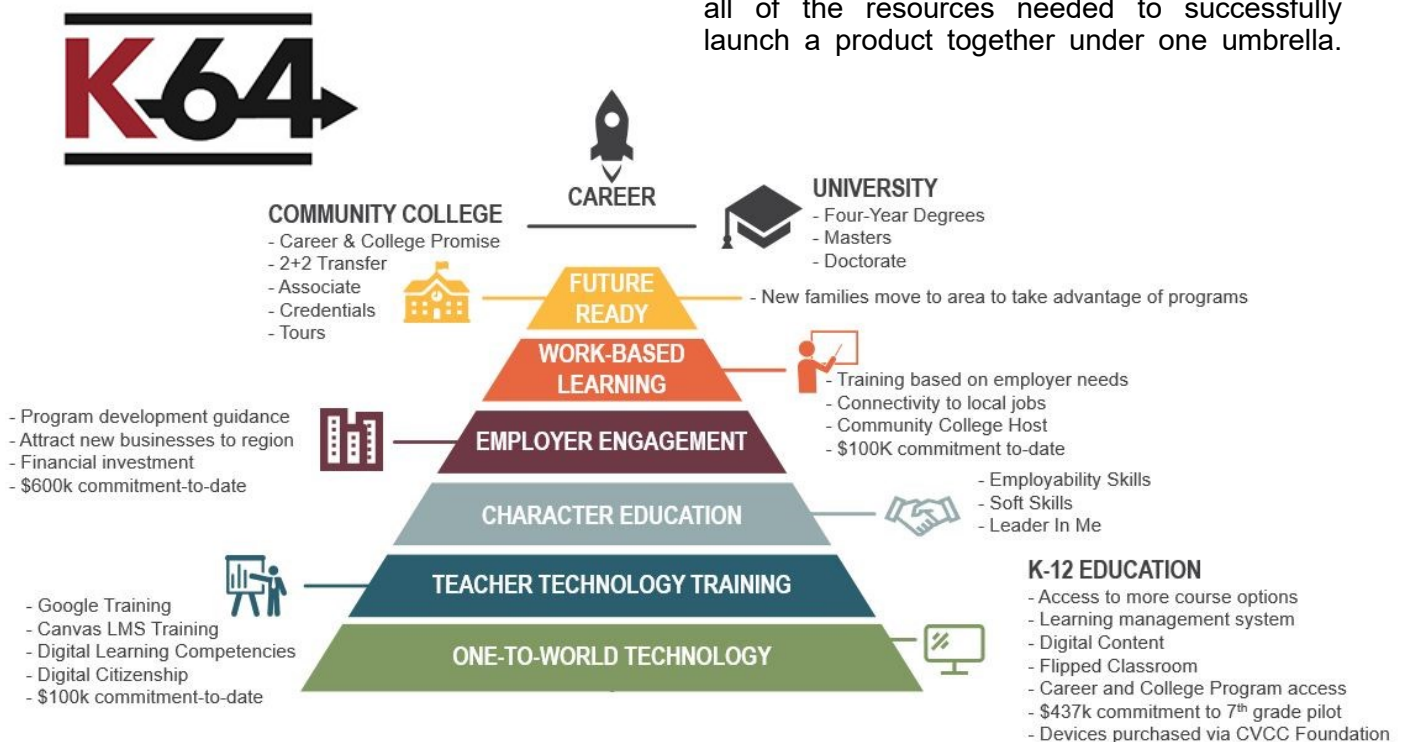
K-64

K-64 is a systemic approach to shaping future careers and meeting workforce demands by connecting students and employers throughout the educational curriculum. K-64 increases student and employer engagement in educational programs proven to prepare a qualified workforce by collaborating with employers to align courses of study with workforce needs, connecting students to real-world careers and related curriculum choices from early on, and empowering adults to enhance employability in a dynamic work environment.

Lenoir-Rhyne University offers a program called the Catawba County Promise to provide a minimum of 50 percent off tuition for any first-year undergraduate student with a 3.5 or higher high school GPA who is a resident of North Carolina or to a transfer undergraduate student with more than 30 attempted hours from an accredited North Carolina community college and a 3.5 GPA.

The Manufacturing Solutions Center (MSC)

MSC is a branch of CVCC focused on helping manufacturers increase sales and improve product quality and production efficiency. MSC connects the dots for entrepreneurs by bringing all of the resources needed to successfully launch a product together under one umbrella.



This combination of expertise and equipment has enabled the development of innovative products such as wearable technology that measures and regulates blood circulation, delivers active ingredients to the skin through fabric, and integrates QR codes into the material so it can be scanned and tracked through the production process. Future product possibilities are staggering, with the potential for everything from caffeine-infused driving gloves to sleeves that deliver heart medicine in the prescribed amount on the horizon. MSC has established itself as a regional expert in prototype development using 3D printing. The MSC has helped over 1,000 entrepreneurs and worked with companies in all 50 states and 32 countries to conduct product testing or prototyping, or to find domestically-produced production inputs. Through strategic partnerships, the facility is expanding into the space of prototyping and testing reusable personal protective equipment products for entrepreneurs and existing manufacturers, a need both heightened and highlighted by the global pandemic.

Catawba Valley Furniture Academy

The Catawba Valley Furniture Academy, housed within CVCC, is an industry-driven training program designed in partnership with local furniture manufacturers to prepare students for high-demand skilled positions in the area. Depending on specialization, graduates of the Academy can secure jobs earning wages above the County's average. Program graduates have earned furniture manufacturing certificates and many have secured jobs at participating companies – Century Furniture, LEE Industries, Lexington Home Brands, Sherrill Furniture, and Vanguard Furniture.

Catawba Valley Manufacturing Academy

The Catawba Valley Manufacturing Academy, modeled after the Furniture Academy, is an industry-driven training course designed with input and expertise from 25 local manufacturers to prepare students for high-demand manufacturing positions (such as machinists and maintenance technicians) with the region's largest employers. **Graduates will be fast-tracked for open positions with sponsoring companies, earning Career Readiness Certificates.**

Catawba County is committed to working with the private sector, municipalities, and the Catawba County Economic Development Corporation (EDC) to attract new businesses, development, and jobs and to support existing business and industry through the delivery of high quality government services supported by a low and stable property tax rate. Recognizing the need to be proactive and take actions to stimulate economic growth, Catawba County invests in the following partnerships and strategies:

Trivium Corporate Center

Trivium Corporate Center is a 378-acre Class A Business Park being developed jointly by Catawba County and the City of Hickory. The Park is being developed incrementally over time in an effort to create job opportunities in advanced light manufacturing facilities, technical operations, and corporate headquarters, with funds set aside annually to support these anticipated capital expenses. The vision is to have amenities such as community walking/cycling trails, community gardens, silos, and open green space to accentuate the site's character, and to appeal to business prospects in a corporate, up-scale environment where light manufacturing, engineering, and innovation co-exist and augment the greater community.

Ground was broken on the park in May 2018 and improvements have been made, including extension of sewer into the park, a paved entryway, and landscaping. There have been five project announcements associated with the park so far – for a total of \$369 million in private investment supporting the creation of 772 jobs. (Project announcements include Corning (2 projects), ITM, Cataler North America, American Fuji Seal, and Gusmer Enterprises.)

Speculative Building Investments

Based on the success of previous speculative building initiatives in Catawba County, construction of two new spec in Hickory was completed in early 2021 to spur new investment and job creation. Both have already resulted in new project investment and job creation

Atlanta-based developer Stonemont Financial Group (SFG) constructed a 192,000 sq. ft. speculative building with 32' ceilings in Trivium

Corporate Center. The Stonemont Spec Building is expandable to 348,000 sq. ft. and has recently been acquired by Corning, Inc.

The Lake Park Spec building, 40,185 sq. ft. with 26' ceilings, fronts on Hickory's Aviation Walk greenway and is being purchased by a local large format printing company that focuses on mobile event set ups, vehicle wraps, signage, and fabric displays. Moving into a larger and better designed space will create much better workflow and growth opportunities for the company.

Strong Medical & Healthcare Presence

Well-positioned to meet the future medical and health care needs of its citizens, the County is home to a prospering medical and healthcare community and two large medical centers. Catawba Valley Medical Center (CVMC) is the largest not-for-profit community hospital in the region and the County's second largest employer. While technically owned by Catawba County, CVMC is completely self-supporting. Based on the quality and consistency of medical care provided by the facility, CVMC has received numerous awards in recent years, including:

- Women's Choice Awards for Best Hospital in patient experience and various medical specialties.
- American Nurses Credentialing Center – Magnet Designation
- The Joint Commission Top Performer Quality Measures in Heart Attack, Pneumonia, Surgical Care, Stroke and Perinatal Care

LONG TERM FINANCIAL PLANNING

Catawba County's economy continues to grow as reflected in strong retail sales activity, increasing building permit activity, business investment, and the County's low unemployment rate, the County is taking deliberate steps to accelerate and reinforce this economic growth.

Over the course of the past couple of years, the Board of Commissioners led a strategic planning process aimed at enhancing and promoting the County's quality of life in order to attract working

-age families and to grow the economy. In the coming years, the County will continue to focus on anticipating future service pressures and delivering responsive services to the community.

In looking towards the future, the strategic plan invests in services and infrastructure related to many of the plan's 10 major focus areas as well as general service needs. Some of the highlights of these investments include:

Education

\$1.3 million dedicated to K-64 for the fifth year of a 5-year commitment, 2 percent per pupil current expense increase for the three public school systems, and a 2 percent increase in funding to CVCC. Additionally, the budget funds \$7.8 million in schools and community college annual capital needs and plans for up to \$43.5 million in projects over a four-year construction funding cycle approved in Fiscal Year 2021/2022.

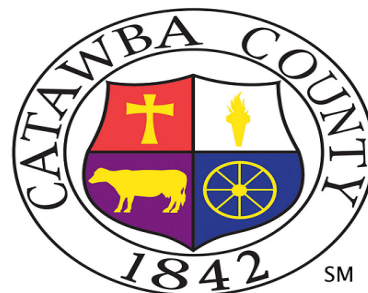
Parks

The budget provides funds for a new Mountain Creek Park in the southeastern section of the County.

Public Safety

The budget includes \$3 million in initial funding for the construction of a new emergency medical services base in Newton.

The County is able to make these investments within available revenues, maintaining the property tax rate of \$0.575 for every \$100 of valuation, thanks to a strong tradition of fiscal stewardship and conservative budgeting. Comprehensive long-range plans have been developed for critical service areas such as school construction, jail expansion, water and sewer infrastructure, parks, libraries, and solid waste.



AWARDS AND ACKNOWLEDGEMENTS

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Catawba County for its annual comprehensive financial report (ACFR) for the fiscal year ending June 30, 2020, the 39th year in a row that the County has secured this recognition. The Certificate of Achievement is a prestigious national annual award that recognizes conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish an easy to understand ACFR that is well-organized and conforms to program standards. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. This report continues to conform to the Certificate of Achievement program requirements and will be submitted to GFOA for consideration thereof.

In addition, the County has prepared and will be submitting a Popular Annual Financial Report (PAFR) to GFOA for Fiscal Year 2020-2021. The PAFR is designed to provide citizens with easily understandable information about a government's finances and economic conditions in a more condensed fashion. PAFRs are supplements to – not replacements for – CAFRs, and are reviewed by a GFOA-appointed task force. The County has received an award for its PAFR for the past thirteen years and hopes to continue with the Fiscal Year 2020-2021 entry.

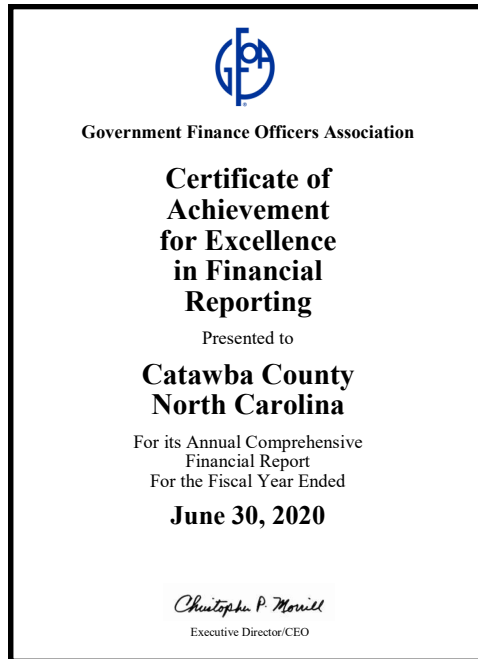
Finally, the County has also received the GFOA's Award for Distinguished Budget Presentation for its Fiscal Year 2020-2021 Adopted Budget effective July 1, 2020. This is the 32nd consecutive year the County has received this award. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was determined to

be proficient in several categories including policy documentation, financial planning, and organization.

ACKNOWLEDGEMENTS

Each County department's strong commitment to the goals, vision, and mission of Catawba County is reflected in the services provided to the citizens of Catawba County. We appreciate the cooperation of all County departments in carrying out the financial activities encompassed in this report. The preparation of the Comprehensive Annual Financial Report was made possible by the dedicated service of the entire Finance Department staff and independent auditors, Martin Starnes and Associates, CPAs. Each has our sincere appreciation for the contributions made in preparation of this report.

In closing, we thank the Catawba County Board of Commissioners for its leadership and support in positioning Catawba County as a fiscally sound, well-governed community.

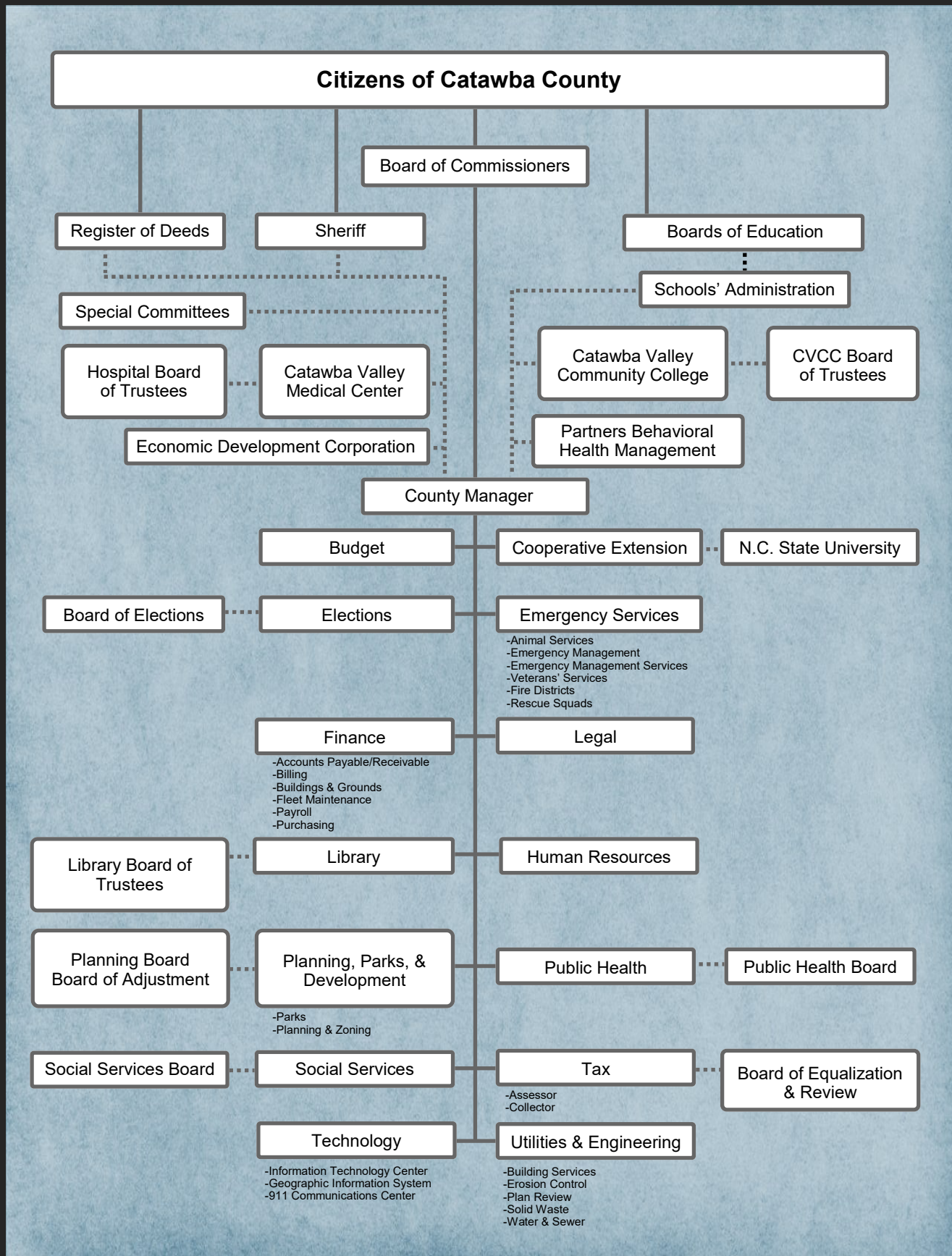


Respectfully submitted,

Mick Berry
County Manager

Jeanne Jarrett
Interim Chief Financial Officer

ORGANIZATIONAL STRUCTURE



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

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

Independent Auditor's Report

Board of County Commissioners
Catawba County
Newton, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Catawba 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 did not audit the financial statements of the Catawba Valley Medical Center, which represents 97.3%, 96.2%, and 92.4%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. We did not audit the financial statements of the Catawba County ABC Board, which represents 2.7%, 3.8%, and 7.6%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us and, our opinion, insofar as it relates to the amounts included for the Catawba Valley Medical Center and Catawba County ABC Board, is based solely on the reports of the other auditors. 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 financial statements are free from material misstatement. The financial statements of the Catawba County ABC Board and Catawba Valley Medical Center were not audited in accordance with *Government Auditing Standards*.

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, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Catawba 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 and the American Rescue Plan Act Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 9 to the financial statements, effective July 1, 2020, the County adopted new accounting guidance promulgated in GASB Statement 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 Law Enforcement Officers' Special Separation Allowance Schedule of the Change in Total Pension Liability and Total Pension Liability as a Percentage of Covered Employee Payroll, the Other Post-Employment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios, the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Liability (Asset) and Schedule of County's Contributions, and the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Asset (Liability) and Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economical, or historical context. We and the other auditors 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 Catawba County's basic financial statements. The introductory section, combining and individual

fund financial statements, budget and actual schedules, supplemental ad valorem tax schedules, other schedules, 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, budget and actual schedules, supplemental ad valorem tax 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual fund financial statements, budget and actual schedules, supplemental ad valorem tax schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2021 on our consideration of Catawba 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 Catawba 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 Catawba County's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
December 20, 2021



SM

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

FINANCIAL HIGHLIGHTS

- ▶ The assets and deferred outflows of resources of Catawba County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$245,154,430 (*net position*). Of this figure, approximately \$195 million represents the County's investment in capital assets, which is not available for future spending.
- ▶ The government's total net position increased by \$17,221,566, resulting from an increase of \$15,798,121 in governmental activities and an increase of \$1,318,716 in business-type activities. In addition, governmental activities had an increase of \$104,749 due to a prior period adjustment for change in accounting principle. This net increase is primarily due to management's focus on prudent spending while maximizing revenue collection.
- ▶ As of the close of the current fiscal year, Catawba County's governmental funds reported combined ending fund balances of \$165,510,079 an increase of \$20,652,730 and the prior period adjustment discussed earlier. in comparison with the prior year. Approximately 40 percent of this total amount, or \$66,262,669 is restricted and non-spendable. [See Exhibits 3 and 4]
- ▶ At the end of the current fiscal year, unassigned fund balance for the General Fund was \$57,303,774, or 31 percent of total general fund expenditures for the fiscal year.
- ▶ Catawba County's total long-term debt increased by \$2,016,596 during the current fiscal year due to new financing and payments on outstanding debt. Outstanding debt principal is \$168,800,189 and equates to \$1,050 per capita at the end of the fiscal

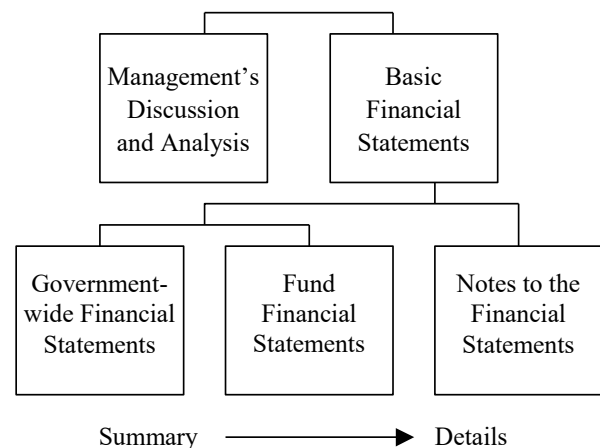
year.

- ▶ In FY 2021, Standard and Poor's maintained Catawba County's bond rating of AA+ for the fourth consecutive year. Moody's Investors Service maintained its Aa1 bond rating for the County for the twelfth consecutive year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Figure A - Required Components of Annual Financial Report



BASIC FINANCIAL STATEMENTS

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the County's financial status.

The next statements (Exhibits 3 through 9) are **Fund Financial Statements**. These statements

focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial statements: (1) governmental funds statements, (2) budgetary comparison statements, (3) proprietary fund statements, and (4) fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's non-major governmental funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

Following the notes is the required supplemental information. This section contains funding information about the County's pension and other post employment benefit plans.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the County's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Deferred outflows of resources are a consumption of net position that are applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position that are applicable to a future reporting period. Measuring net position is one way to gauge the County's financial condition.

The government-wide statements are divided into three categories: (1) governmental activities, (2) business-type activities, and (3) component units. The governmental activities include most

of the County's basic services such as human services, education, public safety, parks and recreation, and administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water and sewer and landfill services offered by Catawba County. The final category is the component units. Catawba Valley Medical Center is a public hospital that was organized in 1962 by resolution of the Board of County Commissioners. The County appoints the board of trustees for the Medical Center and has issued debt on its behalf. Although legally separate from the County, the Alcohol Beverage Control (ABC) board is important to the County because the County is financially responsible for the Board by appointing its members, and because the Board is required to distribute its profits to the County.

The government-wide financial statements are on Exhibit 1 and 2 of this report.

FUND FINANCIAL STATEMENTS

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Catawba County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Catawba County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. *This method also has a current financial resources focus.* As a result, the

governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Catawba County adopts an annual budget for its General Fund, as required by North Carolina General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board of Commissioners about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: (1) the original budget as adopted by the board; (2) the final budget as amended by the board; (3) the actual resources, changes to appropriations, and ending balances in the General Fund; and (4) the difference or variance between the final budget and the actual resources and charges.

The governmental funds financial statements can be found on pages 20-26 of the report.

Proprietary Funds - Catawba County maintains one type of proprietary fund which includes two enterprise funds.

Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for both its solid-waste and water and sewer operations. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

The proprietary funds financial statements can be found on pages 28-33 of this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Catawba County has two fiduciary funds, both of which are custodial funds.

The fiduciary funds financial statements can be found on page 34-35 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 beginning on page 38 of this report.

SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Catawba County's progress in funding its obligation to provide pension and other post employment benefits to its employees.

Required supplementary information can be found beginning on page 90 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position - As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. Catawba County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$245,154,430 as of June 30, 2021. The County's net position increased by \$17,116,837 for the fiscal year ended June 30, 2021 and the prior period adjustment of \$104,729. Additional information can be found in the notes to the financial statements.

The largest portion of net position, 79.8%, reflects the County's investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt outstanding that was issued to acquire those items. Capital assets increased by \$7,230,397 during the current year. Catawba

Government-Wide Financial Analysis

Catawba County's Net Position

	Governmental Activities		Business-type Activities		Total		Total	
	2021	2020	2021	2020	2021	2020	Dollar Change	Percent Change
Current and other assets	\$ 200,342,788	\$ 164,253,787	\$ 55,316,713	\$ 56,114,247	\$ 255,659,501	\$ 220,368,034	\$ 35,291,467	16.01%
Capital assets	164,390,764	158,089,436	76,577,071	75,648,002	240,967,835	233,737,438	7,230,397	3.09%
Total assets	364,733,552	322,343,223	131,893,784	131,762,249	496,627,336	454,105,472	42,521,864	9.36%
Deferred outflow s of resources	28,702,971	18,150,629	695,886	467,008	29,398,857	18,617,637	10,781,220	57.91%
Long-term liabilities	231,389,092	209,506,826	17,200,650	17,904,495	248,589,742	227,411,321	21,178,421	9.31%
Other liabilities	30,502,216	14,800,327	586,822	833,878	31,089,038	15,634,205	15,454,833	98.85%
Total liabilities	261,891,308	224,307,153	17,787,472	18,738,373	279,678,780	243,045,526	36,633,254	15.07%
Deferred inflow s of resources	1,171,147	1,715,481	21,836	29,238	1,192,983	1,744,719	(551,736)	-31.62%
Net position:								
Net investment in capital assets	124,449,252	115,574,093	70,980,887	68,855,090	195,430,139	184,429,183	11,000,956	5.96%
Restricted	35,266,100	39,677,297	-	-	35,266,100	39,677,297	(4,411,197)	-11.12%
Unrestricted	(29,341,284)	(40,780,172)	43,799,475	44,606,556	14,458,191	3,826,384	10,631,807	277.86%
Total net position	\$ 130,374,068	\$ 114,471,218	\$ 114,780,362	\$ 113,461,646	\$ 245,154,430	\$ 227,932,864	\$ 17,221,566	7.56%

County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Catawba County's investment in its capital assets is reported net of the outstanding related debt, the resources to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

The restricted portion of Catawba County's net position, 14.3%, represents resources that are subject to external restrictions on how they may be used.

The final component of net position is unrestricted, which is 5.9% of the total net position. Because the County funds school capital needs through long-term borrowing but does not carry the resulting assets on the financial statements, we report a deficit in unrestricted net position for governmental activities.

In order to provide a complete picture of the changes in net position of the County, information is provided separately for the net positions of governmental and business-type activities.

Governmental Activities - Governmental activities increased the County's net position by \$15,798,121. Several particular aspects of the County's financial operations influenced the unrestricted governmental net position.

- ▶ Property, sales and other taxes are approximately 76% of all revenues and increased by \$12.5 million from the prior year.
- ▶ Investment earnings decreased (\$2.6) million primarily from a decrease in investment fair market value and lower interest rates.

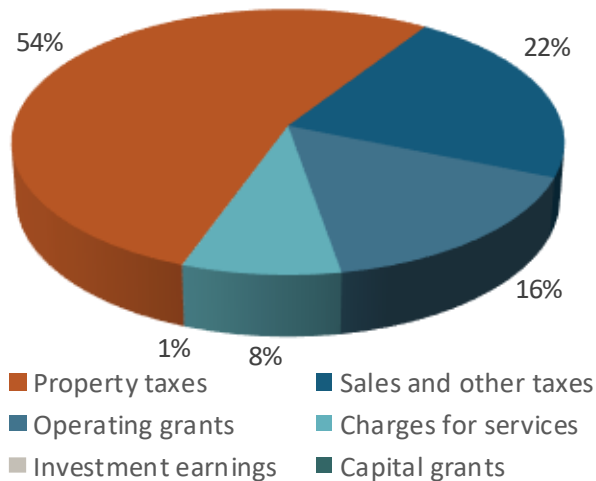
Business-type Activities - Business-type activities increased Catawba County's net position by \$1,318,716. Key elements of this change are as follows:

- ▶ Investment earnings decreased (\$1.2) million primarily from decrease in investment market value and lower interest rates.
- ▶ Reduced expenditures of \$1.5 million in landfill and other solid waste operations.

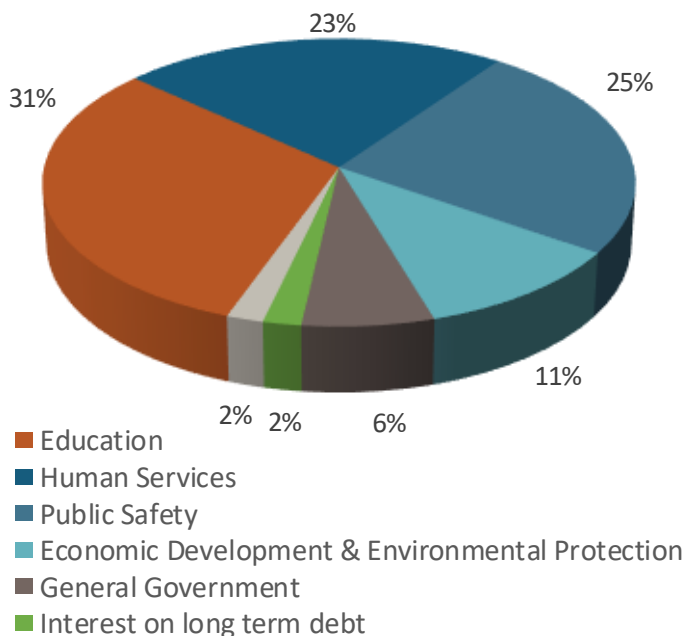
- ▶ Reduced expenditures of \$1.4 million in water and sewer operations.

The following graphs represent the major sources of revenues and the major functions of expenditures for governmental activities. Interest on long-term debt has been allocated to functional categories.

Revenues by Source - Governmental Activities



Expenditures by Function - Governmental Activities



FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the County's financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year. Information is presented separately in the governmental funds balance sheets and statement of revenues, expenditures and changes in fund balance for the General Fund, and the American Rescue Plan Act Fund, which are considered major funds. Data from other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules elsewhere in the report.

At June 30, 2021, the governmental funds of the County reported a combined fund balance of \$165,510,079, a 14 percent increase from the previous year. The primary reasons for this change are the increased revenues from property and sales taxes and proceeds from new financing of public schools..

Additional information may be found in the notes to the financial statements.

General Fund - The General Fund is the chief operating fund of Catawba County. At the end of the current fiscal year, fund balance available for appropriation in the General Fund was \$92,717,973 while total fund balance was \$112,624,508. The governing body of Catawba County has determined that the county should maintain an available fund balance of at least 16% of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the County. The County currently has available fund balance of 47.89% of total general fund expenditures, while the total fund balance represents 58% of that same amount.

Catawba County Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues:						
Charges for services	\$ 18,568,000	\$ 16,093,573	\$ 8,777,537	\$ 9,225,356	\$ 27,345,537	\$ 25,318,929
Operating grants and contributions	36,094,621	31,304,752	1,096,384	1,049,294	37,191,005	32,354,046
Capital grants and contributions	14,472	565,040	-	996,137	14,472	1,561,177
General revenues:						
Property taxes	120,612,862	115,771,446	-	-	120,612,862	115,771,446
Sales and other taxes	49,101,043	41,401,521	397,811	369,136	49,498,854	41,770,657
Investment earnings, unrestricted	(42,857)	2,559,582	1,682	1,184,091	(41,175)	3,743,673
Gain on sale of capital assets	8,075	-	-	106,551	8,075	106,551
Total revenues	<u>224,356,216</u>	<u>207,695,914</u>	<u>10,273,414</u>	<u>12,930,565</u>	<u>234,629,630</u>	<u>220,626,479</u>
Expenses						
General government	13,652,217	12,155,897	-	-	13,652,217	12,155,897
Public safety	51,540,354	50,525,230	-	-	51,540,354	50,525,230
Environmental protection	632,202	620,215	-	-	632,202	620,215
Economic and physical development	21,826,814	20,154,248	-	-	21,826,814	20,154,248
Human services	48,655,343	46,071,393	-	-	48,655,343	46,071,393
Cultural and recreation	3,843,536	3,786,087	-	-	3,843,536	3,786,087
Education	65,156,094	58,197,754	-	-	65,156,094	58,197,754
Interest on long-term debt	3,951,535	4,064,107	-	-	3,951,535	4,064,107
Solid waste management	-	-	6,629,740	8,122,386	6,629,740	8,122,386
Water and sewer	-	-	1,624,958	3,040,068	1,624,958	3,040,068
Total expenses	<u>209,258,095</u>	<u>195,574,931</u>	<u>8,254,698</u>	<u>11,162,454</u>	<u>217,512,793</u>	<u>206,737,385</u>
Increase (decrease) in net position before transfers	15,098,121	12,120,983	2,018,716	1,768,111	17,116,837	13,889,094
Transfers	700,000	-	(700,000)	-	-	-
Increase (decrease) in net position after transfers	15,798,121	12,120,983	1,318,716	1,768,111	17,116,837	13,889,094
Net position - beginning of year, Restatement	114,471,218 104,729	102,350,235 -	113,461,646 -	111,693,535 -	227,932,864 104,729	214,043,770 -
Net position- beginning of year	<u>114,575,947</u>	<u>102,350,235</u>	<u>113,461,646</u>	<u>111,693,535</u>	<u>228,037,593</u>	<u>214,043,770</u>
Net position - end of year	<u>\$ 130,374,068</u>	<u>\$ 114,471,218</u>	<u>\$ 114,780,362</u>	<u>\$ 113,461,646</u>	<u>\$ 245,154,430</u>	<u>\$ 227,932,864</u>

The overall fund balance increased by \$14,694,085 due, in part, to the increase in property and sales taxes.

Additional information is provided in the notes to the financial statements and discussion on General Fund budgetary highlights on the next page.

Other Major Funds

The American Rescue Plan Act Fund is a special revenue fund that accounts for County funding from the Coronavirus State and Fiscal Recovery Funds. The County was

awarded \$30.9 million with the initial 50% allocated and received during the year end June 30, 2021. The remaining 50% of the allocation is expected in the upcoming fiscal year. Activity in this fund reflects transactions that occurred prior to June 30, 2021. The change in fund balance is interest revenue recognized and adjusted for negative change in fair market value with the net result of (\$15,577).

Non-Major Funds - Fund balances for non-major funds increased by \$6 million to \$52.8 million overall. The primary reason for this

change is from \$18.5 million in new capital financing and \$11.6 million in expenditures for school construction projects.

Proprietary Funds - The County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. The County has two enterprise funds, the Solid Waste Management and the Water and Sewer Fund. Total net position of the Enterprise Funds at the end of the fiscal year amounted to \$114.8 million with \$43.8 million of this amount being unrestricted. The increase in net position in these funds was \$1.3 million. Other factors concerning the finances of these funds have been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights - During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories:

- ▶ Amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available.
- ▶ Amendments made to recognize new funding amounts from external sources, such as Federal and State grants.
- ▶ Increases in appropriations that become necessary to maintain services.

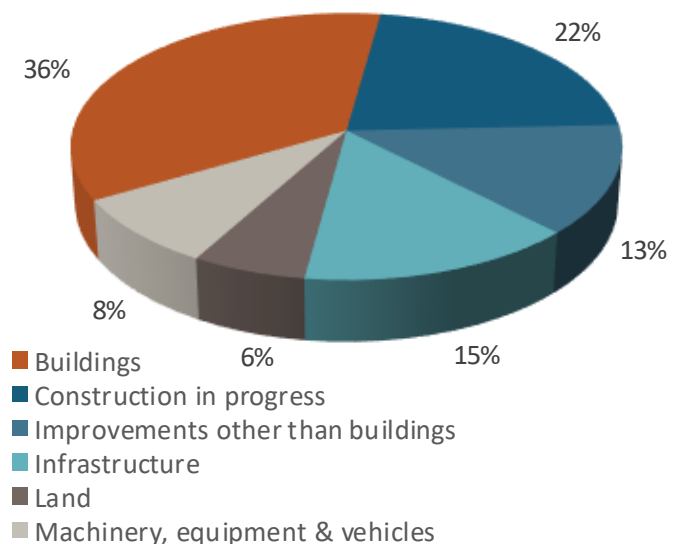
Total amendments to the General Fund increased revenues by \$4 million or 2%. This increase was due mainly to anticipation of additional federal and state grants available for County services.

Actual expenditures were less than final budgeted amounts by \$16.9 million. These cost savings resulted mainly from unspent appropriations of \$7.8 million from changes in federal and state grants for human services operation. Further savings are lapsed salaries and benefits from vacant positions in various departments.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets - Catawba County's investment in capital assets for its governmental and business-type activities as of June 30, 2021, totals \$241 million (net of accumulated depreciation). These assets include land, buildings, other improvements, infrastructure, machinery and equipment, and vehicles.

Catawba County's Total Capital Assets (net of depreciation)



Catawba County's Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 6,204,843	\$ 6,204,843	\$ 8,273,913	\$ 8,257,715	\$ 14,478,756	\$ 14,462,558
Construction in progress	50,738,822	41,925,058	2,447,352	2,271,357	53,186,174	44,196,415
Buildings	82,537,691	85,162,853	3,153,129	3,256,395	85,690,820	88,419,248
Improvements other than buildings	8,095,665	8,398,839	23,922,546	21,791,732	32,018,211	30,190,571
Plant and distribution systems and water lines	-	-	35,135,854	35,928,920	35,135,854	35,928,920
Machinery, equipment and vehicles	16,813,743	16,397,843	3,644,277	4,141,883	20,458,020	20,539,726
Total	164,390,764	158,089,436	76,577,071	75,648,002	240,967,835	233,737,438

Major capital asset transactions during the year include the following:

- ▶ Purchase of new public safety vehicles including new ambulances
- ▶ Upgrades to emergency communications equipment and software
- ▶ Increase in construction in progress in governmental funds for jail expansion, new parks, and business development sites
- ▶ Increase in the water and sewer fund for the construction of water and sewer infrastructure
- ▶ Increase in construction in progress in the solid waste fund for the construction of new landfill cells.

More detailed information on capital assets can be found under Note 2.5 of this report.

Long-term Debt - As of June 30, 2021, Catawba County had outstanding debt of \$166,800,189. The overall change in long-term debt was a net increase of \$2 million from new financing of \$18.5 million and \$16.5 in annual debt service payments.

As mentioned in the financial highlights section of this document, Standard and Poor's

maintained the AA+ bond rating for Catawba County for the 4th consecutive year. Moody's Investor Service maintained the Aa1 bond rating for the 12th consecutive year. This stable bond rating is a clear indication of the sound financial condition of the County. This achievement is a primary factor in keeping interest costs low on the County's outstanding debt.

North Carolina general statutes limit the amount of debt that a unit of local government can issue. The County's debt limit is \$1,530,785,233. Total applicable debt of \$149,537,030 is 10% of that limit and results in a legal debt margin of \$1,381,248,203.

Additional information regarding Catawba County's long-term debt can be found in note 4.B of this report.

FISCAL YEAR 2020-21 ECONOMIC FACTORS

The following factors reflect economic activity of the County.

- ▶ Low debt burden and property tax rate. The County's existing debt obligations are only 10% of its statutory limit. The property tax rate of \$0.575/\$100 was below the State average of \$0.676/\$100 and the 21st lowest of all 100 counties in North Carolina.

Catawba County's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Certificates of Participation	\$ 3,895,000	\$ 4,940,000	\$ -	\$ -	\$ 3,895,000	\$ 4,940,000
Installment Purchases	63,366,667	51,671,667	2,860,127	3,543,664	66,226,794	55,215,331
Qualified Zone Academy Bonds	50,000	100,000	-	-	50,000	100,000
Qualified School Const. Bonds	27,808,553	27,808,553	-	-	27,808,553	27,808,553
Limited Obligation Bonds	60,689,419	66,776,431	1,995,581	2,423,569	62,685,000	69,200,000
Federal Revolving Loan	-	-	675,000	750,000	675,000	750,000
NC Department of Commerce	-	540,796	-	-	-	540,796
Premium on long-term debt	7,369,170	8,124,110	90,672	104,803	7,459,842	8,228,913
Accrued landfill closure and postclosure costs	-	-	8,427,091	9,829,316	8,427,091	9,829,316
Compensated absences	5,553,580	4,805,045	139,399	140,830	5,692,979	4,945,875
Net pension liability (LGERS)	26,661,166	20,191,895	709,133	555,466	27,370,299	20,747,361
Total pension liability (LEOSSA)	6,352,087	4,190,800	-	-	6,352,087	4,190,800
Total OPEB liability	29,643,450	20,357,529	795,135	556,847	30,438,585	20,914,376
Total	<u>\$ 231,389,092</u>	<u>\$ 209,506,826</u>	<u>\$ 15,692,138</u>	<u>\$ 17,904,495</u>	<u>\$ 247,081,230</u>	<u>\$ 227,411,321</u>

- ▶ The County is part of the Hickory Metropolitan Statistical Area (MSA) including the counties of Catawba, Alexander, Burke, and Caldwell. The County remains a retail magnet for the region, capturing 58.4% of the \$4.9 billion in retail sales from the four-county MSA despite having only 44% of the population. Taxable retail sales increased over 16% from the prior year.
- ▶ The County's unemployment has improved from the onset of the COVID-19 pandemic, as the rate declined from 8.3% at the end of June 2020 to 4.7% in June 2021.

IMPACT OF CORONAVIRUS ON THE COUNTY

During the 2019-20 fiscal year and continuing into the 2020-2021 fiscal year, the world was affected by a global pandemic. This cast a shadow of uncertainty on Catawba County's future revenues while simultaneously constraining the County's ability to provide services to the community the way it had been done before. Based on a strong tradition of fiscal stewardship and conservative budgeting practices, the County was and continues to be well-positioned to handle this uncertainty, stratifying its response strategies into near-term, mid-term, and long-term approaches. This approach sets the County up to be able to make decisions as new information as to the duration and severity of the pandemic's impacts becomes available.

Catawba County's immediate response to the coronavirus related to the Fiscal Year 2020-2021 budget included slowing the hiring process for non-public safety positions, placing a hold on planned service expansions, and delaying planned capital projects. The County also utilized federally-allocated state pass-through CARES Act funding to supplement local revenues to support necessary expenditures for things such as personal protective equipment, supplemental cleaning services, etc. In the context of the FY 2020-21 budget, Catawba County revised sales tax and property tax revenue estimates downward by \$3.3 million and adjusted planned expenditures accordingly in order to maintain a responsible balance budget. The County realized an increase in the collection of property taxes and sales taxes greater than expected. Therefore the Board of

Commissioners eased some decisions that delayed employee performance pay and staffing enhancements and allowed those to proceed in several service areas.

BUDGET HIGHLIGHTS FOR NEXT FISCAL YEAR ENDING JUNE 30, 2022

Governmental Activities - The local economy continues to show improvement. The property tax rate remains at \$.575/100 in next year's budget. Revenue projections for the General Fund include a 3 percent increase in property tax revenue and a 13.8 percent increase in sales tax revenue. Sales tax is budgeted at a higher level due to growth in both the base and sales activity. The County is budgeting a net increase of 4.9 percent in operating expenses for all government activities. The total approved budget is \$303,353,378 for fiscal year 2021-2022.

Education continues to represent the largest portion of the local budget, with 41.6 cents of every property and sales tax dollar allocated for the instructional costs and capital needs of the three public school systems and Catawba Valley Community College. Included in this budget is a 2% increase in per pupil funding.

The budget commits \$1.3 million toward the K-64 initiative, a joint partnership of the three public school systems, community college, and business community to prepare students of all ages with the skills needed to compete in the global economy.

The County places public safety as a high priority and accordingly, additional expenditures are planned in this area. The second largest portion of local funds—26 cents of every property tax and sales tax dollar—is spent on public safety.

As a commitment to public safety, in fiscal year 2021-2022 the County budgets additional funds for new positions in the Sheriff Office including school resource officers and Emergency Services including the addition of several new ambulances.

The budget continues to set aside revenue for future economic development projects.

The County continues to review staffing needs annually, rightsizing in some areas while investing in others. The fiscal year 2021-2022 budget adds

or increases 6 positions. Two of these positions are in Public Health to address COVID-19 relief. A limited amount of funding is included to address pay inequities in order to keep the County competitive with other jurisdictions through an annual reclassification study. The County includes funds for a 2% 401-K contribution and an additional match up to 1% of salary for participating employees. To maintain competitive performance pay, the budget includes an annual salary increase for employees of 3% for effective performance and an additional .5% for top performance.

Business – type Activities - The 2022 budget includes \$8,239,466 for solid waste operations and \$1,100,000 for capital projects. The budget includes \$2,383,159 for water and sewer operations.

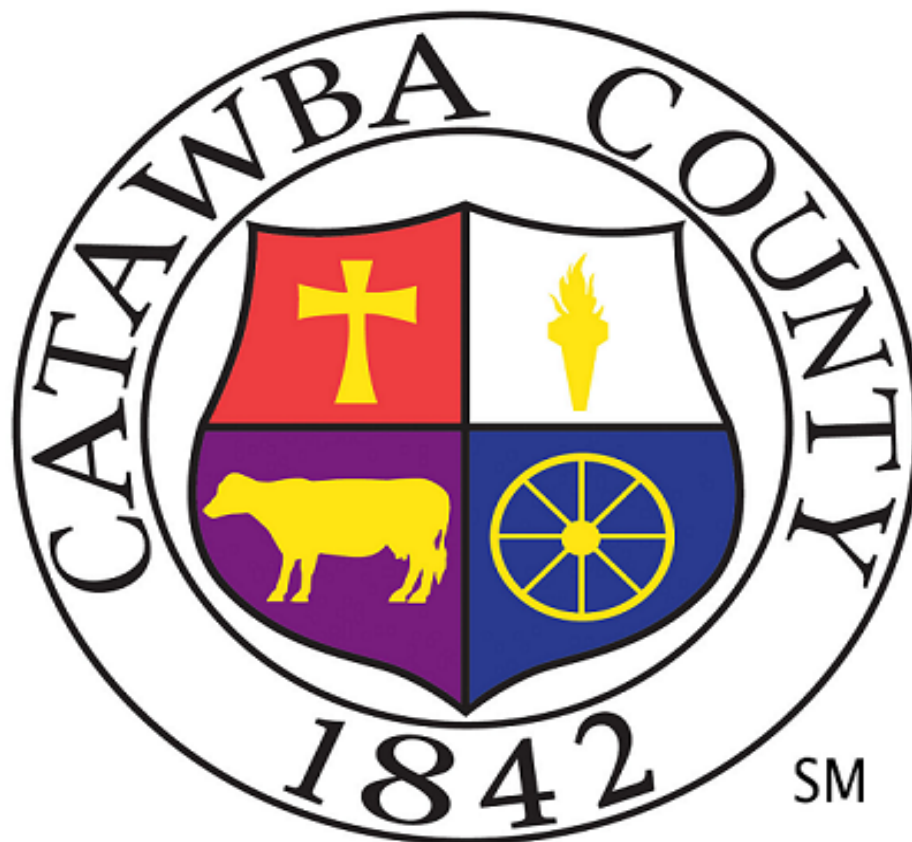
As the County grows, there is a greater demand for clean drinking water, sewage disposal, and landfill operations. To address these needs, the

budget includes \$8,870,819 in related permits and fees to fund strategic operational and capital needs. Additional funding for capital projects comes from reallocation of unspent funds from previously approved projects.

The County has established a new Southeastern Catawba County Water and Sewer District with initial funding of \$679,163 for operating purposes and \$250,000 for capital purposes.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Chief Financial Officer, Catawba County, PO Box 389, Newton, NC 28658. Online information may be found at the County's website at www.catawbacountync.gov.



Basic Financial Statements

CATAWBA COUNTY, NORTH CAROLINA
Exhibit 1
Page 1 of 2
**Statement of Net Position
June 30, 2021**

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
Assets			
Cash and investments	\$ 129,488,356	\$ 52,683,014	\$ 182,171,370
Taxes receivable - net	1,054,206	-	1,054,206
Due from other governments	19,235,257	529,743	19,765,000
Notes receivable	913,028	1,414,633	2,327,661
Other receivables	2,891,835	647,649	3,539,484
Interest receivable	117,350	41,674	159,024
Inventories	319,229	-	319,229
Prepaid items	18,419	-	18,419
Restricted cash and investments	45,944,686	-	45,944,686
Net pension asset - RODSPF	360,422	-	360,422
Other assets	-	-	-
Capital assets:			
Land and construction in progress	56,943,665	10,721,265	67,664,930
Other capital assets, net of depreciation	107,447,099	65,855,806	173,302,905
Total capital assets	164,390,764	76,577,071	240,967,835
Total assets	364,733,552	131,893,784	496,627,336
Deferred outflows of resources	28,702,971	695,886	29,398,857
Liabilities			
Accounts payable and accrued liabilities	30,502,216	586,822	31,089,038
Long-term liabilities:			
Due within one year	17,482,612	1,378,190	18,860,802
Due in more than one year	213,906,480	15,822,460	229,728,940
Total long-term liabilities	231,389,092	17,200,650	248,589,742
Total liabilities	261,891,308	17,787,472	279,678,780
Deferred inflows of resources	1,171,147	21,836	1,192,983
Net Position			
Net investment in capital assets	124,449,252	70,980,887	195,430,139
Restricted			
Stabilization by State statute	27,856,098	-	27,856,098
Register of Deeds	115,021	-	115,021
Register of Deeds pension plan	340,526	-	340,526
Public safety	1,670,080	-	1,670,080
Fire Protection	1,747,215	-	1,747,215
Social services	240,000	-	240,000
Library Endowment	225,206	-	225,206
Social services scholarships	58,703	-	58,703
Parks preservation	55,824	-	55,824
Community development	20,136	-	20,136
Representative Payee	129,304	-	129,304
Hospital capital projects	2,807,987	-	2,807,987
Working Capital	-	-	-
Other	-	-	-
Unrestricted (deficit)	(29,341,284)	43,799,475	14,458,191
Total net position	\$ 130,374,068	\$ 114,780,362	\$ 245,154,430

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

CATAWBA COUNTY, NORTH CAROLINA

Exhibit 1
Page 2 of 2

Statement of Net Position
June 30, 2021

	Component Units	
	Catawba	
	Catawba Valley	County ABC
	Medical Center	Board
Assets		
Cash and investments	\$ 188,538,016	\$ 4,285,756
Taxes receivable - net	-	-
Due from other governments	1,543,346	-
Notes receivable	-	-
Other receivables	31,935,324	-
Interest receivable	95,142	-
Inventories	8,003,085	3,963,406
Prepaid items	-	-
Restricted cash and investments	2,912,134	-
Net pension asset	-	-
Other assets	48,191,858	-
Capital assets:		
Land and construction in progress	13,099,675	1,449,495
Other capital assets, net of depreciation	95,992,496	1,557,457
Total capital assets	<u>109,092,171</u>	<u>3,006,952</u>
Total assets	<u>390,311,076</u>	<u>11,256,114</u>
Deferred outflows of resources	<u>32,180,885</u>	<u>418,753</u>
Liabilities		
Accounts payable and accrued liabilities	46,861,630	1,553,157
Long-term liabilities:		
Due within one year	10,090,737	-
Due in more than one year	<u>123,437,737</u>	<u>493,847</u>
Total long-term liabilities	<u>133,528,474</u>	<u>493,847</u>
Total liabilities	<u>180,390,104</u>	<u>2,047,004</u>
Deferred inflows of resources	<u>552,000</u>	<u>-</u>
Net Position		
Net investment in capital assets	75,171,216	3,006,952
Restricted		
Stabilization by State statute	-	-
Register of Deeds	-	-
Register of Deeds pension plan	-	-
Public safety	-	-
Fire Protection	-	-
Social services	-	-
Library Endowment	-	-
Social services scholarships	-	-
Parks preservation	-	-
Community development	-	-
Representative Payee	-	-
Hospital capital projects	2,807,987	-
Working Capital	-	817,666
Other	104,147	-
Unrestricted (deficit)	<u>163,466,507</u>	<u>5,803,245</u>
Total net position	<u>\$ 241,549,857</u>	<u>\$ 9,627,863</u>

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

CATAWBA COUNTY, NORTH CAROLINA

Exhibit 2
Page 1 of 2

Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Program Revenues			
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	13,652,217	1,960,548	\$ 1,732,627	\$ -
Public safety	51,540,354	9,794,544	7,080,701	0
Environmental protection	632,202	16,175	30,480	-
Economic and physical development	21,826,814	4,454,616	133,380	14,472
Human services	48,655,343	1,927,447	26,812,950	-
Culture and recreation	3,843,536	70,270	304,483	-
Education	65,156,094	344,400	-	-
Interest on long-term debt	3,951,535	-	-	-
Total governmental activities	<u>209,258,095</u>	<u>18,568,000</u>	<u>36,094,621</u>	<u>14,472</u>
Business-type activities				
Solid waste management	6,629,739	8,401,412	38,128	-
Water and sewer	1,624,959	376,125	1,058,256	-
Total business-type activities	<u>8,254,698</u>	<u>8,777,537</u>	<u>1,096,384</u>	<u>-</u>
Total primary government	<u>\$ 217,512,793</u>	<u>\$ 27,345,537</u>	<u>\$ 37,191,005</u>	<u>\$ 14,472</u>
Component units				
Catawba Valley Medical Center	\$ 321,109,706	\$ 332,438,249	\$ 9,021,335	\$ 330,200
Catawba County ABC Board	<u>25,649,367</u>	<u>28,138,544</u>	<u>-</u>	<u>-</u>
Total Component Units	<u>\$ 346,759,073</u>	<u>\$ 360,576,793</u>	<u>\$ 9,021,335</u>	<u>\$ 330,200</u>

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

CATAWBA COUNTY, NORTH CAROLINA

 Exhibit 2
 Page 2 of 2

**Statement of Activities
 For the Year Ended June 30, 2021**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position				
	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Catawba Valley Medical Center	Catawba County ABC Board
Primary Government					
Governmental Activities					
General government	\$ (9,959,042)	\$ -	\$ (9,959,042)		
Public safety	(34,665,109)	-	(34,665,109)		
Environmental protection	(585,547)	-	(585,547)		
Economic and physical development	(17,224,346)	-	(17,224,346)		
Human services	(19,914,946)	-	(19,914,946)		
Culture and recreation	(3,468,783)	-	(3,468,783)		
Education	(64,811,694)	-	(64,811,694)		
Interest on long-term debt	(3,951,535)	-	(3,951,535)		
Total governmental activities	<u>(154,581,002)</u>	<u>-</u>	<u>(154,581,002)</u>		
Business-type activities					
Solid waste management	-	1,809,801	1,809,801		
Water and sewer	-	(190,578)	(190,578)		
Total business-type activities	<u>-</u>	<u>1,619,223</u>	<u>1,619,223</u>		
Total primary government	<u>(154,581,002)</u>	<u>1,619,223</u>	<u>(152,961,779)</u>		
Component units					
Catawba Valley Medical Center				\$ 20,680,078	\$ -
Catawba County ABC Board				-	2,489,177
Total Component Units				<u>\$ 20,680,078</u>	<u>\$ 2,489,177</u>
General Revenues:					
Taxes					
Property taxes, levied for general purposes	120,612,862	-	120,612,862	-	-
Local option sales taxes	46,887,470	-	46,887,470	-	-
Other taxes	2,213,573	397,811	2,611,384	-	-
Investment earnings, unrestricted	(42,857)	1,682	(41,175)	361,590	4,735
Gain on sale of capital assets	8,075	-	8,075	22,926	-
Total general revenues	<u>169,679,123</u>	<u>399,493</u>	<u>170,078,616</u>	<u>384,516</u>	<u>4,735</u>
Transfers	<u>700,000</u>	<u>(700,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers	<u>170,379,123</u>	<u>(300,507)</u>	<u>170,078,616</u>	<u>384,516</u>	<u>4,735</u>
Change in net position	15,798,121	1,318,716	17,116,837	21,064,594	2,493,912
Net position, beginning	<u>114,471,218</u>	<u>113,461,646</u>	<u>227,932,864</u>	<u>220,485,263</u>	<u>7,133,951</u>
Restatement	<u>104,729</u>	<u>-</u>	<u>104,729</u>	<u>-</u>	<u>-</u>
Net position, beginning, restated	<u>114,575,947</u>	<u>113,461,646</u>	<u>228,037,593</u>	<u>220,485,263</u>	<u>7,133,951</u>
Net position, ending	<u>\$ 130,374,068</u>	<u>\$ 114,780,362</u>	<u>\$ 245,154,430</u>	<u>\$ 241,549,857</u>	<u>\$ 9,627,863</u>

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

CATAWBA COUNTY, NORTH CAROLINA
Exhibit 3
**Balance Sheet
Governmental Funds
June 30, 2021**

	Major Funds		Non Major Funds	Total
	General Fund	American Rescue Plan Act Fund	Other Governmental Funds	Governmental Funds
Assets				
Cash and investments	\$ 87,925,641	\$ -	\$ 41,562,715	\$ 129,488,356
Taxes receivable - net	959,764	-	94,442	1,054,206
Due from other governments	15,854,042	-	3,381,215	19,235,257
Notes receivable	913,028	-	-	913,028
Other receivables	2,877,363	-	14,472	2,891,835
Interest receivable	78,395	6,122	32,833	117,350
Inventories	319,229	-	-	319,229
Prepaid items	18,419	-	-	18,419
Restricted cash and investments	19,652,630	15,473,757	10,818,299	45,944,686
Total assets	128,598,511	15,479,879	55,903,976	199,982,366
Liabilities				
Accounts payable and accrued liabilities	12,105,362	-	2,901,398	15,006,760
Advance from grantor payable from restricted assets	-	15,495,456	-	15,495,456
Total liabilities	12,105,362	15,495,456	2,901,398	30,502,216
Deferred Inflows of Resources	3,868,641	-	101,430	3,970,071
Fund Balances				
Nonspendable	1,250,676	-	-	1,250,676
Restricted	38,279,000	6,122	26,726,871	65,011,993
Committed	128,307	-	26,174,277	26,302,584
Assigned	15,662,751	-	-	15,662,751
Unassigned	57,303,774	(21,699)	-	57,282,075
Total fund balances	112,624,508	(15,577)	52,901,148	165,510,079
Total liabilities, deferred inflows of resources, and fund balances	\$ 128,598,511	\$ 15,479,879	\$ 55,903,976	\$ 199,982,366

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

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2021**

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

Total <i>fund balances</i> for governmental funds (Exhibit 3)	\$ 165,510,079
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	164,390,764
Charges related to refunding bond issues	1,417,381
Net pension asset RODSPF	360,422
Net pension liability LGERS	(26,661,166)
Total pension liability LEOSSA	(6,352,087)
Total pension liability OPEB	(29,643,450)
Pension related deferrals LGERS and ROD	14,579,658
Law enforcement separation (LEOSSA) deferrals	1,900,504
OPEB related deferrals	9,817,575
Liabilities for earned revenues considered deferred inflows of resources in fund statements	3,786,777
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (Note 4)	<u>(168,732,389)</u>
Net position of governmental activities (Exhibit 1)	<u>\$ 130,374,068</u>

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

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2021

	Major Funds		Non Major Funds	
	General Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Ad valorem taxes	\$ 110,862,502	\$ -	\$ 10,162,297	\$ 121,024,799
Other taxes	39,832,640	-	8,387,740	48,220,380
Unrestricted intergovernmental revenues	2,094,948	-	-	2,094,948
Restricted intergovernmental revenues	34,391,451	-	6,255,849	40,647,300
Permits and fees	4,847,407	-	505,459	5,352,866
Sales and services	7,780,817	-	-	7,780,817
Investment earnings	(39,555)	(15,577)	12,273	(42,859)
Miscellaneous	3,517,635	-	200	3,517,835
Total revenues	<u>203,287,845</u>	<u>(15,577)</u>	<u>25,323,818</u>	<u>228,596,086</u>
Expenditures				
Current				
General government	14,768,834	-	129,363	14,898,197
Public safety	37,022,413	-	11,163,748	48,186,161
Environmental protection	601,045	-	-	601,045
Economic and physical development	18,935,677	-	87,323	19,023,000
Human services	45,003,450	-	270,211	45,273,661
Culture and recreation	3,493,730	-	2,884	3,496,614
Education	46,134,748	-	342,886	46,477,634
Capital outlay	-	-	30,208,203	30,208,203
Debt service				
Principal	14,577,808	-	-	14,577,808
Interest	4,314,087	-	-	4,314,087
Bond issuance costs	145,011	-	-	145,011
Total expenditures	<u>184,996,803</u>	<u>-</u>	<u>42,204,618</u>	<u>227,201,421</u>
Excess of revenues over (under) expenditures	<u>18,291,042</u>	<u>(15,577)</u>	<u>(16,880,800)</u>	<u>1,394,665</u>
Other Financing Sources (Uses)				
Transfers from other funds	5,022,297	-	9,327,329	14,349,626
Transfers to other funds	(8,627,329)	-	(5,022,297)	(13,649,626)
Sales of capital assets	8,075	-	-	8,075
Installment purchase issued	-	-	18,550,000	18,550,000
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Total other financing sources (uses)	<u>(3,596,957)</u>	<u>-</u>	<u>22,855,032</u>	<u>19,258,075</u>
Net change in fund balance	14,694,085	(15,577)	5,974,232	20,652,740
Fund Balance, beginning, as previously reported	97,930,423	-	46,822,187	144,752,610
Prior period restatement - change in accounting principle	-	-	104,729	104,729
Fund Balances - Beginning of Year	<u>97,930,423</u>	<u>-</u>	<u>46,926,916</u>	<u>144,857,339</u>
Fund Balances - End of Year	<u>\$ 112,624,508</u>	<u>\$ (15,577)</u>	<u>\$ 52,901,148</u>	<u>\$ 165,510,079</u>

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

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2021**

Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:

Net change in <i>fund balances</i> - total governmental funds (Exhibit 4)	\$ 20,652,740
Governmental funds report capital outlays as expenditures. However, in the Statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which net capital outlays exceeded depreciation in the current period.	6,338,401
Net capital assets disposed during the year	(37,043)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(3,217,252)
A portion of expense activity related to retirement and other post employment benefits are not reported in the Governmental funds and are included in the Statement of Activities	
Local Government Employee Retirement (LGERS and ROD)	5,694,483
Law Enforcement Separation Allowance (LEOSSA)	95,903
Revenues in the statement of activities that do not provide current financial resources are not recorded as revenues in the funds.	(247,378)
Deferral of revenue from receivables that do not provide current financial resources	(180,541)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(13,301,192)</u>
Total changes in net position of governmental activities (Exhibit 2)	<u><u>15,798,121</u></u>

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

CATAWBA COUNTY, NORTH CAROLINAExhibit 5
Page 1 of 2**General Fund****Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over/Under</u>
Revenues				
Ad Valorem taxes	\$ 105,547,711	\$ 105,547,711	\$ 110,862,502	\$ 5,314,791
Other taxes	30,289,321	30,689,321	39,832,640	9,143,319
Unrestricted intergovernmental revenues	1,908,000	1,908,000	2,094,948	186,948
Restricted intergovernmental revenues	34,210,527	37,638,139	34,673,569	(2,964,570)
Permits and fees	3,752,857	3,826,357	4,847,407	1,021,050
Sales and services	8,248,478	8,248,478	7,780,817	(467,661)
Investment earnings	652,500	652,500	(40,349)	(692,849)
Miscellaneous	3,473,993	3,613,493	3,517,635	(95,858)
Total revenues	<u>188,083,387</u>	<u>192,123,999</u>	<u>203,569,169</u>	<u>11,445,170</u>
Expenditures				
Current				
General government	15,117,408	15,566,732	14,243,029	1,323,703
Public safety	38,580,572	40,764,231	37,022,413	3,741,818
Environmental protection	712,263	712,985	601,045	111,940
Economic and physical development	21,556,756	21,821,741	18,935,677	2,886,064
Human services	52,266,747	52,832,249	45,003,450	7,828,799
Culture and recreation	4,398,825	4,516,140	3,493,730	1,022,410
Education	46,134,748	46,134,748	46,134,748	-
Debt service				
Principal	14,577,825	14,577,825	14,577,808	17
Sinking fund payments	1,853,905	1,853,905	1,853,902	3
Interest	4,144,215	4,144,215	4,314,087	(169,872)
Bond issuance costs	365,000	365,000	145,011	219,989
Total expenditures	<u>199,708,264</u>	<u>203,289,771</u>	<u>186,324,900</u>	<u>16,964,871</u>
Excess of revenues over (under) expenditures	<u>(11,624,877)</u>	<u>(11,165,772)</u>	<u>17,244,269</u>	<u>28,410,041</u>
Other Financing Sources (Uses)				
Transfers from other funds	550,000	5,022,297	5,022,297	-
Transfers to other funds	(3,443,589)	(9,185,892)	(9,185,892)	-
Sale of capital assets	-	-	8,075	8,075
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Payment to refunded escrow agent	-	-	-	-
Fund balance appropriated	14,518,466	15,329,367	-	(15,329,367)
Total other financing sources (uses)	<u>11,624,877</u>	<u>11,165,772</u>	<u>(4,155,520)</u>	<u>(15,321,292)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>13,088,749</u>	<u>\$ 13,088,749</u>
Fund Balances - Beginning of Year			<u>97,833,580</u>	
Fund Balances - End of Year			<u>\$ 110,922,329</u>	

General Fund**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021**

A legally budgeted Tax Reappraisal Fund is consolidated into the General Fund for reporting purposes:

Investment earnings	794
Expenditures	(525,805)
Transfer from other funds	558,563
Fund Balance, Beginning	<u>96,843</u>
Fund Balance, Ending - Budget and Actual	111,052,724
Budget and actual reconciliation	<u>1,571,784</u>
Fund Balance, Ending (Exhibit 4)	<u>112,624,508</u>

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual to the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

Net change in fund balances - budget and actual	
General Fund	\$ 13,088,749
Tax Reappraisal Fund	33,552
Contra revenue notes receivable payments	(282,118)
Contra expense for issuance of notes receivable	-
Payments to sinking funds for future debt service are shown in the budget and actual statements but do not reduce outstanding debt and are excluded from the governmental funds statement of revenues, expenditures, and changes in fund balance	<u>1,853,902</u>
Net change in fund balances - general fund (Exhibit 4)	<u>\$ 14,694,085</u>
Fund Balance Beginning (Exhibit 4)	<u>97,930,423</u>
Fund Balance Ending (Exhibit 4)	<u>\$ 112,624,508</u>

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

CATAWBA COUNTY, NORTH CAROLINA

Exhibit 6

**American Rescue Plan Act (ARPA) Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over/Under</u>
Revenues				
Intergovernmental revenue				
Federal grants	-	-	-	-
Investment earnings	-	-	(15,577)	(15,577)
Total revenues	-	-	(15,577)	(15,577)
Expenditures				
Current				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	-	-	(15,577)	(15,577)
Other Financing Sources (Uses)				
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	\$ -	(15,577)	\$ (15,577)
Fund Balances - Beginning of Year			-	
Fund Balances - End of Year			<u>\$ (15,577)</u>	



CATAWBA COUNTY, NORTH CAROLINAExhibit 7
Page 1 of 2**Statement of Net Position
Proprietary Funds
June 30, 2021**

	Business-Type Activities - Enterprise Funds		
	Solid Waste Management Fund	Water and Sewer Fund	Total
Assets			
Current assets			
Cash and investments	18,834,073	33,848,941	\$ 52,683,014
Due from other governments	212,337	317,406	529,743
Notes receivable	-	1,414,633	1,414,633
Accounts receivables (net of allowance)	609,399	38,250	647,649
Interest receivables	14,861	26,813	41,674
Total current assets	<u>19,670,670</u>	<u>35,646,043</u>	<u>55,316,713</u>
Noncurrent assets			
Capital assets			
Land and construction in progress	8,011,186	2,710,079	10,721,265
Other capital assets, net of depreciation	30,677,556	35,178,250	65,855,806
Total capital assets	<u>38,688,742</u>	<u>37,888,329</u>	<u>76,577,071</u>
Total noncurrent assets	<u>38,688,742</u>	<u>37,888,329</u>	<u>76,577,071</u>
Total assets	<u>58,359,412</u>	<u>73,534,372</u>	<u>131,893,784</u>
Deferred outflows of resources			
Pension - LGERS	372,079	24,321	396,400
OPEB deferrals	265,326	8,963	274,289
Deferred charge on debt refunding	-	25,197	25,197
Total deferred outflows of resources	<u>637,405</u>	<u>58,481</u>	<u>695,886</u>
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	456,214	130,608	586,822
Accrued landfill closure and postclosure care costs	100,000	-	100,000
Installment loan payable	-	1,198,897	1,198,897
Compensated absences	70,066	9,227	79,293
Total current liabilities	<u>626,280</u>	<u>1,338,732</u>	<u>1,965,012</u>
Noncurrent liabilities			
Accrued landfill closure and postclosure care costs	9,829,316	-	9,829,316
Net pension liability	665,625	43,508	709,133
Total OPEB liability	774,969	26,452	801,421
Installment loan payable	-	4,331,811	4,331,811
Premium on long-term debt	-	90,673	90,673
Compensated absences	50,378	9,728	60,106
Total noncurrent liabilities	<u>11,320,288</u>	<u>4,502,172</u>	<u>15,822,460</u>
Total liabilities	<u>11,946,568</u>	<u>5,840,904</u>	<u>17,787,472</u>

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

CATAWBA COUNTY, NORTH CAROLINAExhibit 7
Page 2 of 2**Statement of Net Position
Proprietary Funds
June 30, 2021**

	Business-Type Activities - Enterprise Funds		
	Solid Waste Management Fund	Water and Sewer Fund	Total
Deferred inflows of resources			
Pension - LGERS	7,585	496	8,081
OPEB deferrals	13,294	461	13,755
Total deferred inflows of resources	20,879	957	21,836
Net Position			
Net investment in capital assets	38,688,742	32,292,145	70,980,887
Unrestricted	8,340,628	35,458,847	43,799,475
Total net position	\$ 47,029,370	\$ 67,750,992	\$ 114,780,362

The accompanying notes are an integral part of the financial statements

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds		
	Solid Waste Management Fund	Water and Sewer Fund	Total
Operating Revenues			
Charges for services	\$ 7,890,013	\$ -	\$ 7,890,013
Methane recovery	401,085	-	401,085
Other operating revenues	89,461	-	89,461
Total operating revenues	<u>8,380,559</u>	<u>-</u>	<u>8,380,559</u>
Operating Expenses			
Administration	694,504	117,950	812,454
Recycling	154,576	-	154,576
Solid waste management improvements	66,718	-	66,718
Solid waste code enforcement	78,901	-	78,901
Sanitary landfill	3,687,394	-	3,687,394
Blackburn landfill methane recovery	372,830	-	372,830
Water and sewer	-	463,545	463,545
Landfill closure and postclosure care costs	100,000	-	100,000
Depreciation	1,474,816	857,525	2,332,341
Total operating expenses	<u>6,629,739</u>	<u>1,439,020</u>	<u>8,068,759</u>
Operating income (loss)	<u>1,750,820</u>	<u>(1,439,020)</u>	<u>311,800</u>
Nonoperating Revenues (Expenses)			
Solid waste disposal tax	82,444	-	82,444
Scrap tire disposal tax	230,697	-	230,697
White goods disposal tax	84,670	-	84,670
Scrap tire grant	38,128	-	38,128
Electronics management distribution	7,753	-	7,753
Property cleanup reimbursement	350	-	350
Miscellaneous	12,750	-	12,750
Investment earnings	(2,823)	4,505	1,682
Engineering fees	-	376,125	376,125
Interest on long term debt	-	(158,011)	(158,011)
Municipal revenue sharing	-	1,058,256	1,058,256
Transfer out (disposal of asset donated to municipality)	-	(27,928)	(27,928)
Total nonoperating revenues (expenses)	<u>453,969</u>	<u>1,252,947</u>	<u>1,706,916</u>
Income (loss) before transfers	<u>2,204,789</u>	<u>(186,073)</u>	<u>2,018,716</u>
Transfer to other funds	<u>-</u>	<u>(700,000)</u>	<u>(700,000)</u>
Change in net position	2,204,789	(886,073)	1,318,716
Net Position - Beginning of Year	<u>44,824,581</u>	<u>68,637,065</u>	<u>113,461,646</u>
Net Position - End of Year	<u>\$ 47,029,370</u>	<u>\$ 67,750,992</u>	<u>\$ 114,780,362</u>



CATAWBA COUNTY, NORTH CAROLINAExhibit 9
Page 1 of 2**Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2021****Business-Type Activities - Enterprise Funds**

	Solid Waste Management Fund	Water and Sewer Fund	Total
Cash Flows from Operating Activities			
Cash received from customers	\$ 8,414,673	-	\$ 8,414,673
Cash paid for goods and services	(3,288,128)	(188,219)	(3,476,347)
Cash paid to employees	(1,942,650)	(115,366)	(2,058,016)
Other operating revenues	89,461	-	89,461
Net cash provided (used) by operating activities	<u>3,273,356</u>	<u>(303,585)</u>	<u>2,969,771</u>
Cash Flows from Noncapital Financing Activities			
Solid waste disposal tax	82,444	-	82,444
Scrap tire disposal tax	230,697	-	230,697
White goods disposal tax	84,670	-	84,670
Scrap tire grant	38,128	-	38,128
Electronics management distribution	7,753	-	7,753
Property cleanup reimbursement	350	-	350
Domestic haulers and capital fees	-	376,125	376,125
Miscellaneous	12,750	-	12,750
Change in due to due from customers	-	(73,763)	(73,763)
Transfer to general capital projects fund	-	(700,000)	(700,000)
Municipal revenue sharing	-	1,058,256	1,058,256
Total cash provided by noncapital financing activities	<u>456,792</u>	<u>660,618</u>	<u>1,117,410</u>
Cash Flows from Capital and Related Financing Activities			
Principal paid on installment notes payable	-	(1,186,525)	(1,186,525)
Interest paid on installment notes payable	-	(168,214)	(168,214)
Acquisition and construction of capital assets	(3,226,057)	(63,281)	(3,289,338)
Proceeds from sale of assets	-	-	-
Net cash provided (used) by capital and related financing activities	<u>(3,226,057)</u>	<u>(1,418,020)</u>	<u>(4,644,077)</u>
Cash Flows from Investing Activities			
Investment earnings	<u>7,323</u>	<u>23,492</u>	<u>30,815</u>
Net increase (decrease) in cash and cash equivalents	511,414	(1,037,495)	(526,081)
Cash and cash equivalents - beginning of year	<u>18,322,659</u>	<u>34,886,436</u>	<u>53,209,095</u>
Cash and cash equivalents - end of year	<u>\$ 18,834,073</u>	<u>33,848,941</u>	<u>\$ 52,683,014</u>

The accompanying notes are an integral part of the financial statements

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds		
	Solid Waste Management Fund	Water and Sewer Fund	Total
Reconciliation of operating income to net cash provided by operating activities			
Operating income (loss)	\$ 1,750,820	(1,439,020)	311,800
Adjustments to reconcile operating income to net cash provided (used) by operating activities			
Depreciation and amortization	1,474,816	857,525	2,332,341
Increase (decrease) in landfill closure and postclosure care costs	100,000	-	100,000
Changes in assets and liabilities, and deferred outflows and inflows of resources:			
(Increase) decrease in refundable sales tax	90,850	-	90,850
(Increase) decrease in other receivables	32,724	-	32,724
(Increase) decrease in notes receivables	-	192,507	192,507
(Increase) decrease in deferred outflows of resources - pensions	(60,158)	(5,128)	(65,286)
(Increase) decrease in deferred outflows of resources - OPEB	(162,114)	(5,404)	(167,518)
Increase (decrease) in accounts payable and other liabilities	(344,334)	82,819	(261,515)
Increase (decrease) in compensated absences	9,770	(11,201)	(1,431)
Increase (decrease) in accrued salaries and other benefits	9,017	5,443	14,460
Increase (decrease) in pension liability	142,357	11,310	153,667
Increase (decrease) in OPEB liability	236,684	7,890	244,574
Increase (decrease) in deferred inflows of resources - pensions	(4,233)	(231)	(4,464)
Increase (decrease) in deferred inflows of resources - OPEB	(2,843)	(95)	(2,938)
Total adjustments	1,522,536	1,135,435	2,657,971
Net cash provided (used) by operating activities	\$ 3,273,356	(303,585)	2,969,771
Noncash investing, capital and financing activities:			
Donated capital asset to municipality	-	(27,928)	(27,928)
(Premium)/deferred charge from debt refunding	-	(10,203)	(10,203)
	\$ -	\$ (38,131)	\$ (38,131)

The accompanying notes are an integral part of the financial statements

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	<u>Custodial Funds</u>
Assets	
Cash and investments	\$ 72,880
Taxes receivable for other governments, net	<u>3,424,000</u>
Total assets	<u>3,496,880</u>
Liabilities	
Due to other governments	<u>14,438</u>
Total liabilities	<u>14,438</u>
Net Position	
Individuals, organizations, and other governments	<u>3,482,442</u>
Total fiduciary net position	<u><u>\$ 3,482,442</u></u>

The accompanying notes are an integral part of the financial statements

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2021

	<u>Custodial Funds</u>
Additions	
Ad valorem taxes collected for other governments	\$ 50,159,155
Collections on behalf of inmates	441,882
Total additions	<u>50,601,037</u>
Deductions	
Tax distributions to other governments	50,494,114
Payments on behalf of inmates	430,797
Total deductions	<u>50,924,911</u>
Net increase (decrease) in fiduciary net position	(323,874)
Net Position	
Net position - beginning, as previously reported	-
Prior period restatement	3,806,316
Net position - beginning, restated	3,806,316
Net position - ending	<u><u>\$ 3,482,442</u></u>

The accompanying notes are an integral part of the financial statements



Notes to Financial Statements - Contents
June 30, 2021

Note		Page
1	Summary of Significant Accounting Policies	38
	A Reporting Entity	38
	B Basis of Presentation	39
	C Measurement Focus and Basis of Accounting	40
	D Budgetary Data	41
	E Assets, Liabilities, Deferred Inflows and Outflows, Fund Equity	42
	F Reconciliation of Government-Wide and Fund Financial Statements	46
2	Details Notes on All Funds	49
	A: 1/2 Assets: Deposits and Investments	49
	3 Property Tax Use Value Assessment	50
	4 Receivables	51
	5 Capital Assets	52
	B: 1 Liabilities: Payables	55
	2 Pension Plan Obligations	55
	3 Deferred Outflows and Inflows of Resources	69
	4 Closure and Postclosure Care Costs	70
	5 Risk Management	70
	6 Contingent Liabilities	71
	7 Long-Term Obligations	71
	C Interfund Balances and Activity	82
	D Fund Balance	83
3	Related Organization	84
4	Joint Ventures	84
5	Jointly Governed Organization	85
6	Benefit Payments Issued by State	85
7	Summary Disclosure of Significant Contingencies	85
8	Significant Effects of Subsequent Events	85
9	Change in Accounting Principle	86

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Catawba County (government) and its discretely presented component units conform to generally accepted accounting principles (GAAP) as applied to governmental units. 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 financial activities of the County and its component units, legally-separate entities for which the County is financially accountable.

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

Catawba Valley Medical Center (the *Medical Center*) and the Catawba County ABC Board (the *Board*) have a June 30 year end and are presented as if they are separate proprietary funds of the County (discrete presentation).

The Catawba County Public Facilities Corporation (the *Corporation*) exists to plan, finance, construct, acquire, lease, sell and convey real property, improve real property, facilities, equipment and other property for the use of Catawba County. The Corporation's transactions are reported within the General and Capital Project Funds. The Corporation does not issue separate financial statements.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Catawba County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven-member board that is appointed by the Board of County Commissioners. The County can remove any member of the Authority with or without cause.	None Issued
Catawba Valley Medical Center	Discrete	The Medical Center is a public hospital that was organized in 1962 by resolution of the Board of Commissioners of Catawba County. The County appoints the board of trustees for the Medical Center. The County has issued revenue bonds for improvement of the Medical Center facilities, which are paid from Medical Center revenues.	Catawba Valley Medical Center 810 Fairgrove Church Road S.E. Hickory, NC 28602
Catawba County ABC Board	Discrete	The members of the ABC Board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County.	Catawba County ABC Board 1910 Fairgrove Church Road Newton, NC 28658

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Catawba County Public Facilities Financing Corporation	Blended	The corporation is governed by a three to five-member board appointed by the Board of Commissioners. The Board can remove any member of the Corporation with or without cause.	None Issued
--	---------	--	-------------

B. Basis of Presentation

Government-wide Statements - The government-wide financial statements (i.e., 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 except for interfund services provided and used which are not eliminated in the consolidation process. 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 for services provided to them.

The statement of activities presents a comparison between direct expenses and program revenues for the 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 specific function. *Indirect expense allocations* that have been made in the funds have been reversed for the statement of activities. *Program revenues* include 1) fees and charges by the recipients of goods or services offered by the programs and 2) 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 proprietary funds, each displayed in separate columns. All remaining governmental and proprietary funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result in 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 services.

The County reports the following major governmental funds:

General Fund - The *General Fund* is the primary operating fund of the County. 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 other various 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 government services. The Tax Reappraisal Fund is a legally budgeted fund under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 it is consolidated in the General Fund.

American Rescue Plan Act Fund - The *American Rescue Plan Act Fund* accounts for funds received under the American Rescue Plan (ARP) Act and expenses related to COVID-19 response and recovery

The County reports the following major proprietary funds, which are both enterprise funds:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Solid Waste Management Fund - The *Solid Waste Management Fund* accounts for the operation, maintenance and development of various landfills and disposal sites and other solid waste activities.

Water and Sewer Fund - The *Water and Sewer Fund* accounts for the capital development and maintenance of water and sewer lines and pump stations.

The County reports the following 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 Municipal Tax Fund, which accounts for ad valorem and vehicle property taxes that are billed and collected by the County for various municipalities within the County but that are not revenues to the County, and the Jail Inmate Pay Fund, which holds cash collections for the benefit of inmates collected from their friends and families and held while the inmates are incarcerated.

Non-major Funds - The County maintains thirty-three legally budgeted funds. The Emergency Telephone System Fund, Narcotics Seized Funds and Property Fund, State Unauthorized Substance Abuse Fund, Narcotics Seized Justice Fund, Narcotics Seized Treasury Fund, Rescue Squads Fund, Library Endowment Fund, Gretchen Peed Scholarship Fund, Parks/Historic Preservation Fund, Community Development Fund, CARES Act Fund, Fines and Forfeitures Fund, Representative Payee Fund, Deed of Trust Fund and the fourteen individual Fire District Funds are reported as non-major special revenue funds. The General Capital Projects Fund, School Capital Projects Fund, School Construction Fund and the Hospital Capital Reserve Fund are reported as capital projects funds.

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 agency funds that 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 recording when a liability is incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds, the Solid Waste Management Fund and the Water and Sewer Fund, are charges to customers for services. Operating expenses for the enterprise funds include the cost of 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. Revenues are recognized when measurable and available.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Expenditures are recorded when the related liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated balances, which are recognized to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Sales taxes and certain intergovernmental revenues, such as the beer and wine tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues 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 are 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 general revenues.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

D. Budgetary Data

The County's budgets are adopted as required by North Carolina General Statutes. An annual budget is adopted for the General, Special Revenue (except Community Development Fund), and Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances that may span more than one year are adopted for the Capital Projects Funds except for the Hospital Capital Reserve Fund and the Enterprise Capital Projects Funds. The Enterprise Capital Projects Funds are consolidated with the enterprise operating funds for reporting purposes. Grant ordinances that span more than one year are adopted for the Community Development Fund. These appropriations are carried over until the projects and grants are completed.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the fund and departmental level for all annually budgeted and multi-year funds. Transfers of appropriations between funds may be made only by the Board, with the exception of merit, reclassification funds, and special contingency which the County Manager has the authority to transfer. Transfers of appropriations between departments in a fund or from contingency shall be approved by the Board, but may be approved by the County Manager if he finds they are consistent with operational needs and any Board approved goals and do not exceed \$50,000 for department transfers or \$50,000 for transfers from contingency. Transfers from contingency approved by the Manager can exceed \$50,000 if he determines an emergency exists. All such transfers approved by the Manager must be presented to the Board at its next regular meeting. 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 the time until the annual ordinance can be adopted.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

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

1. 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)] authorized 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.

The County's investments are carried at fair value as determined by quoted market prices. The North Carolina Capital Management Trust (NCCMT), which consists of an SEC-registered fund, is authorized by G.S. 159-30 (c)(8). The Government Portfolio, is a 2a7 fund that invests in treasuries and government agencies and is rated AAAM by S&P and AAA-mf by Moody Investor Services. The Government Portfolio is reported at fair value.

2. Cash and Cash Equivalents

A cash and investment pool is maintained by the County to facilitate disbursement and investment and to maximize investment income. The pool is used by all funds except the Representative Payee Fund and the Jail Inmate Pay Fund. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The Representative Payee Fund and the Jail Inmate Pay Fund are maintained in noninterest bearing demand deposit accounts as reflected on Schedule G-1.

3. Restricted Assets

The debt service reserve in the General Fund includes funds in sinking and other funds to accumulate resources for future debt maturities. The amount restricted for Social Services includes funds donated for specific social services programs. Money in the Tax Reappraisal Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. The unexpended grant proceeds are classified as restricted assets within the American Rescue Plan Act Fund because their use is completely restricted to the uses as specified by current federal guidance. The unexpended debt proceeds are classified as restricted assets within the General Capital Projects and School Construction Funds because their use is completely restricted to the purpose for which the funds were borrowed.

Catawba County Restricted Cash		
Governmental Activities		
General Fund	Debt service reserve	\$ 19,265,480
General Fund	Unexpended debt proceeds	2,641
General Fund	Social services	240,000
General Fund	Tax reappraisal	144,509
American Rescue Plan Act Fund	Unexpended grant funds	15,473,757
General Capital Projects Fund	Unexpended debt proceeds	5,022,380
School Construction Fund	Unexpended debt proceeds	5,795,919
Total Governmental Activities		<u>\$ 45,944,686</u>

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2020.

5. 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.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

6. Inventories and Prepaid Items

Inventories of the County are valued at cost (first-in, first-out), which approximates market. The County's General Fund inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expense when consumed rather than when purchased.

7. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to July 1, 2015 are recorded at their estimated fair value at the date of the donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value. 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 costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

The County holds title to certain Catawba County Board of Education and Hickory Public Schools Board of Education and Newton-Conover City Schools Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit financing of acquisition and construction costs. Agreements between the County and the Boards of Education give the Boards full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the properties back to the Boards of Education, once all restrictions of the financing agreements have been met. The properties are reflected as capital assets in the financial statements of the Catawba County Board of Education, the Hickory Public Schools Board of Education, and the Newton-Conover City Schools Board of Education.

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

Building and improvements	50 years
Furniture and office equipment	10 years
Maintenance and construction equipment	8 years
Medium and heavy motor trucks	6 years
Automobiles and light trucks	4 years
Computer equipment	5 years
Computer software	5 years

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has several items that meet this criterion—a charge on refunding, OPEB and pension related deferrals, and contributions made to OPEB and pension plans in the current fiscal year. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County items that meet the criterion for this category are prepaid taxes, ambulance, taxes receivable, human resource receivables, other unearned revenue and other OPEB or pension related deferrals. Detailed information regarding deferred outflows/inflows of resources can be found under Note 2 in the notes to the financial statements.

9. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statements of net position. In the fund financial statements for governmental fund types, the face amount of debt issued is reported as another financing source.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

10. Compensated Absences

It is the policy of the County to permit employees to accumulate up to thirty (30) days earned but unused vacation leave with such leave being fully vested when earned. The County's liability for accumulated earned vacation and salary-related payments as of June 30, 2021, is recorded in the government-wide financial statements. For the County's proprietary fund, an expense and liability for compensated absences and the salary-related payments are recorded within those funds as the leave is earned, if the amount is considered to be material.

The sick leave policy of the County provides for an unlimited accumulation of earned but unused 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 neither employee nor the County has any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County.

11. Net Position/Fund Balances

Net Position

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

Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balance as follows:

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

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

Prepaid - portion of fund balance that is not an available resource because it represents the asset amount of prepaid expenditures, which are not spendable resources.

Notes Receivable – portion of fund balance that is not an available resource because it represents the long-term portion of notes receivable, which are not spendable resources.

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

Restricted for Stabilization of 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 1930s that were designed to improve and maintain the fiscal health of local government units. Restricted by State Statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

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.

Public Safety - portion of fund balance that is restricted by revenue source for public safety expenditures.

Fire Protection - portion of fund balance that is restricted by revenue source for fire protection expenditures.

Debt Service - portion of fund balance that is restricted for sinking funds and by revenue source for other debt service expenditures.

Social Services - - portion of fund balance that is restricted by revenue source for client services.

Library Endowment - portion of fund balance that is restricted by revenue source for library expenditures.

Scholarship - portion of fund balance that is restricted by revenue source for scholarship expenditures.

Parks Preservation - portion of fund balance that is restricted by revenue source for parks preservation expenditures.

Community Development – portion of fund balance that is restricted by revenue source for community grant expenditures.

Representative Payee - - portion of fund balance that can only be used to benefit beneficiaries under the Social Security's Representative Payee Program.

General Capital - portion of fund balance that is restricted by revenue source for specified capital projects.

School Capital and Construction – portion of fund balance that is restricted by revenue source and debt financing that can only be used for specified school and community college capital projects.

Hospital Capital - portion of fund balance that is restricted by revenue source for hospital capital expenditures.

Restricted net position on Exhibit 1 differs from restricted fund balance on Exhibit 3 due to sinking fund debt payments to date of (\$19,265,479), unspent debt proceeds of (\$10,820,940), and the Register of Deeds pension plan of \$340,526.

Committed Fund Balance - Portion of fund balance that can only be used for specific purpose imposed by majority vote of Catawba County's governing body. The Board of Commissioners is the highest level of decision-making authority that 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.

Tax Reappraisal - portion of fund balance that can only be used for Tax Reappraisal.

General Capital - portion of fund balance that can only be used for specified capital projects.

General Capital - portion of fund balance that can only be used for specified capital projects.

School Capital - portion of fund balance that can only be used for specified school capital projects.

School Construction – portion of fund balance that can only be used for specified school construction projects.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Assigned Fund Balance - Portion of fund balance that Catawba County governing board has budgeted.

Public Health – portion of fund balance that has been budgeted by the board for future public health expenditures.

Social Services – portion of fund balance that has been budgeted by the board for future social service expenditures.

County Manager – portion of fund balance that has been budgeted by the board for future administrative expenditures.

Human Resources – portion of fund balance that has been budgeted by the board for future human resource expenditures.

Library – portion of fund balance that has been budgeted by the board for future library expenditures.

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 modify the appropriations by resource or appropriation within funds up to \$50,000.

Unassigned Fund Balance - Portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the funds' assets and deferred outflows of resources.

For programs with multiple revenue sources, it is the County's practice to use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-County funds, and county funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. The Board of Commissioners have developed a goal for the County to maintain an Unassigned General Fund balance of 16 percent, the equivalent of two months of operating expenses. These funds will be used to avoid cash flow interruptions, generate investment income, eliminate the need for short-term borrowing, and for use in the case of unanticipated emergencies.

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

F. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position. The governmental fund balance sheet includes a reconciliation between *fund balance* – *total governmental funds* and *net position*– *governmental activities* as reported in the government-wide statement of net position. The net adjustment of \$(35,136,011) consists of several elements as follows:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 245,850,764
Less accumulated depreciation	(81,460,000)
Net capital assets	<u>164,390,764</u>
Charges related to debt refunding issued - included on government-wide statement of net position but are not current financial resources	1,417,381
Net pension asset RODSPF	360,422
LGERS and ROD pension related deferrals	14,579,658
LEOSSA related deferrals	1,900,504
OPEB related deferrals	9,817,575
Deferred inflows of resources reported in the fund statements but not the government-wide	3,786,777
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:	
Certificates of participation	(3,895,000)
Installment purchase	(63,366,667)
Qualified zone academy bonds	(50,000)
Qualified school construction bonds	(27,808,553)
Limited obligation bonds	(60,689,419)
Premium on long-term debt	(7,369,170)
Compensated absences	(5,553,580)
Net pension liability LGERS	(26,661,166)
Total pension liability LEOSSA	(6,352,087)
Total other post employment liability	<u>(29,643,450)</u>
	<u>(231,389,092)</u>
Total adjustment	<u>\$ (35,136,011)</u>

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position in governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$(4,854,619) as follows:

Governmental funds report capital outlays as expenditures. In the statement of activities the cost of those assets is allocated over their estimated useful lives	\$ 11,989,659
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements	(5,651,258)
Net capital assets disposed during the year	(37,043)
Proceeds from issuance of long term debt not recorded in statement of activities	(18,550,000)
Premium on issuance of long term debt not recorded in statement of activities	-
Principal payments on debt owed are recorded as a use of funds on the fund statements but affects only the statement of net position in the government-wide statements	
Certificates of participation	1,045,000
Installment purchases	6,855,000
Qualified zone academy bonds	50,000
Limited obligation bonds	6,087,012
NC Department of Commerce	540,796
A portion of activity related to retirement and other post employment benefits are not reported in the Governmental funds and are included in the Statement of Activities	
Local Government Employee Retirement (LGERS and ROD)	5,694,483
Law Enforcement Separation Allowance (LEOSSA)	95,903
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements	
Pension expense	(9,738,594)
OPEB expense	(2,814,063)
Amortization of deferred interest	(247,378)
Net (increase) decrease in compensated absences	(748,535)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements	
Amortization of premium on debt issuance	754,940
Net increase (decrease) in receivables and deferred revenue	<u>(180,541)</u>
Total adjustment	<u>\$ (4,854,619)</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

NOTE 2 – DETAIL NOTES ON ALL FUNDS

A. Assets

1. 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 the name of the County. 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 held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or the 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 of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County has no formal policy regarding custodial credit risk for deposits.

At June 30, 2021, the County's deposits had a carrying amount of \$43,494,427 and a bank balance of \$44,003,368. Of the bank balance, \$1,240,000 was covered by federal depository insurance and \$187,746 in non-interest bearing deposits and \$42,575,622 in interest bearing deposits was covered by collateral held under the Pooling Method.

At June 30, 2021, Catawba County had \$9,993 cash on hand.

2. Investments

As of June 30, 2021 the County had the following investments and maturities.

Investment Type	Valuation	Fair Value	Less than 6		
	Measurement Method		months	6-12 months	1-5 years
U.S. Government Agencies*	Fair Value-Level 2	\$ 59,186,594	\$ -	\$ -	\$ 59,186,594
NC Capital Trust Management Trust					
Government Portfolio	Fair Value-Level 1	<u>125,497,922</u>	<u>125,497,922</u>	-	-
Total:		<u>\$ 184,684,516</u>	<u>\$ 125,497,922</u>	<u>\$ -</u>	<u>\$ 59,186,594</u>

*\$33,261,844 of these securities have call options. It is the intention of the County to hold these to final maturity and this time frame is reflected in the table.

** As of June 30, 2021, the North Carolina Capital Management Trust (NCCMT), which consists of an SEC registered fund, is authorized by G.S. 159-30(c)(8). The Government Portfolio, is a 2a7 fund which invests in treasuries and government agencies and is rated AAAM by S&P and AAA-mf by Moody's Investor Services. The Government Portfolio is reported at fair value.

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.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Level of fair value hierarchy: Level One debt securities are valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level Two debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy is to stagger portfolio maturities to avoid undue concentration of assets in a specific maturity sector. A portion of the portfolio is continuously invested in maturities of less than 12 months.

The investment policy limits all securities to a final maturity of not more than five years. The County does not have a board approved policy on interest rate risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

Credit Risk

The County limits 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. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). 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. The County's investment in U.S. Agencies includes Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (FreddieMac), Federal National Mortgage Association (FannieMae), and is rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The County does not have a board approved policy on credit risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Proceeds from the issuance of certificates of participation and other installment financing are held in escrow in bank trust departments. These escrow agents purchase and hold the securities in the County's name. The County does not have a board approved policy on custodial credit risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

Concentration of Credit Risk

The County places no limit on the amount that the County may invest in any one issuer. Approximately 31% of the County's investments are in United States government-sponsored enterprises. Investments in Federal Farm Credit are 2%, Federal Home Loan Bank are 17%, Federal Home Loan Mortgage Corporation are 6%, and Federal National Mortgage Agency are 6% of the County's total investments. The County does not have a board approved policy on concentration of credit risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

3. Property Tax – Use – Value Assessment on Certain Lands

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2018	1,418,459	400,715	1,819,174
2019	1,433,507	275,950	1,709,457
2020	1,424,891	146,051	1,570,942
2021	<u>1,429,512</u>	<u>-</u>	<u>1,429,512</u>
Total	<u>\$ 5,706,369</u>	<u>\$ 822,716</u>	<u>\$ 6,529,085</u>

4. Receivables

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

	<u>Governmental activities</u>			
	<u>General</u>	<u>American Rescue Plan Act Fund</u>	<u>Non-major Funds</u>	<u>Total Governmental Activities</u>
Receivables				
Accounts	\$ 3,358,223	\$ -	\$ 14,472	\$ 3,372,695
Taxes	3,419,514	-	238,103	3,657,617
Due from other governments	15,854,042	-	3,381,215	19,235,257
Notes	913,028	-	-	913,028
Other	29,452	-	-	29,452
Interest	<u>78,395</u>	<u>6,122</u>	<u>32,833</u>	<u>117,350</u>
Gross Receivables	23,652,654	6,122	3,666,623	27,325,399
Allowance for uncollectibles	<u>(2,970,062)</u>	<u>-</u>	<u>(143,661)</u>	<u>(3,113,723)</u>
Net total receivables	<u>\$ 20,682,592</u>	<u>\$ 6,122</u>	<u>\$ 3,522,962</u>	<u>\$ 24,211,676</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ 539,100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 539,100</u>

	<u>Business-type activities</u>		
	<u>Solid Waste Management Fund</u>	<u>Water and Sewer Fund</u>	<u>Total Business-type Activities</u>
Receivables			
Accounts	\$ 609,399	\$ 1,327,110	\$ 1,936,509
Notes	-	1,414,633	1,414,633
Due from other governments	212,337	317,406	529,743
Interest	<u>14,861</u>	<u>26,813</u>	<u>41,674</u>
Gross Receivables	836,597	3,085,962	3,922,559
Allowance for uncollectibles	<u>-</u>	<u>(1,288,860)</u>	<u>(1,288,860)</u>
Net total receivables	<u>\$ 836,597</u>	<u>\$ 1,797,102</u>	<u>\$ 2,633,699</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ -</u>	<u>\$ 1,222,126</u>	<u>\$ 1,222,126</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

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

	Governmental Activities	Business-type Activities
Local option sales tax	\$ 10,987,049	\$ -
White goods disposal tax	-	22,125
Scrap tire tax	-	63,785
Solid waste disposal tax	-	20,338
Federal and state grants	7,252,954	339,058
Refundable sales tax	995,254	84,437
	<u>\$ 19,235,257</u>	<u>\$ 529,743</u>

5. Capital Assets

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

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 6,204,843	\$ -	\$ -	\$ 6,204,843
Construction in progress	41,925,058	8,813,764	-	50,738,822
Total capital assets, not being depreciated	<u>48,129,901</u>	<u>8,813,764</u>	<u>-</u>	<u>56,943,665</u>
Capital assets, being depreciated				
Buildings	138,403,145	30,589	(32,120)	138,401,614
Other improvements	14,319,725	1,276	(20,786)	14,300,215
Equipment and vehicles	34,272,441	3,144,030	(1,211,201)	36,205,270
Total capital assets, being depreciated	<u>186,995,311</u>	<u>3,175,895</u>	<u>(1,264,107)</u>	<u>188,907,099</u>
Less accumulated depreciation for				
Buildings	(53,240,292)	(2,655,751)	32,120	(55,863,923)
Other improvements	(5,920,886)	(283,664)	-	(6,204,550)
Equipment and vehicles	(17,874,598)	(2,711,843)	1,194,914	(19,391,527)
Total accumulated depreciation	<u>(77,035,776)</u>	<u>(5,651,258)</u>	<u>1,227,034</u>	<u>(81,460,000)</u>
Total capital assets, being depreciated, net	<u>109,959,535</u>	<u>(2,475,363)</u>	<u>(37,073)</u>	<u>107,447,099</u>
Governmental activities capital assets, net	<u>\$ 158,089,436</u>	<u>\$ 6,338,401</u>	<u>\$ (37,073)</u>	<u>\$ 164,390,764</u>

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Governmental activities	
General government	\$ 323,747
Public safety	3,558,227
Environmental protection	8,185
Economic & physical development	527,460
Human services	1,059,058
Culture and recreation	174,581
Total depreciation expense	<u>\$ 5,651,258</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities				
Solid Waste Management				
Capital assets, not being depreciated				
Land	\$ 7,362,333	\$ 44,126	\$ -	\$ 7,406,459
Construction in progress	428,732	175,995	-	604,727
Total capital assets, not being depreciated	<u>7,791,065</u>	<u>220,121</u>	<u>-</u>	<u>8,011,186</u>
Capital assets, being depreciated				
Buildings	3,996,631	-	-	3,996,631
Other improvements	35,403,995	2,664,134	-	38,068,129
Equipment and vehicles	<u>11,953,314</u>	<u>341,802</u>	<u>(59,500)</u>	<u>12,235,616</u>
Total capital assets, being depreciated	<u>51,353,940</u>	<u>3,005,936</u>	<u>(59,500)</u>	<u>54,300,376</u>
Less accumulated depreciation for				
Buildings	(740,236)	(103,266)	-	(843,502)
Other improvements	(13,655,837)	(532,142)	-	(14,187,979)
Equipment and vehicles	<u>(7,811,431)</u>	<u>(839,408)</u>	<u>59,500</u>	<u>(8,591,339)</u>
Total accumulated depreciation	<u>(22,207,504)</u>	<u>(1,474,816)</u>	<u>59,500</u>	<u>(23,622,820)</u>
Total capital assets, being depreciated, net	<u>29,146,436</u>	<u>1,531,120</u>	<u>-</u>	<u>30,677,556</u>
Solid Waste Management capital assets, net	<u>\$ 36,937,501</u>	<u>\$ 1,751,241</u>	<u>\$ -</u>	<u>\$ 38,688,742</u>

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Business-type activities	Beginning Balance	Increases	Decreases	Ending Balance
Water & Sewer				
Capital assets, not being depreciated				
Land	\$ 895,382	\$ -	\$ (27,928)	\$ 867,454
Construction in progress	1,842,625	-	-	1,842,625
Total capital assets, not being depreciated	2,738,007	-	(27,928)	2,710,079
Capital assets, being depreciated				
Plant and distribution systems/water lines	41,328,451	63,281	-	41,391,732
Other improvements	58,885	-	-	58,885
Total capital assets, being depreciated	41,387,336	63,281	-	41,450,617
Less accumulated depreciation for				
Plant and distribution systems/water lines	(5,399,531)	(856,347)	-	(6,255,878)
Other improvements	(15,311)	(1,178)	-	(16,489)
Total accumulated depreciation	(5,414,842)	(857,525)	-	(6,272,367)
Total capital assets, being depreciated, net	35,972,494	(794,244)	-	35,178,250
Water & Sewer capital assets, net	\$ 38,710,501	\$ (794,244)	\$ (27,928)	\$ 37,888,329

Construction Commitments

The County has active construction and other capital projects as of June 30, 2021. The government's commitments with contractors and vendors are composed of numerous projects within the following funds:

	Project Authorization	Expended to June 30, 2021	Committed	Required Future Financing
Governmental activities				
General Capital Projects	\$ 75,746,712	\$ 58,277,002	17,469,710	None
Schools Capital Projects	25,393,994	20,850,826	4,543,168	None
School Construction	81,338,890	51,739,123	29,599,767	None
Total governmental activities	\$ 182,479,596	\$ 130,866,951	\$ 51,612,645	
Business-type activities				
Solid Waste Management Fund	\$ 13,939,956	\$ 10,172,390	3,767,566	None
Water and Sewer Fund	19,049,088	4,754,520	14,294,568	None
Total business-type activities	\$ 32,989,044	\$ 14,926,910	\$ 18,062,134	

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

B. Liabilities

1. Payables

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

	Vendors	Salaries and Benefits	Other	Total
Governmental activities				
General	\$ 8,666,850	\$ 2,631,251	\$ 807,261	\$ 12,105,362
American Rescue Plan Act Fund	-	-	15,495,456	15,495,456
Non-major Funds	2,884,707	4,320	12,371	2,901,398
Total governmental activities	<u>\$ 11,551,557</u>	<u>\$ 2,635,571</u>	<u>\$ 16,315,088</u>	<u>\$ 30,502,216</u>
Business-type Activities				
Solid Waste Management	\$ 380,645	\$ 73,420	2,149	456,214
Water and Sewer	104,813	9,855	15,940	130,608
Total business-type activities	<u>\$ 485,458</u>	<u>\$ 83,275</u>	<u>\$ 18,089</u>	<u>\$ 586,822</u>

2. Pension Plan Obligations

a. Local Governmental Employees' Retirement System

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

LGERS plan members who are Law Enforcement Officers (LEO) 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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2021, was 10.84% of compensation for law enforcement officers and 10.2% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$5,827,222 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 \$27,370,299 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 .76594% (measured as of June 30, 2020), which was an increase of .00622% 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 \$9,361,262. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental Activities		
Differences between expected and actual experience	\$ 3,366,838	\$ -
Change of assumptions	1,984,114	-
Net difference between projected and actual earnings on pension plan investments	3,751,844	-
Changes in proportion and differences between County contributions and proportionate share of contributions	124,318	303,805
County contributions subsequent to the measurement date	5,676,245	-
Total	<u>\$ 14,903,359</u>	<u>\$ 303,805</u>
Business-Type Activities		
Solid Waste Management		
Differences between expected and actual experience	\$ 84,057	\$ -
Change of assumptions	49,535	-
Net difference between projected and actual earnings on pension plan investments	93,669	-
Changes in proportion and differences between County contributions and proportionate share of contributions	3,104	7,585
County contributions subsequent to the measurement date	141,714	-
Total	<u>\$ 372,079</u>	<u>\$ 7,585</u>
Business-Type Activities		
Water & Sewer		
Differences between expected and actual experience	\$ 5,494	\$ -
Change of assumptions	3,238	-
Net difference between projected and actual earnings on pension plan investments	6,123	-
Changes in proportion and differences between County contributions and proportionate share of contributions	203	496
County contributions subsequent to the measurement date	9,263	-
Total	<u>\$ 24,321</u>	<u>\$ 496</u>
Governmental Activities - Total	<u>\$ 14,903,359</u>	<u>\$ 303,805</u>
Business-Type Activities - Total	<u>396,400</u>	<u>8,081</u>
Total deferred	<u>\$ 15,299,759</u>	<u>\$ 311,886</u>

\$5,827,222 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 inflows of resources related to pensions will be recognized in pension expense as follows:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Year ending June 30:

2022	\$ 2,536,076
2023	3,449,411
2024	2,035,277
2025	1,139,887
2026	-
Thereafter	-

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 increases	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

The plan currently uses mortality rates based on the *RP-2014 Total Data Set for Healthy Annuitants Mortality Table* that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 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	6.0%	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 3.0%. All rates of return and inflation are annualized.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal 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 contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability (asset)	\$ 55,531,355	\$ 27,370,299	\$ 3,966,482

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 for the State of North Carolina.

b. Law Enforcement Officers Special Separation Allowance Plan Description.

Catawba County administers public employee retirement systems (the Separation Allowance), single-employer, defined benefit pension plans that provide 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 .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the office 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.

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

Inactive Members Currently Receiving Benefits	13
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	<u>145</u>
	<u>158</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 for the County are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust funds 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:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Inflation	2.50% per annum
Salary increases	3.25% - 7.75% per annum
Discount rate	1.93% per annum, compounded annually

The discount rate is based on the yield of 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 Government Employee's Retirement System for the five-year period ending December 31, 2019.

Mortality Rate

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.

Death 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 has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$157,320 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 \$6,352,087. 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 assumption. For the year ended June 30, 2021, the County recognized pension expense of \$693,583.

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experiences	\$ 287,561	\$ 34,294
Changes of assumptions	1,657,744	106,410
County benefit payments and plan administrative expenses made subsequent to the measurement date	95,903	-
Total	<u>\$ 2,041,208</u>	<u>\$ 140,704</u>

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

The County paid \$95,903 in benefit payments subsequent to the measurement date that are reported as deferred outflows of resources related to pensions which will be recognized as a decrease of the total pension liability in the year 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:

2022	\$ 355,105
2023	360,737
2024	351,195
2025	351,550
2026	319,023
Thereafter	66,991

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 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (.93 percent) or 1-percent-point higher (2.93 percent) than the current rate:

	1% Decrease (0.93%)	Discount Rate (1.93%)	1% Increase (2.93%)
Total pension liability	\$ 6,907,873	\$ 6,352,087	\$ 5,841,126

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

	2021
Total Pension Liability as of December 31, 2019	\$ 4,190,800
Service Cost	203,422
Interest on the total pension liability	134,056
Changes of benefit terms	-
Differences between expected and actual experience	225,161
Changes of assumptions and other inputs	1,755,968
Benefit payments	(157,320)
Other changes	-
Total Pension Liability as of December 31, 2020	<u>\$ 6,352,087</u>

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 3.26 percent at June 30, 2019 to 1.93 percent at June 30, 2020.

Changes in Benefit Terms. There are no changes in benefit terms since the prior 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.

c. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. All law enforcement officers employed by the County participate in the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. Participation begins at the date of employment, and benefits are provided to all 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 for the State of North Carolina.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

The State's Annual Comprehensive Financial Report 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 contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan.

Total contributions for the County for the year ended June 30, 2021 were \$499,025 which consisted of \$396,191 from the County and \$102,834 from the law enforcement officers. No amounts were forfeited.

d. Register of Deeds' Supplemental Pension Fund

Plan Description. Catawba County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, 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 for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

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

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$18,238 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 \$360,422 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, 2020, the County's proportion was 1.57266%, which was an increase of .14694% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the County recognized pension expense of (\$6,569). At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Register of Deeds	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 7,344
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	30,840
Changes in proportion and differences between County contributions and proportionate share of contributions	18,655	18,605
County contributions subsequent to the measurement date	18,238	-
Total	<u>\$ 36,893</u>	<u>\$ 56,789</u>

\$18,238 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 or outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2022	\$ (5,337)
2023	(11,110)
2024	(13,918)
2025	(7,769)
2026	-
Thereafter	-

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 increases	3.50 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.

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%.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

The information above is based on 30 year expectations developed with the consulting actuary for the 2020 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

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

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate.

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

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
County's proportionate share of the net pension liability (asset)	\$ (306,134)	\$ (360,422)	\$ (406,360)

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 for the State of North Carolina.

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

The net pension liability for LGERS and ROD was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as 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:

	LGERS	ROD	LEOSSA	Total
Proportionate Share of Net Pension Liability (Asset)	\$ 27,370,299	\$ 360,422	\$ -	\$ 27,730,721
Proportion of the Net Pension Liability (Asset)	0.76594%	1.57266%	n/a	
Total Pension Liability	-	-	\$ 6,352,087	\$ 6,352,087
Pension Expense	\$ 9,361,262	\$ (6,569)	\$ 693,583	\$ 10,048,276

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

	LGERS	ROD	LEOSSA	Total
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 3,456,389	\$ -	\$ 287,561	\$ 3,743,950
Changes of assumptions	2,036,887	-	1,657,744	3,694,631
Net difference between projected and actual earnings on pension plan investments	3,851,636	-	-	3,851,636
Changes in proportion and differences between County contributions and proportionate share of contributions	127,625	18,655	-	146,280
County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	5,827,222	18,238	95,903	5,941,363
<u>Deferred Inflows of Resources</u>				
Difference between expected and actual experience	\$ -	\$ 7,344	\$ 34,294	\$ 41,638
Changes of assumptions	-	-	106,410	106,410
Net difference between projected and actual earnings on pension plan investments	-	30,840	-	30,840
Changes in proportion and differences between County contributions and proportionate share of contributions	311,886	18,605	-	330,491

f. Other Postemployment Benefits (OPEB) – Catawba County Healthcare Benefits

Plan Description. According to County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB plan). The Board of Commissioners have the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits Provided. This plan provides health care benefits to retirees of the County who 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 will pay the individual premium for these individuals. Employees who retire with at least 15 years of service but less than 30 years can purchase coverage at the County's group rates. Also, retirees can purchase coverage for their dependents at the County's group rates. Eligibility for coverage ceases when the retiree and/or dependents receive Medicare. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Inactive employees or beneficiaries currently receiving benefits	58
Inactive members entitled to but not yet receiving benefits	-
Active employees	<u>1,082</u>
Total	<u>1,140</u>

Total OPEB Liability

The County's total OPEB liability of \$30,444,871 was measured as of June 30, 2020 and was determined by an actuarial valuation as of 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
Real wage growth	1.00 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	
General Employees	3.50% - 7.75%
Firefighters	3.50% - 7.75%
Law Enforcement Officers	3.50% - 7.35%
Municipal Bond Index Rate	
Prior Measurement Date	3.50%
Measurement Date	2.21%
Health Care Cost Trend Rates	
Pre-Medicare Medical and Prescription Drug	7.00% for 2020 decreasing to an ultimate rate of 4.50% by 2030

The County selected a Municipal Bond Rate equal to the June average of the Bond Buyer 20-year General Obligation Bond Index published weekly by The Bond Buyer, and the Municipal Bond Index Rate as of the measurement date as the discount rate used to measure the TOL.

Changes in the Total OPEB Liability

	Governmental Activities	Business-Type Activities		
		Solid Waste Management	Water & Sewer	Total
Total OPEB Liability as of June 30, 2020	\$ 20,357,529	\$ 538,285	\$ 18,562	\$ 20,914,376
Changes for the year:				
Service Cost at the end of the year*	1,008,762	25,711	858	1,035,331
Interest on TOL and Cash Flows	736,192	18,763	625	755,580
Change in benefit terms	(23,789)	(606)	(20)	(24,417)
Difference between expected and actual experience	4,530,537	115,477	3,849	4,649,863
Changes of assumptions or other inputs	3,745,099	95,457	3,182	3,843,738
Benefit payments	(710,880)	(18,118)	(604)	(729,602)
Other	-	-	-	-
Net changes	\$ 9,285,921	\$ 236,684	\$ 7,890	\$ 9,530,495
Total OPEB Liability as of June 30, 2021	\$ 29,643,450	\$ 774,969	\$ 26,452	\$ 30,444,871

*The service cost includes interest for the year

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Changes in assumptions and other inputs reflect a change in the discount rate from 3.50% to 2.21%.

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 capital 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 performed 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 or 1-percentage point higher than the current discount rate of 2.21%:

	1% Decrease	Discount	1% Increase
	<u>(1.21%)</u>	<u>(2.21%)</u>	<u>(3.21%)</u>
Total OPEB Liability	\$ 33,697,293	\$ 30,444,871	\$ 27,517,595

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	\$ 26,685,227	\$ 30,444,871	\$ 34,933,774

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

For the year ended June 30, 2021, the County recognized OPEB expense of \$3,150,943. At June 30, 2021, the County reported deferred outflows or resources and deferred inflows of resources related to OPEB from the following sources:

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental Activities		
Differences between expected and actual experience	\$ 5,307,958	\$ -
Changes of assumptions or other inputs	4,448,776	486,555
Benefit payments for the OPEB plan paid subsequent to measurement date	547,397	-
Total	<u>\$ 10,304,131</u>	<u>\$ 486,555</u>
Business-Type Activities		
Solid Waste Management		
Differences between expected and actual experience	\$ 136,868	\$ -
Changes of assumptions or other inputs	113,755	13,294
Benefit payments for the OPEB plan paid subsequent to measurement date	14,704	-
Total	<u>\$ 265,327</u>	<u>\$ 13,294</u>
Business-Type Activities		
Water & Sewer		
Differences between expected and actual experience	\$ 4,610	\$ -
Changes of assumptions or other inputs	3,832	462
Benefit payments for the OPEB plan paid subsequent to measurement date	520	-
Total	<u>\$ 8,962</u>	<u>\$ 462</u>
Governmental Activities - Total	\$ 10,304,131	\$ 486,555
Business-Type Activities - Total	274,289	13,756
Total deferred	<u>\$ 10,578,420</u>	<u>\$ 500,311</u>

\$562,621 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:

2022	\$ 1,384,446
2023	1,384,446
2024	1,384,446
2025	1,384,446
2026	1,403,636
Thereafter	2,574,068

g. Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered,

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

cost sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in LGERS, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership services in LGERS at the time of death are eligible for death benefits. Lump sum death benefits payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. 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 postemployment 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.

h. Catawba Valley Medical Center Pension Plan

Please see the separately issued financial report for Catawba Valley Medical Center for a complete description of the Medical Center's pension plan.

3. Deferred Outflows and Inflows of Resources

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Exhibit 1		
Charge on refunding of debt	\$ 1,442,577	\$ -
(Pensions, OPEB) - difference between expected and actual experience	9,193,386	41,638
(Pensions, OPEB) - difference between projected and actual investment earnings	3,851,636	30,840
(Pensions) - change in proportion and difference between employer contributions and proportionate share of contributions	146,280	330,491
(Pensions, OPEB) - change in assumptions	8,260,994	606,721
Contributions to pension plan subsequent to measurement date (LGERS, ROD)	5,845,460	-
Benefit payments for the OPEB plan paid subsequent to measurement date	562,621	-
Benefit payments and admin costs paid subsequent to the measurement date (LEOSSA)	95,903	-
Prepaid taxes not yet earned (General)	-	176,308
Prepaid taxes not yet earned (Special Revenue)	-	6,985
Deferred revenue collected in advance (General)	-	-
Total - Exhibit 1	<u>\$ 29,398,857</u>	<u>\$ 1,192,983</u>
Exhibit 3		
Prepaid taxes not yet earned (General)	\$ -	\$ 176,308
Prepaid taxes not yet earned (Special Revenue)	-	6,985
Unearned revenue collected in advance (General)	-	-
Unearned revenue from note receivable (General)	-	284,078
Taxes receivable, net (General)	-	959,764
Taxes receivable, net (Special Revenue)	-	94,442
Ambulance receivable, net (General)	-	2,224,479
Human resource receivable, net (General)	-	224,015
Total - Exhibit 3	<u>\$ -</u>	<u>\$ 3,970,071</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

4. Closure and Postclosure Care Costs – Blackburn Resource Recovery Facility

State and Federal laws and regulations require the County to place a final cover on its current operating cell at Blackburn Resource Recovery facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County also has a closed cell at the Blackburn Resource Recovery facility for which the entire amount of the closure and postclosure costs has been recognized as the cell capacity was used. Although closure and postclosure care costs will be paid only or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$9,929,316 reported as landfill closure and postclosure care liability as of June 30, 2021 represents a cumulative amount reported to date based on the use of 65.5% of the total estimated capacity of the municipal solid waste operating cell and 92.3% of the total estimated capacity of the construction and demolition operating cell of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$18,703,984 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2021. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County has met the requirements of a local government financial test that is one option under State and Federal laws and regulations that helps determine if a unit is financially able to meet closure and postclosure care requirements.

5. 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 property of Catawba County Government is insured on a blanket basis with replacement cost coverage on buildings and contents, and actual cash value on equipment. The County self-insures its liability risk up to a deductible of \$75,000 each occurrence, and purchases excess liability insurance with limits of \$7 million for any one occurrence for bodily injury, property damage, and personal injury, including law enforcement, public officials, and employment practices liability. The County also self-insures its workers' compensation risks up to \$500,000 each accident, and purchases excess workers' compensation insurance to statutory limits. The insurance program includes physical damage coverage for owned autos at actual cash value, and fidelity insurance with limits of \$250,000 per occurrence. At the inception of the program, all of the property, liability, and workers' compensation insurers utilized by the County have an A.M. Best's Company rating/financial size category of "A-/VII" or better with stable outlooks. 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 health plan is self-insured with claims paid through a third party administrator. The plan has specific stop loss coverage for individual losses in excess of \$200,000.

The County carries flood insurance as a part of its property insurance through Travelers Insurance Companies with limits as follows: Flood excluded at these locations: Loc. No.6.1, 6.2, 24, 26, 30, 39, 63, 71.1, 71.2, 71.3, 71.4, 71.5, 71.6, 71.7, 71.8, 71.9, 72.1, 72.2, 73.1, 73.2, 74.1, 74.2. Otherwise, flood limit is \$10,000,000. The deductible for is \$50,000. The County periodically reviews updated flood maps to identify any owned locations within designated flood zones.

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 director of finance and tax collector are each individually bonded for \$100,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR's). Liabilities for claims are reported in the County's General Fund.

Changes in the balances of claims liabilities during the past three fiscal years are as follows:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

	2021	2020	2019
Unpaid claims, beginning	\$ 643,356	\$ 607,431	\$ 411,588
Incurred claims	9,404,955	8,873,233	7,786,401
Claim payments	<u>(9,338,295)</u>	<u>(8,837,308)</u>	<u>(7,590,558)</u>
Unpaid claims, ending	<u>\$ 710,016</u>	<u>\$ 643,356</u>	<u>\$ 607,431</u>

6. Contingent Liabilities

At June 30, 2021, the County was a defendant to various lawsuits. In the opinion of management and the County attorney, the ultimate effect of these legal matters will not have a material effect on the County's financial position.

7. Long-Term Obligations

Governmental Activities

a. Certificates of Participation

On December 12, 2012, the County issued \$10,965,000 Certificates of Participation, Series 2012 with U.S. Bank to advance refund \$9,750,000 of Certificates of Participation, Series 2005. The financing contract required principal payments beginning June 2013 with an interest rate of 2.08%.

The future minimum payments as of June 30, 2021, including \$199,576 of interest are as follows:

	Governmental Activities	
	Principal	Interest
2022	1,015,000	81,016
2023	990,000	59,904
2024	960,000	39,312
2025	930,000	19,344
Total principal payments	<u>\$ 3,895,000</u>	
Total interest payments		<u>\$ 199,576</u>

b. Installment Purchases

1. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into a direct placement installment financing agreement on April 30, 2013 with SunTrust Institutional for the purpose of providing funds up to \$31,000,000 for the construction and renovations to public schools, community college, and County animal shelter. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding because the public school property is pledged as collateral for the debt. The County entered into a lease with the Boards of Education and Community College Board of Trustees that transfers the rights and responsibilities for the maintenance and insurance of the property to the Boards of Education and Board of Trustees. The lease calls for nominal lease payments and a bargain purchase option. The lease term the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Boards of Education and Board of Trustees. This agreement requires fifteen annual principal payments of \$2,066,666 and interest payments at an interest rate of 1.96%.

In the event of default, the bank may declare all indebtedness to be due and payable without notice.

For Catawba County, the future minimum payments as of June 30, 2021, including \$1,134,187 of interest are:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

	Governmental Activities	
	Principal	Interest
2022	2,066,667	283,547
2023	2,066,666	243,040
2024	2,066,667	202,533
2025	2,066,667	162,027
2026	2,066,667	121,520
2027-2028	4,133,333	121,520
Total principal payments	<u>\$ 14,466,667</u>	
Total interest payments		<u>\$ 1,134,187</u>

2. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into a \$50,530,000 direct placement installment financing agreement in September 2016 with TD Bank at an interest rate of 1.76% for 15 years. The purpose of this financing was to refund the 2009 debt with Bank of America and the 2010 Build America Bonds with Branch, Banking and Trust (BB&T) with additional funds to pay for construction and renovation of public school and community college facilities.

The financing included \$8,440,000 to current refund the Series 2009 Bank of America loan. As a result, the loan is considered defeased and the liability has been removed from the governmental activities column of the statement of net position. The refunding was undertaken to reduce total debt payments by \$8,933,333 over the next 4 years and resulted in an economic gain of \$581,956.

The financing included \$5,275,000 to current refund the Series 2010 Build America Bonds. As a result, the bonds are considered defeased and the liability has been removed from the governmental activities column of the statement of net position. The refunding was undertaken to reduce total debt payments by \$5,504,583 over the next 5 years and resulted in an economic gain of \$252,271.

The direct placement financing included \$36,815,000 to pay a portion of construction and renovation costs of public school and community college facilities. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding because the community college and public high school property are pledged as collateral for the debt. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Boards of Education and Community College Board of Trustees.

In the case of default, the bank may declare that all unpaid principal components of the installment payments are due and payable without notice to the County.

For Catawba County, the future minimum payments as of June 30, 2021, including \$2,612,720 of interest are:

	Governmental Activities	
	Principal	Interest
2022	4,145,000	534,160
2023	4,110,000	461,208
2024	4,085,000	388,872
2025	3,020,000	316,976
2026	2,720,000	263,824
2027-2031	12,270,000	647,680
Total principal payments	<u>\$ 30,350,000</u>	
Total interest payments		<u>\$ 2,612,720</u>

3. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into a direct placement installment financing agreement on September 9, 2020 with Truist Bank for the purpose of providing funds up to

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

\$18,550,000 for the construction and renovations to public schools. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding because the public school property is pledged as collateral for the debt. The County entered into a lease with the Board of Education that transfers the rights and responsibilities for the maintenance and insurance of the property to the Board of Education. The lease calls for nominal lease payments and a bargain purchase option. The lease term the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education. This agreement requires fifteen annual principal payments of \$1,237,000 and interest payments at an interest rate of 1.76%.

In the event of default, the bank may declare all indebtedness to be due and payable without notice.

For Catawba County, the future minimum payments as of June 30, 2021, including \$2,448,160 of interest are:

	Governmental Activities	
	Principal	Interest
2022	1,237,000	315,594
2023	1,237,000	293,823
2024	1,237,000	272,052
2025	1,237,000	250,281
2026	1,237,000	228,510
2027-2031	6,185,000	815,980
2032-2036	6,180,000	271,920
Total principal payments	<u>\$ 18,550,000</u>	
Total interest payments		<u>\$ 2,448,160</u>

c. Qualified Zone Academy Bonds

As authorized by State law (G.S. 160A-20), the County entered into a direct placement installment financing agreement on May 30, 2008 with New Mexico Bank through Heartland Financial USA for the purpose of providing funds up to \$700,000 to pay a portion of the renovation of a public school facility. The County's obligation under the contract will be designated as "Qualified Zone Academy Bonds (QZAB)" pursuant to the federal QZAB program. Under the QZAB program, the County's obligation will be interest free and the lender will receive tax credits that approximate a rate of return commensurate to the return it would have received on certain U.S. Treasury obligations. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding because the property is pledged as collateral for the debt. The County entered into a lease with the Board of Education that transfers the rights and responsibilities for the maintenance and insurance of the property to the Board of Education. The lease calls for nominal lease payments and a bargain purchase option. The lease term the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education.

In the event of default, the bank may declare the entire amount of outstanding installment payments due and payable without notice to the County.

For Catawba County, the future minimum payments as of June 30, 2021 are:

	Governmental Activities	
	Principal	Interest
2022	50,000	-
Total principal payments	<u>\$ 50,000</u>	
Total interest payments		<u>\$ -</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

d. Qualified School Construction Bonds

1. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into a direct placement installment financing agreement on September 27, 2010 with Branch Banking & Trust (BB&T) for the purpose of providing funds up to \$21,508,553 for the construction of a new middle school, renovations to a middle school, renovations to a high school, and renovations of a community college. The County's obligation under the contract will be designated as "Qualified School Construction Bonds (QSCBs)" pursuant to the federal QSCB program. The direct placement installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding because the property is pledged as collateral for the debt. The County entered into a lease with the Boards of Education and Board of Trustees that transfers the rights and responsibilities for the maintenance and insurance of the property to the Boards of Education and Board of Trustees. The lease calls for nominal lease payments and a bargain purchase option. The lease term is the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Boards of Education and Board of Trustees.

The financing contract requires semi-annual sinking fund payments of \$716,951 beginning March 2011 with an interest rate of 5% and a maturity date of September 27, 2025 when principal is due in full. Under the original QSCB agreement, the County's obligation is eligible up to a 100% credit against the interest paid. The federal interest subsidy was reduced during the year by 5.7%, or \$57,084, as part of the Budget Control Act of 2011. The sequestration reduction rate was applicable until the end of the federal fiscal year.

The future minimum interest payments at June 30, 2021 are \$4,839,424.

2. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into a direct placement installment financing agreement on May 4, 2011 with BB&T for the purpose of providing funds up to \$6,300,000 for the renovations to an elementary school and renovations to a high school. The County's obligation under the contract will be designated as "Qualified School Construction Bonds (QSCBs)" pursuant to the federal QSCB program. This agreement is an amendment to the QSCB financing from September 27, 2010. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding because the property is pledged as collateral for the debt. The County entered into a lease with the Board of Education that transfers the rights and responsibilities for the maintenance and insurance of the property to the Board of Education. The lease calls for nominal lease payments and a bargain purchase option. The lease term is the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education.

The financing contract requires semi-annual sinking fund payments of \$210,000 beginning September 2011 with an interest rate of 5.52% and a maturity date of March 27, 2026 when principal is due in full. Under the original QSCB agreement, the County's obligation is eligible up to a 100% credit against the interest paid. The federal interest subsidy was reduced during the year by 5.7%, or \$17,906, as part of the Budget Control Act of 2011. The sequestration reduction rate was applicable until the end of the federal fiscal year.

The future minimum interest payments at June 30, 2021 are \$1,738,000.

e. Limited Obligation Bonds

1. 2011 Limited Obligation Bonds

On November 22, 2011, the County issued \$48,115,000 of current and advance refunding bonds with U.S. Bank to provide resources to refinance existing financial obligations of the County and pay related financing costs.

The future minimum payments as of June 30, 2021, including \$2,016,025 of interest at a rate that varies from 2% - 5% are as follows:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2022	2,937,012	586,202	427,988	85,423
2023	2,954,469	438,915	430,531	63,960
2024	2,814,819	294,683	410,181	42,942
2025	1,221,937	193,764	178,063	28,236
2026	1,239,393	138,428	180,607	20,172
2027-2028	2,526,789	107,618	368,211	15,682
Total principal payments	<u>\$ 13,694,419</u>		<u>\$ 1,995,581</u>	
Total interest payments		<u>\$ 1,759,610</u>		<u>\$ 256,415</u>

2. 2014 Limited Obligation Bonds

As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into an installment financing agreement with U.S. Bank on March 4, 2014 to issue \$21,935,000 in Limited Obligation Bonds Series 2014A to refinance existing financial obligations of the County, and to provide funds for a Justice Center expansion.

Of this amount, \$1,810,000 was used to advance refund \$1,805,000 of Series 2004 Certificates of Participation. As a result, the refunded obligation is considered defeased and the liability removed from the government column of the statement of net position. The reacquisition price exceeded the net carrying value of the old debt by \$5,000. This amount is netted against the new debt and amortized over the life of the refunded debt, which is shorter than the life of the new debt issued. This advance refunding was paid in full in fiscal year 2015.

The remaining \$20,125,000 of this issuance was used to finance the expansion of the County's Justice Center. The agreement requires seventeen annual principal payments that vary from \$1,180,000 to \$1,185,000 and interest payments at a rate that varies from 2% - 5%.

For Catawba County, the future minimum payments as of June 30, 2021, including \$3,133,613 of interest are:

	Governmental Activities	
	Principal	Interest
2022	1,185,000	567,894
2023	1,185,000	513,494
2024	1,185,000	454,244
2025	1,185,000	394,994
2026	1,185,000	335,744
2027-2031	5,915,000	867,243
Total principal payments	<u>\$ 11,840,000</u>	
Total interest payments		<u>\$ 3,133,613</u>

3. 2018 Limited Obligation Bonds

As authorized by State law (G.S. 160A-20 and 153A-158.1), the County issued \$39,085,000 of Limited Obligation Bonds (Series 2018) in June 2018 at an interest rate of 3.125% – 5.00% for 20 years. The proceeds of this bond issue were used to finance an expansion to the County's jail facility, improvements to a County park, community college renovations and equipment, and various public school facility renovations.

For Catawba County, the future minimum payments as of June 30, 2021, including \$13,668,294 of interest are:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

	Governmental Activities	
	Principal	Interest
2022	1,965,000	1,562,738
2023	1,965,000	1,464,488
2024	1,965,000	1,366,238
2025	1,965,000	1,267,988
2026	1,960,000	1,169,862
2027-2031	9,765,000	4,382,437
2032-2036	9,750,000	2,135,656
2037-2039	5,820,000	318,887
Total principal payments	<u>\$ 35,155,000</u>	
Total interest payments		<u>\$ 13,668,294</u>

Business-Type Activities

f. Installment Purchase

As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into a direct placement installment financing agreement on May 21, 2013 with U.S. Bank for the purpose of providing funds up to \$8,000,000 for the construction of sewer lines and pump stations along Highway 150. The County granted the bank a security interest in any and all of the project. This agreement requires twenty-four semi-annual principal and interest payments in varying amounts at an interest rate of 1.81%.

In the event of default, the bank may declare the unpaid principal and interest component of the installment payments immediately due and payable.

For Catawba County, the future minimum payments as of June 30, 2021, including \$130,581 of interest are:

	Business-type Activities	
	Principal	Interest
2022	695,909	51,768
2023	708,505	39,172
2024	721,329	26,348
2025	734,384	13,293
Total principal payments	<u>\$ 2,860,127</u>	
Total interest payments		<u>\$ 130,581</u>

g. Federal Revolving Loan

On November 10, 2010, the County entered into a direct borrowing federal revolving loan agreement with the State of North Carolina, Department of Environment and Natural Resources for the purpose of providing funds up to \$3,000,000 for a water project. The County promised to pay the State of North Carolina \$3,000,000 together with any additional amount disbursed under 15A NCAC 02M.0603 or 15A NCAC 01J.2201 with zero interest on the unpaid principal sum. As part of the American Recovery and Reinvestment Act of 2009 (ARRA), the unpaid principal and interest was immediately reduced by one half of the loan amount as "principal forgiveness." The loan will be repaid in 20 equal installments on May 1 until the principal is paid in full.

In the case of default, the State of North Carolina may withhold other monies due to the County to pay any outstanding principal or interest due.

The future minimum payments as of June 30, 2021 are:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

	Business-type Activities	
	Principal	Interest
2022	75,000	-
2023	75,000	-
2024	75,000	-
2025	75,000	-
2026	75,000	-
2027-2030	300,000	-
Total principal payments	<u>\$ 675,000</u>	
Total interest payments		<u>\$ -</u>

Bonds and Notes Outstanding at June 30, 2021 consist of the following:

	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate
Governmental Activities				
Certificates of Participation				
2012 Certificates of Participation	Refunding debt for schools and community college, County facility	<u>10,965,000</u>	<u>3,895,000</u>	2.08%
Direct Placement Installment Purchases				
2013 installment purchase	Public school and community college construction/renovation, County animal shelter	31,000,000	14,466,667	1.96%
2016 installment purchase	Public school and community college construction/renovation, refunding	50,530,000	30,350,000	1.76%
2020 installment purchase	Public school construction/renovation	<u>18,550,000</u>	<u>18,550,000</u>	
Total installment purchases		<u>100,080,000</u>	<u>63,366,667</u>	
Direct Placement Qualified Zone Academy Bonds				
	Public school construction/renovation	<u>700,000</u>	<u>50,000</u>	0.00%
Direct Placement Qualified School Construction Bonds				
2010 QSCB	Public school and community college construction/renovation	21,508,553	21,508,553	5% with 100% IRS subsidy
2011 QSCB	Public school construction/renovation	<u>6,300,000</u>	<u>6,300,000</u>	5.52% with 100% IRS subsidy
Total qualified school construction bonds		<u>27,808,553</u>	<u>27,808,553</u>	

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Limited Obligation Bonds					
2011 LOB	Refunding debt for public schools, community college	41,995,366	13,694,419	2.00-5.00%	
2014 LOB	Refunding debt for public schools, community college, new debt Justice Center	21,935,000	11,840,000	2.00-5.00%	
2018 LOB	Public school and community college construction/renovations, County park, jail expansion	<u>39,085,000</u>	<u>35,155,000</u>	3.125-5.00%	
Total limited obligation bonds		<u>103,015,366</u>	<u>60,689,419</u>		
Total Governmental Activities		<u>242,568,919</u>	<u>155,809,639</u>		
Business-type activities					
Direct Placement Installment Purchases					
2013 installment purchase	Sewer line and pump station project	<u>8,000,000</u>	<u>2,860,127</u>	1.81%	
Limited Obligation Bonds					
2011 LOB	Refunding debt for sanitary sewer	<u>6,119,634</u>	<u>1,995,581</u>	2.00-5.00%	
Direct Borrowing Federal Revolving Loan					
2010 loan	Water improvements	<u>3,000,000</u>	<u>675,000</u>	0.00%	
Total Business-type activities		<u>17,119,634</u>	<u>5,530,708</u>		

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

i. Long-Term Obligation Activity

The following is a summary of changes in the County's general long-term obligations for the fiscal year ended June 30, 2021:

	Balance June 30, 2020	Increases	Decreases	Balance June 30, 2021	Current Portion of Balance
Governmental activities					
Certificates of participation	\$ 4,940,000	\$ -	\$ (1,045,000)	\$ 3,895,000	\$ 1,015,000
Direct placement installment purchase	51,671,667	18,550,000	(6,855,000)	63,366,667	7,448,667
Direct placement Qualified Zone Academy Bonds	100,000	-	(50,000)	50,000	50,000
Direct placement Qualified School Const. Bond	27,808,553	-	-	27,808,553	-
Limited obligation bonds	66,776,431	-	(6,087,012)	60,689,419	6,087,012
Direct borrowing NC Department of Commerce	540,796	-	(540,796)	-	-
Premium on long-term debt	8,124,110	-	(754,940)	7,369,170	-
Compensated absences	4,805,045	3,630,468	(2,881,933)	5,553,580	2,881,933
Net pension liability (LGRS)	20,191,895	6,469,271	-	26,661,166	-
Total pension liability (LEOSA)	4,190,800	2,161,287	-	6,352,087	-
Total OPEB liability	20,357,529	9,285,921	-	29,643,450	-
Total governmental activities	<u>\$ 209,506,826</u>	<u>\$ 40,096,947</u>	<u>\$ (18,214,681)</u>	<u>\$ 231,389,092</u>	<u>\$ 17,482,612</u>
Business-type activities					
Solid-Waste Management					
Accrued landfill closure and postclosure costs	\$ 9,829,316	\$ 100,000	\$ -	\$ 9,929,316	\$ 100,000
Compensated absences	110,674	79,836	(70,066)	120,444	70,066
Net pension liability (LGRS)	523,268	142,357	-	665,625	-
Total OPEB liability	538,285	236,684	-	774,969	-
Total Solid Waste Management	<u>\$ 11,001,543</u>	<u>\$ 558,877</u>	<u>\$ (70,066)</u>	<u>\$ 11,490,354</u>	<u>\$ 170,066</u>

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

	Balance			Balance	Current
	June 30, 2020	Increases	Decreases	June 30, 2021	Portion of Balance
Water & Sewer					
Direct placement Installment purchase	\$ 3,543,664	\$ -	\$ (683,537)	\$ 2,860,127	\$ 695,909
Limited obligation bonds	2,423,569	-	(427,988)	1,995,581	427,988
Direct borrowing federal revolving loan	750,000	-	(75,000)	675,000	75,000
Premium on long-term debt	104,803	-	(14,130)	90,673	-
Compensated absences	30,156	9,728	(20,929)	18,955	9,227
Net pension liability (LGERS)	32,198	11,310	-	43,508	-
Total OPEB liability	18,562	7,890	-	26,452	-
Total Water & Sewer	<u>\$ 6,902,952</u>	<u>\$ 28,928</u>	<u>\$ (1,221,584)</u>	<u>\$ 5,710,296</u>	<u>\$ 1,208,124</u>
Total business-type activities	<u>\$ 17,904,495</u>	<u>\$ 587,805</u>	<u>\$ (1,291,650)</u>	<u>\$ 17,200,650</u>	<u>\$ 1,378,190</u>

Compensated absences typically have been liquidated in the general fund and are accounted for on a last in first out (LIFO) basis, assuming that employees are taking leave time as it is earned. The current portion of compensated absences is estimated at \$2,881,933 for governmental activities and \$79,293 for business-type activities. Net pension and other post-employment liabilities are typically liquidated in the general fund.

j. Debt Related to Capital Activities

Of the total Government Activities debt listed, unexpended debt proceeds, premiums on debt, and deferred charges on refundings, only \$39,941,512 relates to assets the County holds title. Unexpended debt proceeds related to capital debt are \$5,593,184 for governmental activities and \$0 for business-type activities.

Net investment in capital assets for June 30, 2021 was calculated as follows:

	Governmental activities	Business-type activities
Capital assets	<u>\$ 164,390,764</u>	<u>\$ 76,577,071</u>
Long term debt outstanding	(155,809,640)	(5,530,708)
School debt for which County does not hold asset title	114,515,952	-
Premium on long term debt, net of school related debt	(4,007,156)	(90,673)
Deferred outflows, net of school related debt	336,952	25,197
Unexpended proceeds - net of school related debt	5,022,380	-
Total related debt	<u>(39,941,512)</u>	<u>(5,596,184)</u>
Net investment in capital assets	<u>\$ 124,449,252</u>	<u>\$ 70,980,887</u>

k. Legal Debt Margin

At June 30, 2020, Catawba County had a legal debt margin of \$1,381,248,203.

l. Revenue Bonds

Catawba Valley Medical Center

1. On August 1, 2016, the County issued County of Catawba, North Carolina Refunding Revenue Bonds (Catawba Memorial Hospital Project) Series 2016A (the "Series 2016A Bonds") through Branch, Banking and Trust (BB&T), (now Truist) totaling \$25,000,000 for the purpose of refunding Series 2009 Bonds. Additionally, the County issued

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

County of Catawba, North Carolina Hospital Refunding Revenue Bonds (Catawba Valley Medical Center) Series 2016B (the "Series 2016B Bonds") through BB&T (now Truist) totaling \$18,340,000 for the purpose of refunding Series 2010 Bonds.

Total 2016A Hospital Refunding Bonds outstanding at June 30, 2021 were \$22,327,576. Total 2016B Hospital Refunding Bonds outstanding at June 30, 2021 were \$10,093,000.

On January 1, 2019, the Hospital converted the Series 2016 A Bonds from a variable interest rate to a fixed interest rate of 4.12%.

2. On April 1, 2021, the County issued County of Catawba, North Carolina Refunding Revenue Bonds (Catawba Memorial Hospital Project), Series 2021 (the "Series 2021 Bonds") through Truist Bank totaling \$36,000,000 for costs associated with additional health care facilities (the "2021 Project"), as well as the expenses of issuing the Series 2021 Bonds. Interest on the Series 2021 Bonds begins June 1, 2021 at a fixed rate of 2.35%,

Total 2021 Hospital Refunding Revenue Bonds outstanding at June 30, 2021 were \$36,000,000.

The 2021 and 2016 bond series have various financial covenants, the most restrictive of which require the Medical Center to maintain a Long-Term Debt Service Coverage Ratio (as defined) of 1.20 or higher, a Debt to Capitalization ratio of no greater than 65% and the Days Cash on Hand must not be less than 80 days. The Medical Center was in compliance with all applicable covenants as of and for the year ended June 30, 2021.

m. Catawba Valley Medical Center Capital Lease Obligations

Catawba Valley Medical Center (the "Medical Center") leases certain medical equipment that requires monthly payments with title passing to the Medical Center at the end of the lease term. The assets held under this capital leasing arrangement and accumulated amortization are included in equipment within the total capital assets and accumulated depreciation reported by the Medical Center. At June 30, 2021, assets under capital leases had a cost of \$296,130 and accumulated amortization of \$148,065. During 2021, amortization expense related to the capital lease was approximately \$70,000 and is included in depreciation expense on the combined statement of revenues, expenses, and changes in net assets.

The present value of minimum lease payments at June 30, 2021 was \$92,168.

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

C. Interfund Balances and Activity

Transfers to/from other funds for the year ending June 30, 2021, consist of the following:

General Fund

From the General fund to the Emergency Telephone fund to supplement other funding sources	4,333
From the General fund to the General Capital Projects fund for new construction and various capital improvement projects	8,222,996
From the General fund to the School Construction fund for various school capital improvement projects	<u>400,000</u>
Subtotal General Fund	<u><u>8,627,329</u></u>

Other Governmental Funds

From the CARES Act Fund to the General Fund for expenses related to the Coronavirus pandemic	4,472,297
From the Hospital Capital Reserve fund to the General fund to support the school nurse initiative	500,000
From the School Capital Projects fund to the General fund to supplement funds for debt service	50,000
Subtotal Other Governmental Funds	<u>5,022,297</u>
Total transfers to other funds	<u><u>\$ 13,649,626</u></u>

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

D. Fund Balance

The County has classified its governmental fund balances with the following hierarchy:

	Major Funds		Non Major Funds	Total
	General Fund	American Rescue Plan Act Fund	Other Governmental Funds	Governmental Funds
FUND BALANCES				
Nonspendable:				
Inventories	\$ 319,229	\$ -	\$ -	\$ 319,229
Prepaid	18,419	-	-	18,419
Notes receivable	913,028	-	-	913,028
Restricted:				
Stabilization by State Statute	18,655,859	6,122	9,194,117	27,856,098
Register of Deeds	115,021	-	-	115,021
Public Safety	-	-	1,670,080	1,670,080
Fire Protection	-	-	1,747,215	1,747,215
Debt Service	19,268,120	-	-	19,268,120
Social Services	240,000	-	-	240,000
Library Endowment	-	-	225,206	225,206
Scholarship	-	-	58,703	58,703
Parks Preservation	-	-	55,824	55,824
Community Development	-	-	20,136	20,136
Representative Payee	-	-	129,304	129,304
General Capital	-	-	5,022,380	5,022,380
School Capital and Construction	-	-	5,795,919	5,795,919
Hospital Capital	-	-	2,807,987	2,807,987
Committed:				
Tax Reappraisal	128,307	-	-	128,307
General Capital	-	-	7,471,745	7,471,745
School Capital	-	-	8,460,279	8,460,279
School Construction	-	-	10,242,253	10,242,253
Assigned:				
Public Health	680,178	-	-	680,178
Social Services	5,149,537	-	-	5,149,537
County Manager	388,954	-	-	388,954
Human Resources	238,628	-	-	238,628
Library	693,938	-	-	693,938
Subsequent year's expenditures	8,511,516	-	-	8,511,516
Unassigned	57,303,774	(21,699)	-	57,282,075
Total fund balances	<u>\$ 112,624,508</u>	<u>\$ (15,577)</u>	<u>\$ 52,901,148</u>	<u>\$ 165,510,079</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

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	\$ 112,624,508
Less:	
Inventories	319,229
Prepaid	18,419
Notes receivable	913,028
Stabilization by State Statute	<u>18,655,859</u>
Fund Balance Available	<u>92,717,973</u>

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

			Non-Major Special	
	General Fund	General Capital Projects Fund	Revenue Funds	Enterprise Funds
Encumbrances	\$ 2,578,627	\$ 5,686,546	\$ 79,050	\$ 2,614,254

NOTE 3 – RELATED ORGANIZATION

The County's governing board is also responsible for appointing five members of the nine-member board of the Economic Development Corporation (EDC), but the County's accountability for this organization does not extend beyond making these appointments. The EDC is a nonprofit organization that exists for the purpose of recruitment, retention and expansion of established manufacturing and non-manufacturing businesses for economic development purposes. Its primary revenues are allocations from Catawba County and various municipalities within the County. The County is not responsible for debt issued by the EDC and the EDC's debt is not included in determining the County's legal debt limit.

NOTE 4 – JOINT VENTURES

The County, in conjunction with the State of North Carolina and the Catawba County, Hickory Public, and Newton-Conover City Boards of Education, participate in a joint venture to operate the Catawba Valley Community College. The State of North Carolina, Catawba County, and the Boards of Education each appoint four members of the thirteen-member board of trustees of the community college. The president of the Community College's student government serves as an ex officio nonvoting member of the Community College's board of trustees. The Community College is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. In addition to providing annual appropriations for the facilities, the County has periodically issued debt obligations to provide financing for new and restructured facilities. Debt obligations of \$16,723,871 are outstanding at June 30, 2021. The County made debt service payments of \$2,614,281 on capital related financing obligations. The County has an ongoing financial responsibility for the Community College because of statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$4,743,000 and \$4,084,664 to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2021. The participating entities do not have any equity interest in the joint venture; therefore, no equity interest is reflected in the County's financial statements at June 30, 2021. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at 2550 Highway 70 SE, Hickory NC, 28602.

The County, in partnership with the three public school systems, community college, business and other community entities has created a joint initiative called K-64 to focus on lifelong learning and career development for students

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

from kindergarten through retirement. There are a total of twelve board members appointed by the Catawba County Board of Commissioners (Commissioners) consisting of members from the school systems and other community partners. The Commissioners have committed to provide a level of funding as specific goals are met and certain programs are implemented. The County contributed \$1.3 million to K-64 during the fiscal year ended June 30, 2021. The County, in conjunction with three other counties, participates in the Lake Norman Marine Commission (the "Commission"), that was created by the North Carolina General Assembly in 1969. Board members are appointed by the four counties (Catawba, Iredell, Lincoln, and Mecklenburg) that fall within the jurisdiction of the Commission. At any given time and on a rotating basis, one of the Counties has two Board appointees and the other three have one Board appointee. Cash contributions in equal amounts from the participating counties comprise the majority of the Commission's revenues. Catawba County contributed \$31,000 to the Lake Norman Marine Commission for operating expenses during the fiscal year ended June 30, 2021. Complete financial statements for the Commission can be obtained from the Lake Norman Marine Commission, PO Box 2454, Cornelius, NC 28031.

NOTE 5 – JOINTLY GOVERNED ORGANIZATION

The County, in conjunction with three other counties and twenty-three municipalities, established the Western Piedmont Council of Governments (the "Council"). The participating governments established the Council to coordinate various funding received from Federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$68,953 to the Council during the fiscal year ended June 30, 2021.

NOTE 6 – BENEFIT PAYMENTS ISSUED BY THE STATE

Certain amounts were paid directly to individual recipients by the State from federal and State monies. County personnel are involved with certain functions, primarily eligibility determinations that cause benefit payments to be issued by the State. This additional aid to County recipients does not appear in the basic financial statements, because it does not represent revenues and expenditures of the County.

NOTE 7 – SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Federal and State Assisted Programs

The County has received proceeds from various 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 such disallowances, if any, will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

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 is expected 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.

NOTE 8 – SIGNIFICANT EFFECTS OF SUBSEQUENT EVENTS

On September 9, 2020, the County entered into an Installment Financing Contract – Forward Delivery Agreement with JPMorgan Chase Bank, N.A. for \$12,325,000. This agreement is effective October 1, 2021 and provides for the redemption of the outstanding principal amount from the 2011 Limited Obligation Bonds. The terms of the agreement are a 6-year repayment at an interest rate of 1.4%.

On September 30, 2021, the County entered into an agreement with US Bank for early payoff of the 2013 Installment Financing for Highway 150 Sewer Lines. The balance of the loan at the time of payoff was \$2,860,127. This early payoff is expected to save approximately \$55,000 in interest over the life of the loan.

Catawba County was awarded \$30,990,911 from the Federal American Rescue Plan (ARP). Prior to year-end, the County received \$15,495,456. The remaining amount of \$15,495,455 is expected to be received within the next 12 months.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

NOTE 9 – 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 who a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. 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.

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

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2021

Governmental Activities Net Position - Increase (Decrease)	General Fund Balance - Increase (Decrease)	Non-Major Special Revenue Fund Balance - Increase (Decrease)	Fiduciary Net Position - Custodial Fund - Increase (Decrease)	
\$ -	\$ -	\$ -	\$ 47,357	Cash related to funds held on behalf of incarcerated inmates was reclassified out of the Agency Fund into a newly created Jail Inmate Pay Custodial Fund.
\$ -	\$ -	\$ -	\$ 3,758,959	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 a newly created Municipal Tax Custodial Fund. The portion of liabilities attributable taxes receivable at the beginning of the year were restated as custodial net position.
\$ 103,752	\$ -	\$ 103,752	\$ -	- 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 a newly created Representative Payee 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.
\$ 977	\$ -	\$ 977	\$ -	- Cash and receivables from fines and forfeitures net of liabilities owed to Catawba County Board of Education, Hickory City Board of Education and Newton-Conover City Board of Education 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 receivables that were uncollected at the beginning of the year were restated as fund balance.
\$ -	\$ -	\$ -	\$ -	- Cash and liabilities related to deed of trust fees collected required to be remitted to the State of North Carolina were reclassified out of the Agency Fund into a newly created Deed of Trust Special Revenue Fund. The reclassification did not result in a restatement of fund balance.
<u>\$ 104,729</u>	<u>\$ -</u>	<u>\$ 104,729</u>	<u>\$ 3,806,316</u>	



Required Supplemental Financial Data

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

Schedule of Changes in the Total OPEB Liability and Related Ratios

Schedule of the County's Proportionate Share of the Net Pension Liability (Asset) - Local Governmental Employee's Retirement System

Schedule of the County's Contributions - Local Governmental Employee's Retirement System

Schedule of the County's Proportionate Share of the Net Pension Liability (Asset) – Registers of Deeds' Supplemental Pension Fund

Schedule of the County's Contributions – Registers of Deeds' Supplemental Pension Fund

Schedule of Changes in Total Pension Liability– Law Enforcement Officer's Special Separation Allowance

Schedule of Pension Liability as a Percentage of Covered-Employee Payroll – Law Enforcement Officer's Special Separation Allowance

Notes to the Required Schedules for the Law Enforcement Officers' Special Separation Allowance.

Please note: The Schedule of Funding Progress for Catawba Valley Medical Center can be found in the separately issued financial statements for the Medical Center, available from the Medical Center Finance office (see note 1.A. to the County statements for contact information.)

**Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2021***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service Cost	\$ 1,035,331	\$ 954,524	\$ 810,810	\$ 878,210
Interest	755,582	724,417	560,351	466,530
Current-period benefit changes	(24,416)	-	-	-
Differences between expected and actual experience	4,649,863	185,125	1,339,405	703,309
Changes of assumptions	3,843,738	825,667	880,348	(958,259)
Benefit payments	<u>(729,603)</u>	<u>(788,262)</u>	<u>(630,877)</u>	<u>(1,064,618)</u>
Net change in total OPEB liability	9,530,495	1,901,471	2,960,037	25,172
Total OPEB liability - beginning	<u>20,914,376</u>	<u>19,012,905</u>	<u>16,052,868</u>	<u>16,027,696</u>
Total OPEB liability - ending	<u>\$ 30,444,871</u>	<u>\$ 20,914,376</u>	<u>\$ 19,012,905</u>	<u>\$ 16,052,868</u>
Covered-employee payroll	\$ 52,032,994	\$ 48,146,318	\$ 48,146,318	\$ 45,889,403
Total OPEB liability as a percentage of covered-employee payroll	58.51%	43.44%	39.49%	34.98%

Notes to Schedule

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

<u>Fiscal Year</u>	<u>Rate</u>
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

* Plan measurement date is the reporting date. Employer measurement date is one year prior to reporting date. This schedule is intended to show information for ten years, and additional years' information will be displayed as it becomes available



Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Local Governmental Employee's Retirement System
Last Eight Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
County's proportion of the net pension liability (asset) %	0.76954%	0.75972%	0.79633%	0.80961%	0.83854%
County's proportionate share of the net pension liability (asset)	\$ 27,370,299	\$ 20,747,361	\$ 18,891,671	\$ 12,368,598	\$ 17,796,628
County's covered payroll	\$ 53,799,929	\$ 51,972,953	\$ 50,767,144	\$ 50,968,956	\$ 48,079,853
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	50.87%	39.92%	37.21%	24.27%	37.01%
Plan fiduciary net position as a percentage of the total pension liability **	88.61%	90.86%	91.63%	94.18%	91.47%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending 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, and additional years' information will be displayed as it becomes available

Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Local Governmental Employee's Retirement System
Last Eight Fiscal Years*

	2016	2015	2014
County's proportion of the net pension liability (asset) %	0.81784%	0.82375%	0.84060%
County's proportionate share of the net pension liability (asset)	\$ 3,670,431	\$ (4,858,036)	\$ 10,132,458
County's covered payroll	\$ 47,791,623	\$ 46,741,190	\$ 46,158,989
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	7.68%	10.39%	21.95%
Plan fiduciary net position as a percentage of the total pension liability **	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending 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, and additional years' information will be displayed as it becomes available

CATAWBA COUNTY, NORTH CAROLINA

Schedule 14

Page 1 of 2

**Schedule of County Contributions
Local Governmental Employee's Retirement System
Last Eight Fiscal Years***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 5,827,222	\$ 4,927,547	\$ 4,145,168	\$ 3,946,861	\$ 3,798,830
Contributions in relation to the contractually required contribution	<u>5,827,222</u>	<u>4,927,547</u>	<u>4,145,168</u>	<u>3,946,861</u>	<u>3,798,830</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 56,412,509	\$ 53,799,929	\$ 51,972,953	\$ 50,767,144	\$ 50,968,956
Contributions as a percentage of covered payroll	10.33%	9.16%	7.98%	7.77%	7.45%

*This schedule is intended to show information for ten years, and additional years' information will be displayed as it becomes available

CATAWBA COUNTY, NORTH CAROLINA

Schedule 14

Page 2 of 2

**Schedule of County Contributions
Local Governmental Employee's Retirement System
Last Eight Fiscal Years***

	2016	2015	2014
Contractually required contribution	\$ 3,272,052	\$ 3,386,383	\$ 3,317,023
Contributions in relation to the contractually required contribution	<u>3,272,052</u>	<u>3,386,383</u>	<u>3,317,023</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 48,079,853	\$ 47,791,623	\$ 46,741,190
Contributions as a percentage of covered payroll	6.81%	7.09%	7.10%

*This schedule is intended to show information for ten years, and additional years' information will be displayed as it becomes available

Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Registers of Deeds' Supplemental Pension Fund
Last Eight Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
County's proportion of the net pension liability (asset) %	1.57266%	1.42572%	1.61832%	1.64463%	1.68672%
County's proportionate share of the net pension liability (asset)	\$ (360,422)	\$ (281,466)	\$ (268,042)	\$ (280,722)	\$ (315,346)
County's covered payroll	\$ 100,646	\$ 98,647	\$ 94,480	\$ 95,104	\$ 89,954
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(358.11%)	(285.33%)	(283.70%)	(295.17%)	(350.56%)
Plan fiduciary net position as a percentage of the total pension liability **	173.62%	164.11%	153.31%	153.77%	160.17%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending 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, and additional years' information will be displayed as it becomes available

CATAWBA COUNTY, NORTH CAROLINA

Schedule 15

Page 2 of 2

**Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Registers of Deeds' Supplemental Pension Fund
Last Eight Fiscal Years***

	2016	2015	2014
County's proportion of the net pension liability (asset) %	1.65814%	1.61440%	1.59029%
County's proportionate share of the net pension liability (asset)	\$ (384,257)	\$ (365,928)	\$ (339,686)
County's covered payroll	\$ 86,722	\$ 83,768	\$ 75,798
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(443.09%)	(436.84%)	(448.15%)
Plan fiduciary net position as a percentage of the total pension liability **	197.29%	193.88%	190.50%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending 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, and additional years' information will be displayed as it becomes available

CATAWBA COUNTY, NORTH CAROLINA

Schedule 16

Page 1 of 2

**Schedule of County Contributions
Registers of Deeds' Supplemental Pension Fund
Last Eight Fiscal Years***

	2021	2020	2019	2018	2017
Contractually required contribution	\$ 18,238	\$ 15,058	\$ 14,772	\$ 12,629	\$ 14,289
Contributions in relation to the contractually required contribution	18,238	15,058	14,772	12,629	14,289
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 102,959	\$ 100,646	\$ 98,647	\$ 94,480	\$ 95,104
Contributions as a percentage of covered payroll	17.71%	14.96%	14.97%	13.37%	15.02%

*This schedule is intended to show information for ten years, and additional years' information will be displayed as it becomes available

CATAWBA COUNTY, NORTH CAROLINA

Schedule 16

Page 2 of 2

**Schedule of County Contributions
Registers of Deeds' Supplemental Pension Fund
Last Eight Fiscal Years***

	2016	2015	2014
Contractually required contribution	\$ 13,779	\$ 13,268	\$ 13,181
Contributions in relation to the contractually required contribution	13,779	13,268	13,181
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 88,954	\$ 86,722	\$ 83,768
Contributions as a percentage of covered payroll	15.49%	15.30%	15.74%

*This schedule is intended to show information for ten years, and additional years' information will be displayed as it becomes available

**Schedule of Changes in Total Pension Liability and Pension Liability as a Percentage of Covered Employee Payroll
Law Enforcement Officer's Special Separation Allowance
Last Five Fiscal Years**

	2021	2020	2019	2018	2017
Total pension liability - beginning	\$ 4,190,800	\$ 3,817,860	\$ 3,715,011	\$ 3,344,006	\$ 3,245,785
Service cost at end of year	203,422	176,222	194,334	170,110	171,342
Interest on the total pension liability	134,056	136,083	115,531	127,178	114,108
Differences between expected and actual experience in the measurement of the total pension liability	225,161	89,070	77,270	(92,418)	-
Changes of assumptions or other inputs	1,755,968	130,193	(166,363)	264,596	(88,280)
Benefit payments	(157,320)	(158,628)	(117,923)	(98,461)	(98,949)
Net changes	<u>2,161,287</u>	<u>372,940</u>	<u>102,849</u>	<u>371,005</u>	<u>98,221</u>
Total pension liability - ending	<u>\$ 6,352,087</u>	<u>\$ 4,190,800</u>	<u>\$ 3,817,860</u>	<u>\$ 3,715,011</u>	<u>\$ 3,344,006</u>
Covered-employee payroll	7,445,935	6,841,603	7,131,126	6,979,639	6,548,828
Total pension liability as percentage of covered-employee payroll	85.31%	61.25%	53.54%	53.23%	51.06%

Notes to the Required Schedules:

¹ The amounts presented for each fiscal year were determined as of the prior December 31.

² Catawba County has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 nor does the plan provide pay related benefits.

³ Changes in actuarial assumptions or other inputs:

December 31, 2020 Measurement Date: The Municipal Bond Index Rate decreased from 3.26% to 1.93%. Based on the results of an experience study completed by the Actuary for the Local Governmental Employees' Retirement System for the five-year period ending December 31, 2019, the following were updated: mortality rates, salary increase rates, service retirement rates, disability retirement rates, termination rates, real wage growth, and leave conversion service.

December 31, 2019 Measurement Date: The Municipal Bond Index Rate decreased from 3.64% to 3.26%.

December 31, 2018 Measurement Date: The Municipal Bond Index Rate increased from 3.16% to 3.64%.

December 31, 2017 Measurement Date: The Municipal Bond Index Rate decreased from 3.86% to 3.16%.

December 31, 2016 Measurement Date: The Municipal Bond Index Rate increased from 3.57% to 3.86%.

This schedule will display additional years' information as it becomes available.

General Fund Comparatives and Detailed Budgets

General Fund

To account for resources traditionally associated with governments that are not required legally or by sound financial management to be accounted for in another fund. Revenues and expenditures of the *Self-Insurance Fund*, and the *Register of Deeds Fund* are integrated with the *General Fund* for reporting purposes.

Reappraisal Fund –

The County maintains this fund as required by the General Statutes of North Carolina for financing the cost of the next reappraisal of real property in the County. A legally budgeted Tax Appraisal Fund is consolidated into the General Fund for reporting purposes.

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 1 of 16

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			
	Final Budget	Actuals	Over/Under	Actual Prior Year
REVENUES				
Ad Valorem Taxes				
Current year taxes	104,048,711	109,080,595		
Prior year taxes	708,000	893,608		
Penalties and interest	605,000	648,422		
Tax leased vehicles and equipment	186,000	239,877		
Total ad valorem taxes	105,547,711	110,862,502	5,314,791	106,160,053
Other Taxes				
Local Option Sales Taxes				
Article 39 (1%)	14,457,000	17,983,195		
Article 40 (1/2%)	7,498,000	9,009,539		
Article 42 (1/2%)	3,311,000	4,236,239		
Article 44 (1/2%)	-	46		
Article 46 (1/4%)	4,742,821	6,048,196		
Medicaid Hold Harmless	-	1,222,513		
Subtotal local option sales taxes	30,008,821	38,499,728	8,490,907	32,639,506
Other Taxes and Licenses				
Real estate excise stamps	625,000	1,253,904		
ABC 5 cents per bottle	55,500	71,153		
Privilege licenses	-	7,855		
Subtotal other taxes and licenses	680,500	1,332,912	652,412	945,346
Total other taxes	30,689,321	39,832,640	9,143,319	33,584,852
Unrestricted Intergovernmental Revenues				
Beer & Wine Tax	370,000	362,065		
Video Programming fees	568,000	518,596		
Catawba County ABC profit distribution	970,000	1,214,287		
Total unrestricted intergovernmental revenues	1,908,000	2,094,948	186,948	1,987,827
Restricted Intergovernmental Revenues				
State grants	5,992,337	4,818,235		
Federal grants	18,382,006	16,713,093		
State and federal grants shared	6,832,229	7,192,868		
Local/Other	6,431,567	5,949,373		
Total restricted intergovernmental revenues	37,638,139	34,673,569	(2,964,570)	32,883,735
Permits and Fees				
Building permits	2,303,101	2,693,085		
Register of deeds	817,500	1,155,359		
Environmental health fees	300,000	390,589		
Other permits and fees	405,756	608,374		
Total permits and fees	3,826,357	4,847,407	1,021,050	3,663,877
Sales and Services				
Human resources services	976,700	458,844		
Services to municipalities	514,618	526,781		

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Ambulance services	6,037,600	6,243,729		
Other sales and services	719,560	551,463		
Total sales and services	8,248,478	7,780,817	(467,661)	8,079,661
Investment Earnings	652,500	(40,349)	(692,849)	1,661,225
Miscellaneous				
Rental fees	33,913	34,603		
Donations and local grants	470,735	325,504		
Insurance premiums	2,759,650	2,810,208		
Other	349,195	347,320		
Total miscellaneous	3,613,493	3,517,635	(95,858)	3,480,422
Total revenues	192,123,999	203,569,169	11,445,170	191,501,652
EXPENDITURES				
General Government				
Board of Commissioners				
Salaries & employee benefits	115,244	115,243		
Other operating	102,050	74,463		
	217,294	189,706	27,588	182,966
Administration				
County Manager				
Salaries & employee benefits	1,124,372	1,070,202		
Other operating	46,716	35,032		
Non-operating	256,956	-		
	1,428,044	1,105,234	322,810	1,180,774
Legal Services				
Salaries & employee benefits	516,554	488,018		
Other operating	47,541	21,530		
	564,095	509,548	54,547	443,580
Budget				
Salaries & employee benefits	219,731	218,847		
Other operating	13,850	3,137		
	233,581	221,984	11,597	208,548
Total Administration	2,225,720	1,836,766	388,954	1,832,902
Tax Administration				
Tax Assessor				
Salaries & employee benefits	655,316	618,674		
Other operating	159,492	119,617		
Non-operating tax refunds	5,000	-		
	819,808	738,291	81,517	755,133

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Tax Collector				
Salaries & employee benefits	591,822	588,724		
Other operating	593,658	535,889		
	<u>1,185,480</u>	<u>1,124,613</u>	<u>60,867</u>	<u>1,062,705</u>
Total Tax Administration	<u>2,005,288</u>	<u>1,862,904</u>	<u>142,384</u>	<u>1,817,838</u>
Board of Elections				
Salaries & employee benefits	673,126	660,185		
Other operating	509,931	464,442		
	<u>1,183,057</u>	<u>1,124,627</u>	<u>58,430</u>	<u>704,890</u>
Human Resources				
Human Resources				
Salaries & employee benefits	742,839	681,172		
Other operating	115,885	100,440		
Non-operating	157,153	3,701		
	<u>1,015,877</u>	<u>785,313</u>	<u>230,564</u>	<u>886,708</u>
Recruitment				
Salaries & employee benefits	92,996	92,819		
Other operating	11,450	11,378		
	<u>104,446</u>	<u>104,197</u>	<u>249</u>	<u>100,492</u>
Risk Management				
Salaries & employee benefits	132,876	126,109		
Other operating	16,540	13,087		
	<u>149,416</u>	<u>139,196</u>	<u>10,220</u>	<u>75,918</u>
Total Human Resources	<u>1,269,739</u>	<u>1,028,706</u>	<u>241,033</u>	<u>1,063,118</u>
Register of Deeds				
Salaries & employee benefits	700,670	698,223		
Other operating	259,093	194,313		
Capital outlay	15,000	-		
	<u>974,763</u>	<u>892,536</u>	<u>82,227</u>	<u>977,193</u>
Finance				
Administration and Accounting				
Salaries & employee benefits	890,036	814,168		
Other operating	242,750	164,932		
	<u>1,132,786</u>	<u>979,100</u>	<u>153,686</u>	<u>1,104,182</u>
Purchasing				
Salaries & employee benefits	271,187	262,072		
Other operating	42,605	36,125		
	<u>313,792</u>	<u>298,197</u>	<u>15,595</u>	<u>298,616</u>
Total Finance	<u>1,446,578</u>	<u>1,277,297</u>	<u>169,281</u>	<u>1,402,798</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 4 of 16

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			
	Final Budget	Actuals	Over/Under	Actual Prior Year
Other General Government Programs				
Government Agencies - Justice Center				
Other operating	10,500	2,074		
	10,500	2,074	8,426	9,557
Other Government Costs				
Salaries & employee benefits	98,122	72,755		
Other operating	621,871	456,031		
	719,993	528,786	191,207	499,432
Self Insurance				
Wellness	386,800	384,580		
Premiums	3,565,372	3,587,247		
Liability	866,028	832,226		
Workers Compensation	695,600	695,574		
	5,513,800	5,499,627	14,173	4,043,461
Total Other General Government Programs	6,244,293	6,030,487	213,806	4,552,450
Total General Government	15,566,732	14,243,029	1,323,703	12,534,155
Public Safety				
Sheriff and Law Enforcement				
Administration and Law Enforcement				
Salaries & employee benefits	5,335,247	5,324,751		
Other operating	1,843,911	1,518,265		
Capital outlay	998,258	698,412		
	8,177,416	7,541,428	635,988	7,038,117
Catawba Valley Community College -				
Resource Officers				
Salaries & employee benefits	212,634	212,249		
Other operating	3,000	3,000		
	215,634	215,249	385	208,967
School Resource Officers				
Salaries & employee benefits	1,043,857	1,042,795		
Other operating	52,650	48,425		
	1,096,507	1,091,220	5,287	757,156
Records				
Salaries & employee benefits	355,306	354,321		
Other operating	24,345	23,915		
Capital outlay	-	-		
	379,651	378,236	1,415	349,479
Narcotics				
Salaries & employee benefits	680,890	677,512		
Other operating	95,543	88,536		
	776,433	766,048	10,385	739,868

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Detectives				
Salaries & employee benefits	1,218,820	1,216,116		
Other operating	99,610	85,592		
	<u>1,318,430</u>	<u>1,301,708</u>	<u>16,722</u>	<u>1,248,425</u>
Lake Norman Water Patrol				
Salaries & employee benefits	227,487	219,923		
Other operating	76,805	58,487		
	<u>304,292</u>	<u>278,410</u>	<u>25,882</u>	<u>289,174</u>
Court Security				
Salaries & employee benefits	958,754	954,922		
Other operating	20,000	19,647		
	<u>978,754</u>	<u>974,569</u>	<u>4,185</u>	<u>833,843</u>
Newton Detention Center				
Salaries & employee benefits	5,807,588	5,774,429		
Other operating	2,157,007	2,068,602		
Capital outlay	12,920	12,920		
	<u>7,977,515</u>	<u>7,855,951</u>	<u>121,564</u>	<u>6,416,862</u>
Prisoner Food Services				
Other operating	737,827	559,278		
	<u>737,827</u>	<u>559,278</u>	<u>178,549</u>	<u>525,991</u>
District Confinement Facility				
Other operating	-	-		
	<u>-</u>	<u>-</u>	<u>-</u>	<u>744,973</u>
Total Sheriff and Law Enforcement	<u>21,962,459</u>	<u>20,962,097</u>	<u>1,000,362</u>	<u>19,152,855</u>
Emergency Services				
Emergency Services Administration				
Salaries & employee benefits	354,701	347,199		
Other operating	237,704	134,107		
Capital outlay	186,736	8,845		
	<u>779,141</u>	<u>490,151</u>	<u>288,990</u>	<u>1,184,106</u>
Veterans Services				
Salaries & employee benefits	123,884	123,519		
Other operating	9,500	6,253		
	<u>133,384</u>	<u>129,772</u>	<u>3,612</u>	<u>126,664</u>
Fire Marshal				
Salaries & employee benefits	335,655	323,197		
Other operating	31,195	29,189		
Capital outlay	63,000	49,831		
	<u>429,850</u>	<u>402,217</u>	<u>27,633</u>	<u>378,326</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Emergency Medical Services				
Salaries & employee benefits	8,506,784	8,469,536		
Other operating	1,924,128	1,751,736		
Capital outlay	1,595,909	1,160,918		
	<u>12,026,821</u>	<u>11,382,190</u>	<u>644,631</u>	<u>11,167,013</u>
Animal Control				
Salaries & employee benefits	301,973	290,671		
Other operating	34,600	29,677		
	<u>336,573</u>	<u>320,348</u>	<u>16,225</u>	<u>369,333</u>
Animal Shelter				
Salaries & employee benefits	696,493	680,843		
Other operating	265,130	240,733		
Capital outlay	93,900	12,453		
	<u>1,055,523</u>	<u>934,029</u>	<u>121,494</u>	<u>640,571</u>
Total Emergency Services	<u>14,761,292</u>	<u>13,658,707</u>	<u>1,102,585</u>	<u>13,866,013</u>
Communication Center				
Salaries & employee benefits	1,972,325	1,833,869		
Other operating	176,405	151,791		
	<u>2,148,730</u>	<u>1,985,660</u>	<u>163,070</u>	<u>1,954,425</u>
Other Public Safety				
Other operating	1,891,750	415,949	1,475,801	312,051
Total Public Safety	<u>40,764,231</u>	<u>37,022,413</u>	<u>3,741,818</u>	<u>35,285,344</u>
Environmental Protection				
Cooperative Extension				
Salaries & employee benefits	82,406	67,989		
Other operating	381,753	297,221		
	<u>464,159</u>	<u>365,210</u>	<u>98,949</u>	<u>356,513</u>
Soil & Water Conservation				
Salaries & employee benefits	166,631	165,537		
Other operating	11,220	9,080		
	<u>177,851</u>	<u>174,617</u>	<u>3,234</u>	<u>165,412</u>
Forest Ranger				
Other operating	70,975	61,218	9,757	72,151
Total Environmental Protection	<u>712,985</u>	<u>601,045</u>	<u>111,940</u>	<u>594,076</u>
Economic and Physical Development				
Technology				
Information Technology Center				
Salaries & employee benefits	2,320,923	2,248,024		
Other operating	1,970,553	1,648,365		

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Final Budget	Actuals	Over/Under	
	4,291,476	3,896,389	395,087	3,920,233
Geospatial Information Services				
Salaries & employee benefits	696,679	653,323		
Other operating	71,425	41,137		
	768,104	694,460	73,644	493,769
Total Technology	5,059,580	4,590,849	468,731	4,414,002
Economic Development and Planning				
Planning & Zoning				
Salaries & employee benefits	464,131	454,396		
Other operating	75,716	64,828		
	539,847	519,224	20,623	511,895
County Parks				
Salaries & employee benefits	511,553	455,677		
Other operating	289,165	130,798		
Capital outlay	86,181	49,342		
	886,899	635,817	251,082	518,710
Other Economic and Physical Development				
Other operating	8,326,980	6,724,933	1,602,047	6,804,076
Total Economic Development and Planning	9,753,726	7,879,974	1,873,752	7,834,681
Utilities & Engineering				
Utilities & Engineering Administration				
Salaries & employee benefits	157,054	156,626		
Other operating	18,469	8,869		
	175,523	165,495	10,028	151,515
Building Inspection				
Salaries & employee benefits	1,778,172	1,774,562		
Other operating	451,249	396,534		
Capital outlay	156,138	61,531		
	2,385,559	2,232,627	152,932	2,149,919
Permit Center				
Salaries & employee benefits	318,121	317,278		
Other operating	43,295	38,296		
	361,416	355,574	5,842	316,249
Local Code Compliance				
Salaries & employee benefits	73,660	73,176		
Other operating	13,135	6,520		
	86,795	79,696	7,099	74,075
Total Utilities & Engineering	3,009,293	2,833,392	175,901	2,691,758

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Facilities Division				
Construction Manager				
Salaries & employee benefits	128,310	128,396		
Other operating	2,550	2,282		
	<u>130,860</u>	<u>130,678</u>	<u>182</u>	<u>125,913</u>
Garage				
Salaries & employee benefits	286,208	283,895		
Other operating	334,583	332,156		
Capital outlay	29,925	-		
	<u>650,716</u>	<u>616,051</u>	<u>34,665</u>	<u>565,197</u>
General maintenance				
Salaries & employee benefits	773,779	767,109		
Other operating	76,880	68,502		
Capital outlay	90,014	37,615		
	<u>940,673</u>	<u>873,226</u>	<u>67,447</u>	<u>854,724</u>
General Buildings				
Other operating	582,012	485,174		
	<u>582,012</u>	<u>485,174</u>	<u>96,838</u>	<u>534,959</u>
Justice Buildings				
Other operating	1,310,218	1,218,549		
	<u>1,310,218</u>	<u>1,218,549</u>	<u>91,669</u>	<u>1,125,126</u>
Library Buildings				
Other operating	115,475	100,839		
	<u>115,475</u>	<u>100,839</u>	<u>14,636</u>	<u>111,462</u>
Leased Buildings				
Other operating	40,670	36,938		
	<u>40,670</u>	<u>36,938</u>	<u>3,732</u>	<u>32,229</u>
Social Services Buildings				
Other operating	152,530	115,119		
	<u>152,530</u>	<u>115,119</u>	<u>37,411</u>	<u>63,166</u>
Public Health Buildings				
Other operating	43,553	35,081		
	<u>43,553</u>	<u>35,081</u>	<u>8,472</u>	<u>29,233</u>
Family Services Center				
Other operating	14,935	10,114		
	<u>14,935</u>	<u>10,114</u>	<u>4,821</u>	<u>14,221</u>
Street Signs				
Other operating	17,500	9,693		
	<u>17,500</u>	<u>9,693</u>	<u>7,807</u>	<u>11,900</u>

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Total Facilities Division	3,999,142	3,631,462	367,680	3,468,130
Total Economic & Physical Development	21,821,741	18,935,677	2,886,064	18,408,571
Human Services				
Medical Examiner				
Other operating	211,000	178,500		
	211,000	178,500	32,500	114,300
Mental Health Services				
General Administration				
Partners Behavioral Health Management	650,000	673,153		
	650,000	673,153	(23,153)	662,185
Social Services Department				
Administration				
Salaries & employee benefits	1,536,107	1,417,052		
Other operating	946,850	828,404		
Non-operating	3,946,353	-		
	6,429,310	2,245,456	4,183,854	2,191,620
CQI Quality Team				
Salaries & employee benefits	820,520	748,843		
Other operating	2,000	19		
	822,520	748,862	73,658	766,020
Child Protective Services Investigations				
Salaries & employee benefits	4,108,840	3,892,126		
Other operating	427,927	284,255		
Social Services assistance	500	-		
	4,537,267	4,176,381	360,886	4,086,078
Department of Human Resources Teams				
Salaries & employee benefits	128,417	127,437		
Other operating	7,166	4,260		
Social Services assistance	1,000	-		
	136,583	131,697	4,886	128,699
Children's Day Care				
Salaries & employee benefits	404,393	400,243		
Other operating	3,277	2,777		
	407,670	403,020	4,650	390,079
Early Childhood Development				
Salaries & employee benefits	-	-		
Other operating	65,000	61,700		
Social Services assistance	220,000	222,657		
	285,000	284,357	643	-

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Final Budget	Actuals	Over/Under	
ARRA Project MOVES				
Salaries & employee benefits	-	-		
Other operating	1,600	1,600.00		
Social Services assistance	14,400	14,400.00		
	16,000	16,000.00	-	-
Family Children Teams / Family Preservation				
Salaries & employee benefits	4,165,727	4,069,611		
Other operating	40,609	40,609		
Social Services assistance	26,000	20,419		
	4,232,336	4,130,639	101,697	4,032,362
Duke Endowment Family Children Project				
Salaries & employee benefits	514,036	509,671		
Other operating	63,750	38,126		
Social Services assistance	12,500	1,503		
	590,286	549,300	40,986	509,568
QIC/AIG Grant				
Salaries & employee benefits	-	-		
Other operating	-	-		
Social Services assistance	-	-		
	-	-	-	1,484
Teen Up				
Salaries & employee benefits	92,127	86,291		
Other operating	4,900	2,035		
Social Services assistance	29,062	16,643		
	126,089	104,969	21,120	107,754
Community Services Block Grant				
Salaries & employee benefits	184,681	183,257		
Other operating	10,600	5,554		
Social Services assistance	34,000	21,643		
	229,281	210,454	18,827	210,123
Adoptions				
Salaries & employee benefits	1,703,030	1,698,188		
Other operating	17,806	12,982		
Social Services assistance	35,000	4,877		
	1,755,836	1,716,047	39,789	1,574,789
Post Adoption State Region				
Salaries & employee benefits	387,884	381,149		
Other operating	37,248	23,194		
Social Services assistance	42,143	26,857		
	467,275	431,200	36,075	266,547
Child Advocacy				
Salaries & employee benefits	498,578	462,917		

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Other operating	8,373	6,330		
	506,951	469,247	37,704	472,494
FamilyNet Administration				
Salaries & employee benefits	213,425	213,144		
Other operating	179,707	101,474		
Social Services assistance	500	-		
	393,632	314,618	79,014	311,599
FamilyNet In-home Services				
Salaries & employee benefits	354,409	267,711		
Other operating	18,579	16,068		
	372,988	283,779	89,209	349,164
FamilyNet ECST				
Salaries & employee benefits	476,601	471,424		
Other operating	48,077	48,065		
	524,678	519,489	5,189	498,028
Work First				
Salaries & employee benefits	388,034	384,280		
Other operating	705,159	593,811		
Social Services assistance	613,803	494,168		
	1,706,996	1,472,259	234,737	1,346,164
Office Juvenile Justice Girls Program				
Other operating	2,000	703		
	2,000	703	1,297	2,294
Administration Group Homes				
Salaries & employee benefits	270,082	249,885		
Other operating	43,188	39,856		
	313,270	289,741	23,529	605,421
Girls Program				
Other operating	2,000	785		
	2,000	785	1,215	17,039
Boys Program				
Other operating	41,050	21,203		
	41,050	21,203	19,847	32,937
Office Juvenile Justice Boys Program				
Other operating	2,000	1,805		
	2,000	1,805	195	3,374
Adult Services				
Other operating	-	-		
Social Services assistance	197,585	188,404		
	197,585	188,404	9,181	198,266

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Adult Social Work				
Salaries & employee benefits	1,601,940	1,565,737		
Other operating	109,522	37,349		
Social Services assistance	16,000	17,208		
	<u>1,727,462</u>	<u>1,620,294</u>	<u>107,168</u>	<u>1,598,675</u>
Medicaid Administration				
Salaries & employee benefits	1,483,194	1,357,834		
Other operating	6,554	5,554		
	<u>1,489,748</u>	<u>1,363,388</u>	<u>126,360</u>	<u>1,314,305</u>
Transportation				
Salaries & employee benefits	592,385	534,612		
Other operating	66,892	67,465		
Capital outlay	110,000	96,114		
	<u>769,277</u>	<u>698,191</u>	<u>71,086</u>	<u>707,620</u>
Nutrition				
Salaries & employee benefits	504,911	482,618		
Other operating	369,332	256,817		
Social Services assistance	455,261	365,129		
	<u>1,329,504</u>	<u>1,104,564</u>	<u>224,940</u>	<u>1,204,098</u>
Public Assistance Administration				
Salaries & employee benefits	1,878,976	1,827,797		
Other operating	35,939	46,712		
	<u>1,914,915</u>	<u>1,874,509</u>	<u>40,406</u>	<u>1,724,977</u>
Food Stamps				
Salaries & employee benefits	1,872,569	1,830,668		
Other operating	61,439	94,188		
	<u>1,934,008</u>	<u>1,924,856</u>	<u>9,152</u>	<u>1,792,396</u>
Child Support				
Salaries & employee benefits	1,376,113	1,369,437		
Other operating	260,331	266,359		
	<u>1,636,444</u>	<u>1,635,796</u>	<u>648</u>	<u>1,594,702</u>
General Assistance				
Other operating	206,000	27,997		
Social Services assistance	190,000	162,207		
	<u>396,000</u>	<u>190,204</u>	<u>205,796</u>	<u>194,472</u>
Public Assistance Payments				
Social Services assistance	1,191,726	798,968		
	<u>1,191,726</u>	<u>798,968</u>	<u>392,758</u>	<u>813,086</u>
Children's Purchase Services				
Social Services assistance	4,935,685	4,404,466		

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Final Budget	Actuals	Over/Under	
	4,935,685	4,404,466	531,219	4,485,250
Total Social Services	41,423,372	34,325,651	7,097,721	33,531,484
Public Health Department				
Health Administration				
Salaries & employee benefits	756,070	756,020		
Other operating	199,766	180,820		
	955,836	936,840	18,996	912,351
Environmental Health				
Salaries & employee benefits	1,288,542	1,286,442		
Other operating	146,390	142,691		
	1,434,932	1,429,133	5,799	1,358,964
Maternal Health				
Salaries & employee benefits	-	-		
Other operating	145,927	141,430		
	145,927	141,430	4,497	145,013
Pregnancy Care Management				
Salaries & employee benefits	375,771	366,685		
Other operating	12,425	8,655		
	388,196	375,340	12,856	391,536
Laboratory				
Salaries & employee benefits	98,997	98,738		
Other operating	37,940	20,139		
	136,937	118,877	18,060	115,375
Child Health - Smart Start				
Salaries & employee benefits	180,202	178,500		
Other operating	27,206	25,170		
	207,408	203,670	3,738	187,324
Care Coordination for Children				
Salaries & employee benefits	364,626	364,046		
Other operating	15,018	9,143		
	379,644	373,189	6,455	338,302
School Nurse Fund Initiative				
Salaries & employee benefits	2,023,108	1,946,553		
Other operating	208,418	81,690		
	2,231,526	2,028,243	203,283	1,984,998
Dental Health				
Other operating	10,100	9,623		
	10,100	9,623	477	9,444
Bioterrorism Grant				

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Salaries & employee benefits	71,973	71,770		
Other operating	5,730	1,248		
	<u>77,703</u>	<u>73,018</u>	<u>4,685</u>	<u>67,855</u>
OBCM Grant				
Salaries & employee benefits	78,889	67,504		
Other operating	2,655	2,102		
	<u>81,544</u>	<u>69,606</u>	<u>11,938</u>	<u>54,506</u>
Healthy People/Carolinas				
Salaries & employee benefits	68,262	68,266		
Other operating	82,647	11,307		
	<u>150,909</u>	<u>79,573</u>	<u>71,336</u>	<u>60,831</u>
Healthy Promotion and Strategy				
Salaries & employee benefits	425,515	423,618		
Other operating	149,726	52,444		
	<u>575,241</u>	<u>476,062</u>	<u>99,179</u>	<u>289,005</u>
Clinical Services				
Salaries & employee benefits	1,726,990	1,697,323		
Other operating	1,027,742	854,837		
	<u>2,754,732</u>	<u>2,552,160</u>	<u>202,572</u>	<u>1,927,529</u>
Women Infants Children Program				
Salaries & employee benefits	971,097	924,631		
Other operating	46,145	34,751		
	<u>1,017,242</u>	<u>959,382</u>	<u>57,860</u>	<u>959,284</u>
Total Public Health	<u>10,547,877</u>	<u>9,826,146</u>	<u>721,731</u>	<u>8,802,317</u>
Total Human Services	<u>52,832,249</u>	<u>45,003,450</u>	<u>7,828,799</u>	<u>43,110,286</u>
Culture and Recreation				
County Library				
Library Administration - Main Library				
Salaries & employee benefits	1,229,382	1,159,127		
Other operating	494,869	404,337		
Non-operating	689,208	-		
	<u>2,413,459</u>	<u>1,563,464</u>	<u>849,995</u>	<u>1,526,496</u>
Pop Up Library				
Salaries & employee benefits	82,736	69,199		
Other operating	16,790	7,175		
	<u>99,526</u>	<u>76,374</u>	<u>-</u>	<u>70,422</u>
Sherrills Ford Branch				
Salaries & employee benefits	299,941	260,177		
Other operating	76,472	69,949		
	<u>376,413</u>	<u>330,126</u>	<u>46,287</u>	<u>360,252</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 15 of 16

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			
	Final Budget	Actuals	Over/Under	Actual Prior Year
Maiden Branch				
Salaries & employee benefits	87,898	86,444		
Other operating	33,660	30,598		
	<u>121,558</u>	<u>117,042</u>	<u>4,516</u>	<u>106,548</u>
St. Stephens Branch				
Salaries & employee benefits	295,866	249,786		
Other operating	92,653	80,767		
	<u>388,519</u>	<u>330,553</u>	<u>57,966</u>	<u>354,949</u>
Southwest Branch Library				
Salaries & employee benefits	186,734	179,572		
Other operating	113,264	101,289		
	<u>299,998</u>	<u>280,861</u>	<u>19,137</u>	<u>273,567</u>
Conover Branch Library				
Salaries & employee benefits	115,991	103,615		
Other operating	22,204	17,948		
	<u>138,195</u>	<u>121,563</u>	<u>16,632</u>	<u>133,463</u>
Claremont Branch Library				
Salaries & employee benefits	51,129	50,179		
Other operating	18,402	14,627		
	<u>69,531</u>	<u>64,806</u>	<u>4,725</u>	<u>55,788</u>
Total County Library	<u>3,907,199</u>	<u>2,884,789</u>	<u>999,258</u>	<u>2,881,485</u>
Arts-Administration				
Other operating	608,941	608,941	-	607,503
Total Culture and Recreation	<u>4,516,140</u>	<u>3,493,730</u>	<u>1,022,410</u>	<u>3,488,988</u>
Education				
Current expense				
Catawba County Schools	27,817,698	27,817,698		
Hickory Public Schools	7,162,474	7,162,474		
Newton-Conover City Schools	5,111,576	5,111,576		
Catawba Valley Community College	4,743,000	4,743,000		
K64 Initiative	1,300,000	1,300,000		
Total Education	<u>46,134,748</u>	<u>46,134,748</u>	<u>-</u>	<u>45,497,777</u>
Debt Service				
Principal retirement	14,577,825	14,577,808		
Sinking fund payments	1,853,905	1,853,902		
Interest and other charges	4,144,215	4,314,087		
Bond issuance costs	365,000	145,011		

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			
	Final Budget	Actuals	Over/Under	Actual Prior Year
Total Debt Service	20,940,945	20,890,808	50,137	21,102,454
Total expenditures	203,289,771	186,324,900	16,964,871	180,021,651
Revenues over (under) expenditures	(11,165,772)	17,244,269	28,410,041	11,480,001
Other financing sources (uses)				
Transfers from				
Hospital Capital Reserve	500,000	500,000	-	500,000
CARES Act Fund	4,472,297	4,472,297	-	-
General Capital Projects Fund	-	-	-	168,759
School Capital Fund	50,000	50,000	-	50,000
Transfers to				
Reappraisal Fund	(558,563)	(558,563)	-	(509,167)
Emergency Telephone System	(4,333)	(4,333)	-	-
General Capital Projects Fund	(8,222,996)	(8,222,996)	-	(3,668,075)
School Capital Fund	-	-	-	(1,025,000)
School Construction Fund	(400,000)	(400,000)	-	(786,780)
Proceeds from sale of assets	-	8,075	8,075	-
Fund Balance appropriated	15,329,367	-	(15,329,367)	-
Total other financing sources (uses)	11,165,772	(4,155,520)	(15,321,292)	(5,270,263)
Net change in fund balance	-	13,088,749	13,088,749	6,209,738
Fund Balances - Beginning of Year		97,833,580		
Fund Balances - End of Year		110,922,329		

Tax Reappraisal Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2021

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Investment earnings	\$ -	\$ 794	\$ 794	11,520
Total revenues	-	794	794	11,520
Expenditures				
Current				
General government				
Salaries & employee benefits	485,547	469,534	16,013	
Other operating	56,215	35,073	21,142	
Capital outlay	22,726	21,198	1,528	-
Total expenditures	564,488	525,805	38,683	523,709
Excess of revenues over (under) expenditures	(564,488)	(525,011)	39,477	(512,189)
Other Financing Sources (Uses)				
Transfers from				
General Fund	535,837	535,837	-	509,167
Self Insurance Fund	22,726	22,726	-	-
Fund balance appropriated	5,925	-	(5,925)	-
Total other financing sources (uses)	564,488	558,563	(5,925)	509,167
Net change in fund balance	\$ -	33,552	\$ 33,552	(3,022)
Fund Balances - Beginning of Year		96,843		99,865
Fund Balances - End of Year		\$ 130,395		\$ 96,843



Combining Statements for Nonmajor Funds

CATAWBA COUNTY, NORTH CAROLINA

Schedule B-1

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021**

	Special Revenue Funds (Schedule C-1)	Capital Project Funds (Schedule D-1)	Total Nonmajor Governmental Funds (Exhibit 3)
Assets			
Cash and investments	\$ 4,101,360	\$ 37,461,355	\$ 41,562,715
Taxes receivable - net	94,442	-	94,442
Due from other governments	211,817	3,169,398	3,381,215
Other receivables	-	14,472	14,472
Interest receivable	3,089	29,744	32,833
Restricted cash and investments	-	10,818,299	10,818,299
Total assets	<u>4,410,708</u>	<u>51,493,268</u>	<u>55,903,976</u>
Liabilities			
Accounts payable and accrued liabilities	<u>108,854</u>	<u>2,792,544</u>	<u>2,901,398</u>
Total liabilities	<u>108,854</u>	<u>2,792,544</u>	<u>2,901,398</u>
Deferred Inflows of Resources			
Taxes receivable	94,442	-	94,442
Prepaid taxes	<u>6,988</u>	<u>-</u>	<u>6,988</u>
Total deferred inflows of resources	<u>101,430</u>	<u>-</u>	<u>101,430</u>
Fund Balances			
Restricted			
Stabilization by State Statute	293,956	8,900,161	9,194,117
Public Safety	1,670,080	-	1,670,080
Fire Protection	1,747,215	-	1,747,215
Library Endowment	225,206	-	225,206
Scholarship	58,703	-	58,703
Parks Preservation	55,824	-	55,824
Community Development	20,136	-	20,136
Representative Payee	129,304	-	129,304
General Capital	-	5,022,380	5,022,380
School Construction	-	5,795,919	5,795,919
Hospital Capital	-	2,807,987	2,807,987
Committed			
General Capital	-	7,471,745	7,471,745
School Capital	-	8,460,279	8,460,279
School Construction	-	10,242,253	10,242,253
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>4,200,424</u>	<u>48,700,724</u>	<u>52,901,148</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,410,708</u>	<u>\$ 51,493,268</u>	<u>\$ 55,903,976</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2021

	Special Revenue Funds (Schedule C-3)	Capital Project Funds (Schedule D-2)	Total Nonmajor Governmental Funds (Exhibit 4)
Revenues			
Ad valorem taxes	\$ 10,162,297	\$ -	\$ 10,162,297
Other taxes	-	8,387,740	8,387,740
Restricted intergovernmental revenues	6,241,377	14,472	6,255,849
Permits and fees	505,459	-	505,459
Investment earnings	12,133	140	12,273
Miscellaneous	200	-	200
Total revenues	<u>16,921,466</u>	<u>8,402,352</u>	<u>25,323,818</u>
Expenditures			
Current			
General government	129,363	-	129,363
Public safety	11,163,748	-	11,163,748
Economic and physical development	87,323	-	87,323
Human services	270,211	-	270,211
Culture and recreation	2,884	-	2,884
Education	342,886	-	342,886
Capital outlay	-	30,208,203	30,208,203
Total expenditures	<u>11,996,415</u>	<u>30,208,203</u>	<u>42,204,618</u>
Excess of revenues over (under) expenditures	4,925,051	(21,805,851)	(16,880,800)
Other Financing Sources (Uses)			
Transfers from other funds	4,333	9,322,996	9,327,329
Transfers to other funds	(4,472,297)	(550,000)	(5,022,297)
Installment purchase issued	-	18,550,000	18,550,000
Total other financing sources (uses)	<u>(4,467,964)</u>	<u>27,322,996</u>	<u>22,855,032</u>
Net change in fund balance	457,087	5,517,145	5,974,232
Fund Baance, beginning, as previoulsy reported	<u>3,638,608</u>	<u>43,183,579</u>	<u>46,822,187</u>
Prior period restatement - change in accounting principle	<u>104,729</u>	<u>-</u>	<u>104,729</u>
Fund Balances - Beginning of Year	<u>3,743,337</u>	<u>43,183,579</u>	<u>46,926,916</u>
Fund Balances - End of Year	<u>\$ 4,200,424</u>	<u>\$ 48,700,724</u>	<u>\$ 52,901,148</u>



Special Revenue Funds

To account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Major Funds

American Rescue Plan Act Fund -

To account for funds received under the American Rescue Plan (ARP) Act and expenses related to COVID-19 response and recovery.

Non Major Funds

Emergency Telephone System Fund -

Established in accordance with North Carolina law to account for the revenues received by the Communication Center for the 911 charges and the expenditure of those funds for the emergency telephone systems.

Narcotics Seized Funds and Property Fund –

To account for the revenue received by the Sheriff's Department for Drug Reimbursements and the expenditure of those funds to further narcotics enforcement efforts.

State Unauthorized Substance Abuse Fund –

To account for the revenue received by the Sheriff's Department from the controlled substance tax and the expenditure of those funds to deter and investigate drug crimes

Narcotics Seized Justice Fund –

To account for the revenue received by the Sheriff's Department received through the Federal asset Sharing and Forfeiture Program as a result of Federal level narcotics investigations.

Narcotics Seized Treasury Fund –

To account for the revenue received by the Sheriff's Department received through the Federal asset Sharing and Forfeiture Program as a result of Federal level narcotics investigations.

Rescue Squads Fund -

To account for the accumulation of funds for the financing of future capital needs of the six rescue squads within the County.

Library Endowment Fund –

To account for donations that are stipulated for the purchase of library books.

Gretchen Peed Scholarship Fund –

To account for donations that are stipulated for scholarships.

Parks/Historic Preservation Trust Fund –

To account for donations and other funds that are stipulated for park expenditures.

Community Development Fund –

To account for the accumulation of various grants for the financing of critical housing needs for low-income families and other community projects.

Coronavirus Aid, Relief and Economic Security (CARES) Act Fund –

To account for funds used to prevent, prepare for, and respond to coronavirus.

Fines and Forfeitures Fund –

To account for various legal fines and forfeitures the County is required to remit to local school systems.

DSS Representative Payee Fund –

To account for funds received and distributed to benefit beneficiaries under the Social Security's Representative Payee Program.

Deeds of Trust Fund –

To account for the state portion of revenue from the filing of deeds of trusts and mortgages.

Fire District Funds -

The County maintains fourteen separate fire district funds under its budgetary control to account for tax receipts and disbursements to the fire districts.

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

Page 1 of 4

**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2021**

	Emergency Telephone System Fund	Narcotics Seized Funds And Property Fund	State Unauthorized Substance Abuse Fund	Narcotics Seized Justice Fund
Assets				
Cash and investments	\$ 1,038,726	\$ 41,482	\$ 137,885	159,275
Accounts receivable - net	-	-	-	-
Taxes receivable - net	-	-	-	-
Due from other governments	113,964	-	1,075	-
Notes receivable	-	-	-	-
Other receivables	-	-	-	-
Interest receivable	769	34	108	123
Total assets	<u>1,153,459</u>	<u>41,516</u>	<u>139,068</u>	<u>159,398</u>
Liabilities				
Accounts payable and accrued liabilities	48,699	-	-	-
Total liabilities	<u>48,699</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Taxes receivable	-	-	-	-
Prepaid taxes	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted				
Stabilization by State Statute	124,933	34	65,683	123
Public Safety	979,827	41,482	73,385	159,275
Fire Protection	-	-	-	-
Library Endowment	-	-	-	-
Scholarship	-	-	-	-
Parks Preservation	-	-	-	-
Community Development	-	-	-	-
Representative Payee	-	-	-	-
Total fund balances	<u>1,104,760</u>	<u>41,516</u>	<u>139,068</u>	<u>159,398</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,153,459</u>	<u>\$ 41,516</u>	<u>\$ 139,068</u>	<u>\$ 159,398</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

Page 2 of 4

**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2021**

	Narcotics Seized Treasury Fund	Rescue Squads Fund	Library Endowment Fund	Gretchen Peed Scholarship Fund
Assets				
Cash and investments	84,614	\$ 335,847	\$ 225,206	\$ 58,703
Accounts receivable - net	-	-	-	-
Taxes receivable - net	-	-	-	-
Due from other governments	-	-	-	-
Notes receivable	-	-	-	-
Other receivables	-	-	-	-
Interest receivable	60	364	167	46
Total assets	<u>84,674</u>	<u>336,211</u>	<u>225,373</u>	<u>58,749</u>
Liabilities				
Accounts payable and accrued liabilities	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Taxes receivable	-	-	-	-
Prepaid taxes	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted				
Stabilization by State Statute	4,410	364	167	46
Public Safety	80,264	335,847	-	-
Fire Protection	-	-	-	-
Library Endowment	-	-	225,206	-
Scholarship	-	-	-	58,703
Parks Preservation	-	-	-	-
Community Development	-	-	-	-
Representative Payee	-	-	-	-
Total fund balances	<u>84,674</u>	<u>336,211</u>	<u>225,373</u>	<u>58,749</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 84,674</u>	<u>\$ 336,211</u>	<u>\$ 225,373</u>	<u>\$ 58,749</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

Page 3 of 4

**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2021**

	Parks/ Historic Preservation Fund	Community Development Fund	CARES Act Fund	Fines and Forfeitures Fund
Assets				
Cash and investments	\$ 55,824	\$ 29,606	\$ -	38,316
Accounts receivable - net	-	-	-	-
Taxes receivable - net	-	-	-	-
Due from other governments	-	149	-	1,514
Notes receivable	-	-	-	-
Other receivables	-	-	-	-
Interest receivable	44	36	-	-
Total assets	<u>55,868</u>	<u>29,791</u>	<u>-</u>	<u>39,830</u>
Liabilities				
Accounts payable and accrued liabilities	-	9,470	-	38,316
Total liabilities	<u>-</u>	<u>9,470</u>	<u>-</u>	<u>38,316</u>
Deferred Inflows of Resources				
Taxes receivable	-	-	-	-
Prepaid taxes	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted				
Stabilization by State Statute	44	185	-	1,514
Public Safety	-	-	-	-
Fire Protection	-	-	-	-
Library Endowment	-	-	-	-
Scholarship	-	-	-	-
Parks Preservation	55,824	-	-	-
Community Development	-	20,136	-	-
Representative Payee	-	-	-	-
Total fund balances	<u>55,868</u>	<u>20,321</u>	<u>-</u>	<u>1,514</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 55,868</u>	<u>\$ 29,791</u>	<u>\$ -</u>	<u>\$ 39,830</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

Page 4 of 4

**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2021**

	Representative Payee Fund	Deed of Trust Fund	Fire District Funds	Total Nonmajor Special Revenue Funds
Assets				
Cash and investments	129,304	12,369	\$ 1,754,203	\$ 4,101,360
Accounts receivable - net	-	-	-	-
Taxes receivable - net	-	-	94,442	94,442
Due from other governments	-	-	95,115	211,817
Notes receivable	-	-	-	-
Other receivables	-	-	-	-
Interest receivable	-	-	1,338	3,089
Total assets	<u>129,304</u>	<u>12,369</u>	<u>1,945,098</u>	<u>4,410,708</u>
Liabilities				
Accounts payable and accrued liabilities	-	12,369	-	108,854
Total liabilities	<u>-</u>	<u>12,369</u>	<u>-</u>	<u>108,854</u>
Deferred Inflows of Resources				
Taxes receivable	-	-	94,442	94,442
Prepaid taxes	-	-	6,988	6,988
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>101,430</u>	<u>101,430</u>
Fund Balances				
Restricted				
Stabilization by State Statute	-	-	96,453	293,956
Public Safety	-	-	-	1,670,080
Fire Protection	-	-	1,747,215	1,747,215
Library Endowment	-	-	-	225,206
Scholarship	-	-	-	58,703
Parks Preservation	-	-	-	55,824
Community Development	-	-	-	20,136
Representative Payee	<u>129,304</u>	<u>-</u>	<u>-</u>	<u>129,304</u>
Total fund balances	<u>129,304</u>	<u>-</u>	<u>1,843,668</u>	<u>4,200,424</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 129,304</u>	<u>\$ 12,369</u>	<u>\$ 1,945,098</u>	<u>\$ 4,410,708</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-2

Page 1 of 3

**Fire District Funds
Subcombining Balance Sheet
June 30, 2021**

	Mountain View Fire District Fund	Propst Fire District Fund	St. Stephens Fire District Fund	Conover Rural Fire District Fund	Oxford Fire District Fund
Assets					
Cash and investments	\$ 45,239	\$ 94,365	\$ 97,441	\$ 252,986	\$ 107,894
Taxes receivable - net	4,408	2,601	11,200	3,017	4,261
Due from other governments	7,621	2,948	16,555	1,369	4,769
Interest receivable	36	74	76	198	84
Total assets	<u>57,304</u>	<u>99,988</u>	<u>125,272</u>	<u>257,570</u>	<u>117,008</u>
Liabilities					
Accounts payable and accrued liabilities	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Taxes receivable	4,408	2,601	11,200	3,017	4,261
Prepaid taxes	1	722	737	364	-
Total deferred inflows of resources	<u>4,409</u>	<u>3,323</u>	<u>11,937</u>	<u>3,381</u>	<u>4,261</u>
Fund Balances					
Restricted					
Stabilization by State Statute	7,657	3,022	16,631	1,567	4,853
Fire Protection	<u>45,238</u>	<u>93,643</u>	<u>96,704</u>	<u>252,622</u>	<u>107,894</u>
Total fund balances	<u>52,895</u>	<u>96,665</u>	<u>113,335</u>	<u>254,189</u>	<u>112,747</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 57,304</u>	<u>\$ 99,988</u>	<u>\$ 125,272</u>	<u>\$ 257,570</u>	<u>\$ 117,008</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-2

Page 2 of 3

**Fire District Funds
Subcombining Balance Sheet
June 30, 2021**

	Sherrills Ford Fire District Fund	Bandys Fire District Fund	Maiden Fire District Fund	Claremont Fire District Fund	Catawba Fire District Fund
Assets					
Cash and investments	\$ 451,345	\$ 123,661	\$ 117,866	\$ 78,870	\$ 137,129
Taxes receivable - net	22,509	14,765	4,577	6,788	4,346
Due from other governments	21,745	11,651	3,284	4,521	2,905
Interest receivable	330	95	91	61	106
Total assets	<u>495,929</u>	<u>150,172</u>	<u>125,818</u>	<u>90,240</u>	<u>144,486</u>
Liabilities					
Accounts payable and accrued liabilities	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Taxes receivable	22,509	14,765	4,577	6,788	4,346
Prepaid taxes	918	1,604	1,730	-	-
Total deferred inflows of resources	<u>23,427</u>	<u>16,369</u>	<u>6,307</u>	<u>6,788</u>	<u>4,346</u>
Fund Balances					
Restricted					
Stabilization by State Statute	22,075	11,746	3,375	4,582	3,011
Fire Protection	<u>450,427</u>	<u>122,057</u>	<u>116,136</u>	<u>78,870</u>	<u>137,129</u>
Total fund balances	<u>472,502</u>	<u>133,803</u>	<u>119,511</u>	<u>83,452</u>	<u>140,140</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 495,929</u>	<u>\$ 150,172</u>	<u>\$ 125,818</u>	<u>\$ 90,240</u>	<u>\$ 144,486</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-2

Page 3 of 3

**Fire District Funds
Subcombining Balance Sheet
June 30, 2021**

	Long View Fire District Fund	Newton Rural Fire District Fund	Cooksville Fire District Fund	Hickory Rural Fire District Fund	Total Fire District Funds
Assets					
Cash and investments	\$ 26,887	\$ 80,009	\$ 95,035	\$ 45,476	\$ 1,754,203
Taxes receivable - net	344	6,797	3,016	5,813	94,442
Due from other governments	343	9,434	1,735	6,235	95,115
Interest receivable	21	59	74	33	1,338
Total assets	<u>27,595</u>	<u>96,299</u>	<u>99,860</u>	<u>57,557</u>	<u>1,945,098</u>
Liabilities					
Accounts payable and accrued liabilities	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Taxes receivable	344	6,797	3,016	5,813	94,442
Prepaid taxes	-	801	111	-	6,988
Total deferred inflows of resources	<u>344</u>	<u>7,598</u>	<u>3,127</u>	<u>5,813</u>	<u>101,430</u>
Fund Balances					
Restricted					
Stabilization by State Statute	364	9,493	1,809	6,268	96,453
Fire Protection	<u>26,887</u>	<u>79,208</u>	<u>94,924</u>	<u>45,476</u>	<u>1,747,215</u>
Total fund balances	<u>27,251</u>	<u>88,701</u>	<u>96,733</u>	<u>51,744</u>	<u>1,843,668</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 27,595</u>	<u>\$ 96,299</u>	<u>\$ 99,860</u>	<u>\$ 57,557</u>	<u>\$ 1,945,098</u>



CATAWBA COUNTY, NORTH CAROLINA

Schedule C-3

Page 1 of 4

**Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2021**

	Emergency Telephone System Fund	Narcotics Seized Funds and Property Fund	State Unauthorized Substance Abuse Fund	Narcotics Seized Justice Fund
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental revenues	896,574	-	24,899	16,186
Permits and fees	-	-	-	-
Investment earnings	(403)	2	(27)	175
Miscellaneous	-	-	-	-
Total revenues	<u>896,171</u>	<u>2</u>	<u>24,872</u>	<u>16,361</u>
Expenditures				
Current				
General government	-	-	-	-
Public safety	785,215	-	16,192	16,492
Economic and physical development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Total expenditures	<u>785,215</u>	<u>-</u>	<u>16,192</u>	<u>16,492</u>
Excess of revenue over (under) expenditures	<u>110,956</u>	<u>2</u>	<u>8,680</u>	<u>(131)</u>
Other Financing Sources (Uses)				
Transfers from other funds	4,333	-	-	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	<u>4,333</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	115,289	2	8,680	(131)
Fund Baance, beginning, as previoulsy reported	<u>989,471</u>	<u>41,514</u>	<u>130,388</u>	<u>159,529</u>
Prior period restatement - change in accounting principle	-	-	-	-
Fund Balances - Beginning of Year	<u>989,471</u>	<u>41,514</u>	<u>130,388</u>	<u>159,529</u>
Fund Balances - End of Year	<u>\$ 1,104,760</u>	<u>\$ 41,516</u>	<u>\$ 139,068</u>	<u>\$ 159,398</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-3

Page 2 of 4

**Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2021**

	Narcotics Seized Treasury Fund	Rescue Squads Fund	Library Endowment Fund	Gretchen Peed Scholarship Fund
Revenues				
Ad valorem taxes	\$ -	\$ 844,892	\$ -	\$ -
Restricted intergovernmental revenues	61,656	-	22,828	-
Permits and fees	-	-	-	-
Investment earnings	(124)	(354)	(7)	2
Miscellaneous	-	-	-	-
Total revenues	<u>61,532</u>	<u>844,538</u>	<u>22,821</u>	<u>2</u>
Expenditures				
Current				
General government	-	-	-	-
Public safety	13,471	996,073	-	-
Economic and physical development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	2,884	-
	-	-	-	-
Total expenditures	<u>13,471</u>	<u>996,073</u>	<u>2,884</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>48,061</u>	<u>(151,535)</u>	<u>19,937</u>	<u>2</u>
Other Financing Sources (Uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	48,061	(151,535)	19,937	2
Fund Baance, beginning, as previoulsy reported	<u>36,613</u>	<u>487,746</u>	<u>205,436</u>	<u>58,747</u>
Prior period restatement - change in accounting principle	-	-	-	-
Fund Balances - Beginning of Year	<u>36,613</u>	<u>487,746</u>	<u>205,436</u>	<u>58,747</u>
Fund Balances - End of Year	<u>\$ 84,674</u>	<u>\$ 336,211</u>	<u>\$ 225,373</u>	<u>\$ 58,749</u>

Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2021

	Parks/ Historic Preservation Fund	Community Development Fund	CARES Act Fund	Fines and Forfeitures Fund
Revenues				
Ad valorem taxes	\$ -	\$ -	-	-
Restricted intergovernmental revenues	-	87,500	4,835,971	-
Permits and fees	32,673	-	-	343,423
Investment earnings	(177)	153	10,496	-
Miscellaneous	200	-	-	-
Total revenues	<u>32,696</u>	<u>87,653</u>	<u>4,846,467</u>	<u>343,423</u>
Expenditures				
Current				
General government	-	-	-	-
Public safety	-	-	379,093	-
Economic and physical development	-	87,323	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	342,886
Total expenditures	<u>-</u>	<u>87,323</u>	<u>379,093</u>	<u>342,886</u>
Excess of revenue over (under) expenditures	<u>32,696</u>	<u>330</u>	<u>4,467,374</u>	<u>537</u>
Other Financing Sources (Uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	(4,472,297)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(4,472,297)</u>	<u>-</u>
Net change in fund balance	32,696	330	(4,923)	537
Fund Baance, beginning, as previoulsy reported	<u>23,172</u>	<u>19,991</u>	<u>4,923</u>	<u>-</u>
Prior period restatement - change in accounting principle	-	-	-	977
Fund Balances - Beginning of Year, restated	<u>23,172</u>	<u>19,991</u>	<u>4,923</u>	<u>977</u>
Fund Balances - End of Year	<u>\$ 55,868</u>	<u>\$ 20,321</u>	<u>\$ -</u>	<u>\$ 1,514</u>

Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2021

	Representative Payee Fund	Deed of Trust Fund	Fire District Funds	Total Nonmajor Special Revenue Funds
Revenues				
Ad valorem taxes	-	-	\$ 9,317,405	\$ 10,162,297
Restricted intergovernmental revenues	295,763	-	-	6,241,377
Permits and fees	-	129,363	-	505,459
Investment earnings	-	-	2,397	12,133
Miscellaneous	-	-	-	200
Total revenues	<u>295,763</u>	<u>129,363</u>	<u>9,319,802</u>	<u>16,921,466</u>
Expenditures				
Current				
General government	-	129,363	-	129,363
Public safety	-	-	8,957,212	11,163,748
Economic and physical development	-	-	-	87,323
Human services	270,211	-	-	270,211
Culture and recreation	-	-	-	2,884
Education	-	-	-	342,886
Total expenditures	<u>270,211</u>	<u>129,363</u>	<u>8,957,212</u>	<u>11,996,415</u>
Excess of revenue over (under) expenditures	<u>25,552</u>	<u>-</u>	<u>362,590</u>	<u>4,925,051</u>
Other Financing Sources (Uses)				
Transfers from other funds	-	-	-	4,333
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,472,297)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,467,964)</u>
Net change in fund balance	25,552	-	362,590	457,087
Fund Baance, beginning, as previoulsy reported	<u>-</u>	<u>-</u>	<u>1,481,078</u>	<u>3,638,608</u>
Prior period restatement - change in accounting principle	103,752	-	-	104,729
Fund Balances - Beginning of Year, restated	<u>103,752</u>	<u>-</u>	<u>1,481,078</u>	<u>3,743,337</u>
Fund Balances - End of Year	<u>\$ 129,304</u>	<u>\$ -</u>	<u>\$ 1,843,668</u>	<u>\$ 4,200,424</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-4

Emergency Telephone System Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Restricted intergovernmental revenues				
North Carolina 911 funds	\$ 786,709	\$ 786,709	\$ -	\$ 853,713
North Carolina 911 funds - secondary PSAP	109,865	109,865	-	254,157
Investment earnings	-	(403)	(403)	16,499
Total revenues	<u>896,574</u>	<u>896,171</u>	<u>(403)</u>	<u>1,124,369</u>
Expenditures				
Current				
Public Safety				
Implemental functions	162,500	22,470	140,030	125,503
Telephone and furniture	501,353	281,417	219,936	282,654
Software	211,128	292,282	(81,154)	92,441
Hardware	66,265	72,857	(6,592)	43,947
Training	21,490	6,324	15,166	7,520
Secondary PSAP	109,865	109,865	-	254,157
Miscellaneous	694	-	694	-
Total expenditures	<u>1,073,295</u>	<u>785,215</u>	<u>288,080</u>	<u>806,222</u>
Excess of revenues over (under) expenditures	<u>(176,721)</u>	<u>110,956</u>	<u>287,677</u>	<u>318,147</u>
Other Financing Sources (Uses)				
Transfers from				
General Fund	<u>4,333</u>	<u>4,333</u>	<u>-</u>	<u>-</u>
Transfers to				
General Fund	-	-	-	-
Fund balance appropriated	<u>172,388</u>	<u>-</u>	<u>(172,388)</u>	<u>-</u>
Total other financing sources (uses)	<u>176,721</u>	<u>4,333</u>	<u>(172,388)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>115,289</u>	<u>\$ 115,289</u>	<u>318,147</u>
Fund Balances - Beginning of Year		<u>989,471</u>		<u>671,324</u>
Fund Balances - End of Year		<u>\$ 1,104,760</u>		<u>\$ 989,471</u>

CATAWBA COUNTY, NORTH CAROLINA**Schedule C-4A****Emergency Telephone System Unspent Fund Balance
PSAP Reconciliation
June 30, 2021**

Amounts reported on the Emergency Telephone System Fund- Budget to Actual (Schedule C-4)
are different from the PSAP Revenue-Expenditure Report because:

Net Change in Fund Balance, reported on Budget to Actual Schedule	\$ 115,289
Secondary PSAP Pass Through Funding	
NC 911 Funds	(109,865)
Pass through to Secondary PSAPs	109,865
Corrected 911 expense reported in PSAP Revenue Expenditure Report for prior year	(60)
Ineligible 911 expenses reported in Emergency Telephone System Fund in prior year recovered through transfer from General Fund	<u>(4,333)</u>
Net change in fund balance	<u>110,896</u>
Beginning Balance, PSAP Revenue-Expenditure Report	<u>1,016,372</u>
Ending Balance, PSAP Revenue- Expenditure Report	<u>\$ 1,127,268</u>

Narcotics Seized Funds and Property Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Restricted intergovernmental revenues				
U. S. Treasury				
Asset Forfeitures	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	2	2	897
Total revenues	-	2	2	897
Expenditures				
Current				
Public Safety				
Other operating	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	-	2	2	897
Other Financing Sources (Uses)				
Fund balance appropriated	-	-	-	-
Transfers to				
Other funds	-	-	-	(53,710)
Total other financing sources (uses)	-	-	-	(53,710)
Net change in fund balance	<u>\$ -</u>	2	<u>\$ 2</u>	(52,813)
Fund Balances - Beginning of Year		41,514		94,327
Fund Balances - End of Year		<u>\$ 41,516</u>		<u>\$ 41,514</u>

State Unauthorized Substance Abuse Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2021
 With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Restricted intergovernmental revenues				
Drug Reimbursement	\$ -	\$ 24,899	\$ 24,899	\$ 19,385
Investment earnings	-	(27)	(27)	2,835
Sale of properties	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	24,872	24,872	22,220
Expenditures				
Current				
Public Safety				
Other operating	24,934	16,192	8,742	33,711
Capital outlay	56,000	-	56,000	-
Total expenditures	80,934	16,192	64,742	33,711
Excess of revenues over (under) expenditures	(80,934)	8,680	89,614	(11,491)
Other Financing Sources (Uses)				
Transfers from				
General Fund	-	-	-	-
Fund balance appropriated	80,934	-	(80,934)	-
Total other financing sources (uses)	80,934	-	(80,934)	-
Net change in fund balance	\$ -	8,680	\$ 8,680	(11,491)
Fund Balances - Beginning of Year		130,388		141,879
Fund Balances - End of Year		\$ 139,068		\$ 130,388

Narcotics Federal Seizure Justice Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Restricted intergovernmental revenues				
Asset Forfeitures	\$ -	\$ 16,186	\$ 16,186	\$ 131,925
Investment earnings	-	175	175	800
Total revenues	-	16,361	16,361	132,725
Expenditures				
Current				
Public Safety				
Other operating	17,500	16,492	1,008	1,647
Total expenditures	17,500	16,492	1,008	1,647
Excess of revenues over (under) expenditures	(17,500)	(131)	17,369	131,078
Other Financing Sources (Uses)				
Transfers from				
Other funds	-	-	-	28,451
Fund balance appropriated	17,500	-	(17,500)	-
Total other financing sources (uses)	17,500	-	(17,500)	28,451
Net change in fund balance	\$ -	(131)	\$ (131)	159,529
Fund Balances - Beginning of Year		159,529		-
Fund Balances - End of Year		\$ 159,398		\$ 159,529

Narcotics Federal Seizure Treasury Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Restricted intergovernmental revenues				
Asset Forfeitures	\$ -	\$ 61,656	\$ 61,656	\$ 10,033
Investment earnings	-	(124)	(124)	1,321
Total revenues	-	61,532	61,532	11,354
Expenditures				
Current				
Public Safety				
Other operating	20,000	13,471	6,529	-
Total expenditures	20,000	13,471	6,529	-
Excess of revenues over (under) expenditures	(20,000)	48,061	68,061	11,354
Other Financing Sources (Uses)				
Transfers from				
Other funds	-	-	-	25,259
Fund balance appropriated	20,000	-	(20,000)	-
Total other financing sources (uses)	20,000	-	(20,000)	25,259
Net change in fund balance	\$ -	48,061	\$ 48,061	36,613
Fund Balances - Beginning of Year		36,613		-
Fund Balances - End of Year		\$ 84,674		\$ 36,613

Rescue Squads Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 844,892	\$ 844,892	\$ -	\$ 826,183
Investment earnings	-	(354)	(354)	10,339
Total revenues	<u>844,892</u>	<u>844,538</u>	<u>(354)</u>	<u>836,522</u>
Expenditures				
Public Safety				
Other operating	<u>1,009,136</u>	<u>996,073</u>	<u>13,063</u>	<u>829,522</u>
Total expenditures	<u>1,009,136</u>	<u>996,073</u>	<u>13,063</u>	<u>829,522</u>
Excess of revenues over (under) expenditures	<u>(164,244)</u>	<u>(151,535)</u>	<u>12,709</u>	<u>7,000</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>164,244</u>	<u>-</u>	<u>(164,244)</u>	<u>-</u>
Total other financing sources (uses)	<u>164,244</u>	<u>-</u>	<u>(164,244)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(151,535)</u>	<u>\$ (151,535)</u>	<u>7,000</u>
Fund Balances - Beginning of Year		<u>487,746</u>		<u>480,746</u>
Fund Balances - End of Year		<u>\$ 336,211</u>		<u>\$ 487,746</u>

Library Endowment Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Community Foundation	\$ 3,000	\$ 22,828	\$ 19,828	\$ 4,520
Investment earnings	1,000	(7)	(1,007)	4,362
Total revenues	4,000	22,821	18,821	8,882
	-			
Expenditures				
Culture and recreation				
Other operating	4,000	2,884	1,116	3,995
Total expenditures	4,000	2,884	1,116	3,995
Excess of revenues over (under) expenditures	-	19,937	19,937	4,887
Other Financing Sources (Uses)				
Transfer from other funds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	19,937	\$ 19,937	4,887
Fund Balances - Beginning of Year		205,436		200,549
Fund Balances - End of Year		\$ 225,373		\$ 205,436

Gretchen Peed Scholarship Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Investment earnings	\$ 250	\$ 2	\$ (248)	\$ 1,242
Miscellaneous				
Donations	1,250	-	(1,250)	500
Total revenues	1,500	2	(1,498)	1,742
Expenditures				
Human services				
Scholarship awards	1,500	-	1,500	-
Total expenditures	1,500	-	1,500	-
Excess of revenues over (under) expenditures	-	2	2	1,742
Other Financing Sources (Uses)				
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	2	\$ 2	1,742
Fund Balances - Beginning of Year		58,747		57,005
Fund Balances - End of Year		\$ 58,749		\$ 58,747

Parks/Historic Preservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Intergovernmental revenue				
State grants	\$ -	\$ -	\$ -	\$ 250,000
Licenses and permits				
Developer fee	-	32,673	32,673	14,500
Investment earnings	-	(177)	(177)	1,239
Miscellaneous				
Miscellaneous	-	200	200	1,900
Total revenues	<u>-</u>	<u>32,696</u>	<u>32,696</u>	<u>267,639</u>
Expenditures				
Economic and physical development				
Other operating	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>250,000</u>
Total expenditures	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>250,000</u>
Excess of revenues over (under) expenditures	<u>(5,000)</u>	<u>32,696</u>	<u>37,696</u>	<u>17,639</u>
-				
Other Financing Sources (Uses)				
Fund balance appropriated	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Total other financing sources (uses)	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>32,696</u>	<u>\$ 32,696</u>	<u>17,639</u>
Fund Balances - Beginning of Year		<u>23,172</u>		<u>5,533</u>
Fund Balances - End of Year		<u>\$ 55,868</u>		<u>\$ 23,172</u>

Community Development Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2021

NC Housing Trust Fund (NCHFA) 2019 Urgent Repair Program (URP 1901)	Project Authorization	Actual			
		Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Restricted intergovernmental revenues	\$ 75,000	\$ 37,500	\$ 37,500	\$ 75,000	\$ -
Investment earnings	-	607	55	662	662
Total revenues	75,000	38,107	37,555	75,662	-
Expenditures					
Economic and physical development					
Administration	12,000	-	9,469	9,469	2,531
Rehabilitation	63,000	18,116	48,077	66,193	(3,193)
Total expenditures	75,000	18,116	57,546	75,662	(662)
Excess of revenues over (under) expenditures	-	19,991	(19,991)	-	-
Other Financing Sources (Uses)					
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 19,991	(19,991)	\$ -	\$ -
Fund Balances - Beginning of Year			19,991		
Fund Balances - End of Year			\$ -		

NC Housing Trust Fund (NCHFA) 2020 Urgent Repair Program (URP 2002)	Project Authorization	Actual			
		Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Restricted intergovernmental revenues	\$ 100,000	\$ -	\$ 50,000	\$ 50,000	\$ (50,000)
Investment earnings	-	-	98	98	98
Total revenues	100,000	-	50,098	50,098	(50,000)
Expenditures					
Economic and physical development					
Administration	14,000	-	-	-	14,000
Rehabilitation	86,000	-	29,777	29,777	56,223
Total expenditures	100,000	-	29,777	29,777	70,223
Excess of revenues over (under) expenditures	-	-	20,321	20,321	20,321
Other Financing Sources (Uses)					
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	20,321	\$ 20,321	\$ 20,321
Fund Balances - Beginning of Year			-		
Fund Balances - End of Year			\$ 20,321		

Coronavirus Aid, Relief and Economic Security (CARES) Act Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2021
 With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Intergovernmental revenue				
Federal grants	\$ 5,927,085	\$ 4,835,971	1,091,114	1,106,533
Investment earnings	15,419	10,496	(4,923)	4,923
Total revenues	<u>5,942,504</u>	<u>4,846,467</u>	<u>1,086,191</u>	<u>1,111,456</u>
Expenditures				
Public Safety				
Other operating	<u>1,470,207</u>	<u>379,093</u>	<u>1,091,114</u>	<u>1,106,533</u>
Total expenditures	<u>1,470,207</u>	<u>379,093</u>	<u>1,091,114</u>	<u>1,106,533</u>
Excess of revenues over (under) expenditures	<u>4,472,297</u>	<u>4,467,374</u>	<u>(4,923)</u>	<u>4,923</u>
Other Financing Sources (Uses)				
Transfers to				
General Fund	(4,472,297)	(4,472,297)	-	-
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(4,472,297)</u>	<u>(4,472,297)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	(4,923)	<u>\$ (4,923)</u>	4,923
Fund Balances - Beginning of Year		<u>4,923</u>		<u>-</u>
Fund Balances - End of Year		<u>\$ -</u>		<u>\$ 4,923</u>

Fines and Forfeitures Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Sales and services				
Penalties, fines and forfeitures	\$ 575,700	343,423	232,277	-
Investment earnings	-	-	-	\$ -
Total revenues	<u>575,700</u>	<u>343,423</u>	<u>232,277</u>	<u>-</u>
Expenditures				
Education				
Payments of penalties, fines and forfeitures to local Boards of Education	<u>575,700</u>	<u>342,886</u>	<u>232,814</u>	<u>-</u>
Total expenditures	<u>575,700</u>	<u>342,886</u>	<u>232,814</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>537</u>	<u>537</u>	<u>-</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>537</u>	<u>537</u>	<u>\$ -</u>
Fund Balance, beginning, as previously reported		-		-
Prior period restatement - change in accounting principle		<u>977</u>		<u>-</u>
Fund Balances - Beginning of Year, restated		<u>977</u>		<u>-</u>
Fund Balances - End of Year		<u>\$ 1,514</u>		<u>\$ -</u>

Representative Payee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Intergovernmental revenue				
Representative payee funds	\$ 400,000	295,763	104,237	
Investment earnings	-	-	-	\$ -
Total revenues	400,000	295,763	104,237	-
Expenditures				
Human Services				
Payments made for the benefit of beneficiaries	400,000	270,211	129,789	-
Total expenditures	400,000	270,211	129,789	-
Excess of revenues over (under) expenditures	-	25,552	25,552	-
Other Financing Sources (Uses)				
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	25,552	25,552	\$ -
Fund Balance, beginning, as previously reported		-		
Prior period restatement - change in accounting principle		103,752		-
Fund Balances - Beginning of Year as restated		103,752		-
Fund Balances - End of Year		\$ 129,304		\$ -

Deed of Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Permits and fees				
Register of Deeds	\$ 125,000	129,363	(4,363)	-
Investment earnings	-	-	-	\$ -
Total revenues	<u>125,000</u>	<u>129,363</u>	<u>(4,363)</u>	<u>-</u>
Expenditures				
General Government				
Payment of fees collected to the State of North Carolina	<u>125,000</u>	<u>129,363</u>	<u>(4,363)</u>	<u>-</u>
Total expenditures	<u>125,000</u>	<u>129,363</u>	<u>(4,363)</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances - Beginning of Year		<u>-</u>		<u>-</u>
Fund Balances - End of Year		<u>\$ -</u>		<u>\$ -</u>



CATAWBA COUNTY, NORTH CAROLINA

Schedule C-18

Page 1 of 3

Fire District Funds
Subcombining Schedule of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2021

	Mountain View Fire District Fund	Propst Fire District Fund	St. Stephens Fire District Fund	Conover Rural Fire District Fund	Oxford Fire District Fund
Revenues					
Ad valorem taxes	\$ 603,129	\$ 244,743	\$ 1,223,004	\$ 131,117	\$ 363,206
Investment earnings	177	62	333	(88)	105
Total revenues	<u>603,306</u>	<u>244,805</u>	<u>1,223,337</u>	<u>131,029</u>	<u>363,311</u>
Expenditures					
Current					
Public safety	<u>601,452</u>	<u>246,047</u>	<u>1,208,679</u>	<u>-</u>	<u>343,990</u>
Total expenditures	<u>601,452</u>	<u>246,047</u>	<u>1,208,679</u>	<u>-</u>	<u>343,990</u>
Excess of revenue over (under) expenditures	<u>1,854</u>	<u>(1,242)</u>	<u>14,658</u>	<u>131,029</u>	<u>19,321</u>
Other Financing Sources (Uses)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	1,854	(1,242)	14,658	131,029	19,321
Fund Balances - Beginning of Year	<u>51,041</u>	<u>97,907</u>	<u>98,677</u>	<u>123,160</u>	<u>93,426</u>
Fund Balances - End of Year	<u>\$ 52,895</u>	<u>\$ 96,665</u>	<u>\$ 113,335</u>	<u>\$ 254,189</u>	<u>\$ 112,747</u>

Fire District Funds

Subcombining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2021

	Sherrills Ford Fire District Fund	Bandys Fire District Fund	Maiden Fire District Fund	Claremont Fire District Fund	Catawba Fire District Fund
Revenues					
Ad valorem taxes	\$ 3,281,664	\$ 891,867	\$ 256,462	\$ 396,746	\$ 281,449
Investment earnings	869	304	22	130	74
Total revenues	<u>3,282,533</u>	<u>892,171</u>	<u>256,484</u>	<u>396,876</u>	<u>281,523</u>
Expenditures					
Current					
Public safety	<u>3,065,387</u>	<u>848,873</u>	<u>319,577</u>	<u>376,953</u>	<u>260,210</u>
Total expenditures	<u>3,065,387</u>	<u>848,873</u>	<u>319,577</u>	<u>376,953</u>	<u>260,210</u>
Excess of revenue over (under) expenditures	<u>217,146</u>	<u>43,298</u>	<u>(63,093)</u>	<u>19,923</u>	<u>21,313</u>
Other Financing Sources (Uses)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	217,146	43,298	(63,093)	19,923	21,313
Fund Balances - Beginning of Year	<u>255,356</u>	<u>90,505</u>	<u>182,604</u>	<u>63,529</u>	<u>118,827</u>
Fund Balances - End of Year	<u>\$ 472,502</u>	<u>\$ 133,803</u>	<u>\$ 119,511</u>	<u>\$ 83,452</u>	<u>\$ 140,140</u>

Fire District Funds

Subcombining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2021

	Long View Fire District Fund	Newton Rural Fire District Fund	Cooksville Fire District Fund	Hickory Rural Fire District Fund	Total Fire District Funds
Revenues					
Ad valorem taxes	\$ 35,501	\$ 767,610	\$ 134,730	\$ 706,177	\$ 9,317,405
Investment earnings	10	181	30	188	2,397
Total revenues	<u>35,511</u>	<u>767,791</u>	<u>134,760</u>	<u>706,365</u>	<u>9,319,802</u>
Expenditures					
Current					
Public safety	<u>31,511</u>	<u>813,378</u>	<u>122,538</u>	<u>718,617</u>	<u>8,957,212</u>
Total expenditures	<u>31,511</u>	<u>813,378</u>	<u>122,538</u>	<u>718,617</u>	<u>8,957,212</u>
Excess of revenue over (under) expenditures	<u>4,000</u>	<u>(45,587)</u>	<u>12,222</u>	<u>(12,252)</u>	<u>362,590</u>
Other Financing Sources (Uses)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	4,000	(45,587)	12,222	(12,252)	362,590
Fund Balances - Beginning of Year	<u>23,251</u>	<u>134,288</u>	<u>84,511</u>	<u>63,996</u>	<u>1,481,078</u>
Fund Balances - End of Year	<u>\$ 27,251</u>	<u>\$ 88,701</u>	<u>\$ 96,733</u>	<u>\$ 51,744</u>	<u>\$ 1,843,668</u>

Mountain View Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 580,484	\$ 603,129	\$ 22,645	\$ 584,211
Investment earnings	-	177	177	1,446
Total revenues	<u>580,484</u>	<u>603,306</u>	<u>22,822</u>	<u>585,657</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>601,452</u>	<u>601,452</u>	<u>-</u>	<u>591,283</u>
Total expenditures	<u>601,452</u>	<u>601,452</u>	<u>-</u>	<u>591,283</u>
Excess of revenues over (under) expenditures	<u>(20,968)</u>	<u>1,854</u>	<u>22,822</u>	<u>(5,626)</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>20,968</u>	<u>-</u>	<u>(20,968)</u>	<u>-</u>
Total other financing sources (uses)	<u>20,968</u>	<u>-</u>	<u>(20,968)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>1,854</u>	<u>\$ 1,854</u>	<u>(5,626)</u>
Fund Balances - Beginning of Year		<u>51,041</u>		<u>56,667</u>
Fund Balances - End of Year		<u>\$ 52,895</u>		<u>\$ 51,041</u>

Propst Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 231,047	\$ 244,743	\$ 13,696	\$ 236,676
Investment earnings	-	62	62	2,258
Total revenues	<u>231,047</u>	<u>244,805</u>	<u>13,758</u>	<u>238,934</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>246,047</u>	<u>246,047</u>	<u>-</u>	<u>226,871</u>
Total expenditures	<u>246,047</u>	<u>246,047</u>	<u>-</u>	<u>226,871</u>
Excess of revenues over (under) expenditures	<u>(15,000)</u>	<u>(1,242)</u>	<u>13,758</u>	<u>12,063</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(1,242)</u>	<u>\$ (1,242)</u>	<u>12,063</u>
Fund Balances - Beginning of Year		<u>97,907</u>		<u>85,844</u>
Fund Balances - End of Year		<u>\$ 96,665</u>		<u>\$ 97,907</u>

St. Stephens Fire District Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2021
 With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 1,172,403	\$ 1,223,004	\$ 50,601	\$ 1,182,171
Investment earnings	-	333	333	2,768
Total revenues	<u>1,172,403</u>	<u>1,223,337</u>	<u>50,934</u>	<u>1,184,939</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>1,208,679</u>	<u>1,208,679</u>	<u>-</u>	<u>1,174,768</u>
Total expenditures	<u>1,208,679</u>	<u>1,208,679</u>	<u>-</u>	<u>1,174,768</u>
Excess of revenues over (under) expenditures	<u>(36,276)</u>	<u>14,658</u>	<u>50,934</u>	<u>10,171</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>36,276</u>	<u>-</u>	<u>(36,276)</u>	<u>-</u>
Total other financing sources (uses)	<u>36,276</u>	<u>-</u>	<u>(36,276)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>14,658</u>	<u>\$ 14,658</u>	<u>10,171</u>
Fund Balances - Beginning of Year		<u>98,677</u>		<u>88,506</u>
Fund Balances - End of Year		<u>113,335</u>		<u>98,677</u>

Conover Rural Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 126,621	\$ 131,117	\$ 4,496	\$ 128,465
Investment earnings	-	(88)	(88)	4,275
Total revenues	<u>126,621</u>	<u>131,029</u>	<u>4,408</u>	<u>132,740</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>126,621</u>	<u>-</u>	<u>126,621</u>	<u>567,554</u>
Total expenditures	<u>126,621</u>	<u>-</u>	<u>126,621</u>	<u>567,554</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>131,029</u>	<u>131,029</u>	<u>(434,814)</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>131,029</u>	<u>\$ 131,029</u>	<u>(434,814)</u>
Fund Balances - Beginning of Year		<u>123,160</u>		<u>557,974</u>
Fund Balances - End of Year		<u>\$ 254,189</u>		<u>\$ 123,160</u>

Oxford Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 343,990	\$ 363,206	\$ 19,216	\$ 349,810
Investment earnings	-	105	105	2,269
Total revenues	<u>343,990</u>	<u>363,311</u>	<u>19,321</u>	<u>352,079</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>343,990</u>	<u>343,990</u>	<u>-</u>	<u>336,822</u>
Total expenditures	<u>343,990</u>	<u>343,990</u>	<u>-</u>	<u>336,822</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>19,321</u>	<u>19,321</u>	<u>15,257</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>19,321</u>	<u>\$ 19,321</u>	<u>15,257</u>
Fund Balances - Beginning of Year		<u>93,426</u>		<u>78,169</u>
Fund Balances - End of Year		<u>\$ 112,747</u>		<u>\$ 93,426</u>

Sherrills Ford Fire District Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2021
 With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 3,065,387	\$ 3,281,664	\$ 216,277	\$ 3,073,086
Investment earnings	-	869	869	7,794
Total revenues	<u>3,065,387</u>	<u>3,282,533</u>	<u>217,146</u>	<u>3,080,880</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>3,065,387</u>	<u>3,065,387</u>	<u>-</u>	<u>3,209,371</u>
Total expenditures	<u>3,065,387</u>	<u>3,065,387</u>	<u>-</u>	<u>3,209,371</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>217,146</u>	<u>217,146</u>	<u>(128,491)</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>217,146</u>	<u>\$ 217,146</u>	<u>(128,491)</u>
Fund Balances - Beginning of Year		<u>255,356</u>		<u>383,847</u>
Fund Balances - End of Year		<u>\$ 472,502</u>		<u>\$ 255,356</u>

Bandys Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 848,873	\$ 891,867	\$ 42,994	\$ 594,540
Investment earnings	-	304	304	2,088
Total revenues	<u>848,873</u>	<u>892,171</u>	<u>43,298</u>	<u>596,628</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>848,873</u>	<u>848,873</u>	<u>-</u>	<u>646,910</u>
Total expenditures	<u>848,873</u>	<u>848,873</u>	<u>-</u>	<u>646,910</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>43,298</u>	<u>43,298</u>	<u>(50,282)</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>43,298</u>	<u>\$ 43,298</u>	<u>(50,282)</u>
Fund Balances - Beginning of Year		<u>90,505</u>		<u>140,787</u>
Fund Balances - End of Year		<u>\$ 133,803</u>		<u>\$ 90,505</u>

Maiden Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 239,577	\$ 256,462	\$ 16,885	\$ 244,509
Investment earnings	-	22	22	4,071
Total revenues	<u>239,577</u>	<u>256,484</u>	<u>16,907</u>	<u>248,580</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>319,577</u>	<u>319,577</u>	<u>-</u>	<u>235,463</u>
Total expenditures	<u>319,577</u>	<u>319,577</u>	<u>-</u>	<u>235,463</u>
Excess of revenues over (under) expenditures	<u>(80,000)</u>	<u>(63,093)</u>	<u>16,907</u>	<u>13,117</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>80,000</u>	<u>-</u>	<u>(80,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>80,000</u>	<u>-</u>	<u>(80,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(63,093)</u>	<u>\$ (63,093)</u>	<u>13,117</u>
Fund Balances - Beginning of Year		<u>182,604</u>		<u>169,487</u>
Fund Balances - End of Year		<u>\$ 119,511</u>		<u>\$ 182,604</u>

Claremont Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 376,953	\$ 396,746	\$ 19,793	\$ 319,545
Investment earnings	-	130	130	1,487
Total revenues	<u>376,953</u>	<u>396,876</u>	<u>19,923</u>	<u>321,032</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>376,953</u>	<u>376,953</u>	<u>-</u>	<u>298,672</u>
Total expenditures	<u>376,953</u>	<u>376,953</u>	<u>-</u>	<u>298,672</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>19,923</u>	<u>19,923</u>	<u>22,360</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>19,923</u>	<u>\$ 19,923</u>	<u>22,360</u>
Fund Balances - Beginning of Year		<u>63,529</u>		<u>41,169</u>
Fund Balances - End of Year		<u>\$ 83,452</u>		<u>\$ 63,529</u>

Catawba Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 260,210	\$ 281,449	\$ 21,239	\$ 266,099
Investment earnings	-	74	74	2,717
Total revenues	<u>260,210</u>	<u>281,523</u>	<u>21,313</u>	<u>268,816</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>260,210</u>	<u>260,210</u>	<u>-</u>	<u>253,079</u>
Total expenditures	<u>260,210</u>	<u>260,210</u>	<u>-</u>	<u>253,079</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>21,313</u>	<u>21,313</u>	<u>15,737</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>21,313</u>	<u>\$ 21,313</u>	<u>15,737</u>
Fund Balances - Beginning of Year		<u>118,827</u>		<u>103,090</u>
Fund Balances - End of Year		<u>\$ 140,140</u>		<u>\$ 118,827</u>

Long View Fire District Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2021
 With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 31,511	\$ 35,501	\$ 3,990	\$ 31,940
Investment earnings	-	10	10	529
Total revenues	<u>31,511</u>	<u>35,511</u>	<u>4,000</u>	<u>32,469</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>31,511</u>	<u>31,511</u>	<u>-</u>	<u>30,839</u>
Total expenditures	<u>31,511</u>	<u>31,511</u>	<u>-</u>	<u>30,839</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>4,000</u>	<u>4,000</u>	<u>1,630</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>4,000</u>	<u>\$ 4,000</u>	<u>1,630</u>
Fund Balances - Beginning of Year		<u>23,251</u>		<u>21,621</u>
Fund Balances - End of Year		<u>\$ 27,251</u>		<u>\$ 23,251</u>

Newton Rural Fire District Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2021
 With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 728,378	\$ 767,610	\$ 39,232	\$ 684,493
Investment earnings	-	181	181	3,351
Total revenues	<u>728,378</u>	<u>767,791</u>	<u>39,413</u>	<u>687,844</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>813,378</u>	<u>813,378</u>	<u>-</u>	<u>655,749</u>
Total expenditures	<u>813,378</u>	<u>813,378</u>	<u>-</u>	<u>655,749</u>
Excess of revenues over (under) expenditures	<u>(85,000)</u>	<u>(45,587)</u>	<u>39,413</u>	<u>32,095</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>85,000</u>	<u>-</u>	<u>(85,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>85,000</u>	<u>-</u>	<u>(85,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(45,587)</u>	<u>\$ (45,587)</u>	<u>32,095</u>
Fund Balances - Beginning of Year		<u>134,288</u>		<u>102,193</u>
Fund Balances - End of Year		<u>\$ 88,701</u>		<u>\$ 134,288</u>

Cooksville Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 122,538	\$ 134,730	\$ 12,192	\$ 127,061
Investment earnings	-	30	30	1,925
Total revenues	<u>122,538</u>	<u>134,760</u>	<u>12,222</u>	<u>128,986</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>122,538</u>	<u>122,538</u>	<u>-</u>	<u>122,474</u>
Total expenditures	<u>122,538</u>	<u>122,538</u>	<u>-</u>	<u>122,474</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>12,222</u>	<u>12,222</u>	<u>6,512</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>12,222</u>	<u>\$ 12,222</u>	<u>6,512</u>
Fund Balances - Beginning of Year		<u>84,511</u>		<u>77,999</u>
Fund Balances - End of Year		<u>\$ 96,733</u>		<u>\$ 84,511</u>

Hickory Rural Fire District Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2021
 With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 677,869	\$ 706,177	\$ 28,308	\$ 687,579
Investment earnings	-	188	188	1,950
Total revenues	<u>677,869</u>	<u>706,365</u>	<u>28,496</u>	<u>689,529</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>718,617</u>	<u>718,617</u>	<u>-</u>	<u>675,174</u>
Total expenditures	<u>718,617</u>	<u>718,617</u>	<u>-</u>	<u>675,174</u>
Excess of revenues over (under) expenditures	<u>(40,748)</u>	<u>(12,252)</u>	<u>28,496</u>	<u>14,355</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>40,748</u>	<u>-</u>	<u>(40,748)</u>	<u>-</u>
Total other financing sources (uses)	<u>40,748</u>	<u>-</u>	<u>(40,748)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(12,252)</u>	<u>\$ (12,252)</u>	<u>14,355</u>
Fund Balances - Beginning of Year		<u>63,996</u>		<u>49,641</u>
Fund Balances - End of Year		<u>\$ 51,744</u>		<u>\$ 63,996</u>

Capital Projects Funds

To account for financial resources to be used for the acquisition or construction of major capital projects.

Non Major Funds

General Capital Projects Fund -

To account for the financing and construction of major general government capital projects.

School Capital Projects Fund -

To account for the financing and construction of major capital projects for the three school systems and community college in the County.

School Construction Fund -

To account for the financing and construction of major capital projects for the three school systems and community college in the County.

Hospital Capital Reserve Fund -

To account for the accumulation of funds for the financing and construction of major capital projects for Catawba Valley Medical Center.

Nonmajor Capital Projects Funds
Combining Balance Sheet
June 30, 2021

	General Capital Projects Fund	School Capital Fund	School Construction Fund	Hospital Capital Reserve Fund	Total Nonmajor Capital Projects Fund
Assets					
Cash and investments	\$ 13,854,201	\$ 8,905,218	11,893,949	\$ 2,807,987	\$ 37,461,355
Due from other governments	622,715	2,414,213	132,470	-	3,169,398
Other receivables	14,472	-	-	-	14,472
Interest receivables	10,624	7,086	9,809	2,225	29,744
Restricted cash and investments	5,022,380	-	5,795,919	-	10,818,299
Total assets	<u>19,524,392</u>	<u>11,326,517</u>	<u>17,832,147</u>	<u>2,810,212</u>	<u>51,493,268</u>
Liabilities					
Accounts payable and accrued liabilities	695,909	444,939	1,651,696	-	2,792,544
Total liabilities	<u>695,909</u>	<u>444,939</u>	<u>1,651,696</u>	<u>-</u>	<u>2,792,544</u>
Fund Balance					
Restricted					
Stabilization by State Statute	6,334,358	2,421,299	142,279	2,225	8,900,161
School Construction		-	5,795,919	-	5,795,919
Hospital Capital		-	-	2,807,987	2,807,987
General Capital	5,022,380				5,022,380
Committed					
School Capital		8,460,279	-	-	8,460,279
School Construction		-	10,242,253	-	10,242,253
General Capital	7,471,745	-	-	-	7,471,745
Unassigned	-	-	-	-	-
Total fund balances	<u>18,828,483</u>	<u>10,881,578</u>	<u>16,180,451</u>	<u>2,810,212</u>	<u>48,700,724</u>
Total liabilities and fund balances	<u>\$ 19,524,392</u>	<u>\$ 11,326,517</u>	<u>\$ 17,832,147</u>	<u>\$ 2,810,212</u>	<u>\$ 51,493,268</u>

Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2021

	General Capital Projects Fund	School Capital Fund	School Construction Fund	Hospital Capital Reserve Fund	Total Nonmajor Capital Projects Fund
Revenues					
Other taxes	\$ 1,136,436	\$ 7,251,304	\$ -	\$ -	\$ 8,387,740
Restricted intergovernmental revenues	14,472	-	-	-	14,472
Investment earnings	1,099	13	(847)	(125)	140
Total revenues	<u>1,152,007</u>	<u>7,251,317</u>	<u>(847)</u>	<u>(125)</u>	<u>8,402,352</u>
Expenditures					
Capital outlay	<u>11,530,722</u>	<u>7,034,770</u>	<u>11,642,711</u>	<u>-</u>	<u>30,208,203</u>
Total expenditures	<u>11,530,722</u>	<u>7,034,770</u>	<u>11,642,711</u>	<u>-</u>	<u>30,208,203</u>
Excess of revenues over (under) expenditures	<u>(10,378,715)</u>	<u>216,547</u>	<u>(11,643,558)</u>	<u>(125)</u>	<u>(21,805,851)</u>
Other Financing Sources (Uses)					
Transfers from other funds	8,922,996	-	400,000	-	9,322,996
Transfers to other funds	-	(50,000)	-	(500,000)	(550,000)
Installment purchase issued	<u>-</u>	<u>-</u>	<u>18,550,000</u>	<u>-</u>	<u>18,550,000</u>
Total other financing sources (uses)	<u>8,922,996</u>	<u>(50,000)</u>	<u>18,950,000</u>	<u>(500,000)</u>	<u>27,322,996</u>
Net change in fund balance	(1,455,719)	166,547	7,306,442	(500,125)	5,517,145
Fund Balances - Beginning of Year	<u>20,284,202</u>	<u>10,715,031</u>	<u>8,874,009</u>	<u>3,310,337</u>	<u>43,183,579</u>
Fund Balances - End of Year	<u>\$ 18,828,483</u>	<u>\$ 10,881,578</u>	<u>\$ 16,180,451</u>	<u>\$ 2,810,212</u>	<u>\$ 48,700,724</u>

General Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2021

		<u>Actual</u>			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Over/Under</u>
Revenues					
Other Taxes					
Sales Taxes - Article 46-one quarter of one percent	\$ 2,451,902	\$ 1,626,572	1,136,436	\$ 2,763,008	\$ 311,106
Restricted intergovernmental revenues					
Municipalities Grants	15,552	-	14,472	14,472	(1,080)
County Grants	-	207,925	-	207,925	207,925
NC PARTF Grant	414,109	414,109	-	414,109	-
Investment earnings	293,412	5,003,948	1,099	5,005,047	4,711,635
Miscellaneous					
Donations	100,000	-	-	-	(100,000)
Duke Energy	355,600	355,600	-	355,600	-
Miscellaneous	246,314	357,474	-	357,474	111,160
Park Donations	518,685	618,685	-	618,685	100,000
Rental - Jail Beds	4,343,055	4,687,752	-	4,687,752	344,697
Rental - Lifeskills	69,928	123,760	-	123,760	53,832
Total revenues	<u>8,808,557</u>	<u>13,395,825</u>	<u>1,152,007</u>	<u>14,547,832</u>	<u>5,739,275</u>
Expenditures					
Capital outlay					
Agriculture Resource Center Renovation	100,000	-	-	-	100,000
Elections Office Renovation	2,089,957	2,046,538	30,589	2,077,127	12,830
Communications Infrastructure	547,146	434,377	109,982	544,359	2,787
Economic Development	1,110,443	107,238	989,545	1,096,783	13,660
Future EMS Base	5,000,000	-	-	-	5,000,000
Future Unspecified Projects	49,865	-	-	-	49,865
General Renovations	523,400	233,871	190,210	424,081	99,319
Government Center Complex Improvements	1,787,450	813,160	891,540	1,704,700	82,750
Jail Expansion	33,114,432	28,411,275	3,909,268	32,320,543	793,889
Library Technology	226,249	133,333	14,875	148,208	78,041
Lifeskills Building Maintenance	69,928	-	-	-	69,928
Mountain Creek Park	9,708,600	1,862,529	2,620,970	4,483,499	5,225,101
Multi-jurisdictional Data Park	2,600,000	2,341,635	-	2,341,635	258,365
Newton EMS Base	217,680	-	26,892	26,892	190,788
Oblique Photography	383,020	318,280	60,050	378,330	4,690
Park Improvements	580,555	465,948	1,276	467,224	113,331
Park Improvements - Riverbend	614,109	439,973	-	439,973	174,136
Permitting/Inspections System	1,320,000	806,838	-	806,838	513,162
Public Safety	572,000	295,469	-	295,469	276,531
Public Safety Software System	650,000	138,669	254,088	392,757	257,243
Roofing Projects	1,636,727	518,959	19,196	538,155	1,098,572
Server & Desktop Applications	1,482,000	899,380	455,576	1,354,956	127,044
Technology Infrastructure Upgrades	1,990,000	1,231,869	513,339	1,745,208	244,792

CATAWBA COUNTY, NORTH CAROLINA

Schedule D-3

Page 2 of 2

General Capital Projects Fund
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2021**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Trivium Corporate Center	9,373,151	5,246,939	1,443,326	6,690,265	2,682,886
Total expenditures	75,746,712	46,746,280	11,530,722	58,277,002	17,469,710
Excess of revenues over (under) expenditures	(66,938,155)	(33,350,455)	(10,378,715)	(43,729,170)	23,208,985
Other Financing Sources (Uses)					
Transfers from					
General Fund	29,424,626	21,201,630	8,222,996	29,424,626	-
General Capital Reserve Fund	632,534	632,534	-	632,534	-
Emergency Telephone Fund Transfer	282,752	282,752	-	282,752	-
Park Preservation Fund	49,000	49,000	-	49,000	-
Water and Sewer Capital	700,000	-	700,000	700,000	-
Transfers to					
General Fund	(181,259)	(181,259)	-	(181,259)	-
Schools Capital Projects Fund	(750,000)	(750,000)	-	(750,000)	-
Department of Commerce loan issued (Grant 12-L-2401)	2,600,000	2,600,000	-	2,600,000	-
Bonds issued	29,788,560	26,618,280	-	26,618,280	(3,170,280)
Premium on bonds issued	-	3,181,720	-	3,181,720	3,181,720
Fund balance appropriated	4,391,942	-	-	-	(4,391,942)
Total other financing sources (uses)	66,938,155	53,634,657	8,922,996	62,557,653	(4,380,502)
Net change in fund balance	\$ -	\$ 20,284,202	(1,455,719)	\$ 18,828,483	\$ 18,828,483
Fund Balances - Beginning of Year			20,284,202		
Fund Balances - End of Year			\$ 18,828,483		

CATAWBA COUNTY, NORTH CAROLINA

Schedule D-4

Page 1 of 2

School Capital Projects Fund
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2021**

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Other taxes					
Sales Taxes-Article 40	\$ 662,242	\$ 502,325.00	\$ 896,945	\$ 1,399,270	\$ 737,028
Sales Taxes-Article 42	18,159,819	18,491,722	6,354,359	24,846,081	6,686,262
Investment earnings	1,075,367	4,193,234	13	4,193,247	3,117,880
Total revenues	19,897,428	23,187,281	7,251,317	30,438,598	10,541,170
Expenditures					
Capital outlay					
Catawba County Schools					
Activity Buses	65,000	-	-	-	65,000
Athletic Field Improvements	750,000	650,000	-	650,000	100,000
Bandys High School Renovations	1,345,000	1,003,662	265,274	1,268,936	76,064
Bunker Hill High School Renovations	949,175	709,503	32,380	741,883	207,292
Camera Security/Electrical Doors	1,435,000	1,185,000	247,656	1,432,656	2,344
Capital Projects Manager	35,809	-	35,809	35,809	-
Challenger High School Renovation	75,000	26,573	48,427	75,000	-
Clyde Campbell Renovation	420,000	418,080	1,920	420,000	-
Fire Alarm Upgrades	1,214,000	476,228	150,433	626,661	587,339
Fred T Foard Renovations	615,252	160,566	448,206	608,772	6,480
HVAC Controls System Upgrade	3,979,827	3,569,046	305,308	3,874,354	105,473
Lead Testing	150,000	-	6,480	6,480	143,520
Lighting Replacements	595,000	181,854	115,573	297,427	297,573
Lyle Creek Elementary Renovations	60,000	-	60,000	60,000	-
Maiden Middle School Renovations	352,027	130,716	17,443	148,159	203,868
Metal Roofing	64,000	-	38,413	38,413	25,587
Painting Systemwide	470,000	193,104	139,517	332,621	137,379
Paving Systemwide	347,583	-	347,583	347,583	-
Per Capita Allocation	830,856	-	830,856	830,856	-
Plumbing Replacement Systemwide	394,910	330,940	41,769	372,709	22,201
Project Planning	80,000	-	33,021	33,021	46,979
Roofing Projects	1,969,000	1,144,855	83,309	1,228,164	740,836
Tennis Courts	197,165	-	197,165	197,165	-
Track Improvements Systemwide	457,532	287,535	123,607	411,142	46,390
Total Catawba County Schools	16,852,136	10,467,662	3,570,149	14,037,811	2,814,325
Catawba Valley Community College					
Cosmetology Center	106,000	-	98,859	98,859	7,141
HVAC Replacement	95,000	-	15,692	15,692	79,308
Project Manager	54,602	-	54,602	54,602	-
Stream Bank Restoration Project	2,500,000	97,281	1,423,189	1,520,470	979,530
Total Catawba Valley Community College	2,755,602	97,281	1,592,342	1,689,623	1,065,979

CATAWBA COUNTY, NORTH CAROLINA

Schedule D-4

Page 2 of 2

School Capital Projects Fund
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2021**

	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
Hickory Public Schools					
Cafeteria Tables	130,000	130,000	-	130,000	-
Hickory Career Arts Magnet	50,000	45,661	-	45,661	4,339
Hickory High School Renovation	1,033,115	372,734	423,572	796,306	236,809
HVAC Controls Upgrades	155,000	149,108	-	149,108	5,892
Jenkins Elementary Renovation	255,000	55,930	183,037	238,967	16,033
Maintenance Vehicle	72,000	65,802	480	66,282	5,718
Northview Renovations	259,242	147,940	111,302	259,242	-
Oakwood Elementary Renovations	110,000	-	81,855	81,855	28,145
Per Capita Allocation	163,928	-	163,928	163,928	-
Rekeying Locks	141,000	141,000	-	141,000	-
Southwest Elementary HVAC	540,000	534,583	1,906	536,489	3,511
Southwest Elementary Mechanical Upgrades	215,000	214,926	-	214,926	74
Southwest Renovations	58,698	-	4,201	4,201	54,497
Technology Upgrades	35,000	22,427	2,935	25,362	9,638
Telecommunication Systems	40,000	18,832	-	18,832	21,168
Total Hickory Public Schools	3,257,983	1,898,943	973,216	2,872,159	385,824
Newton-Conover City Schools					
Capital Projects Manager	5,601	-	-	-	5,601
Conover School Renovations	100,000	50,017	7,090	57,107	42,893
Fire Alarm Upgrades	60,000	50,470	9,530	60,000	-
HVAC Upgrades Systemwide	1,500,000	1,104,450	395,550	1,500,000	-
North Newton Windows	100,000	5,078	55,218	60,296	39,704
Per Capita Allocation	152,672	-	152,672	152,672	-
Roofing Projects	400,000	-	260,665	260,665	139,335
Security Upgrades	90,000	44,169	7,019	51,188	38,812
System Wide Renovations	120,000	97,986	11,319	109,305	10,695
Total Newton-Conover City Schools	2,528,273	1,352,170	899,063	2,251,233	277,040
Total expenditures	25,393,994	13,816,056	7,034,770	20,850,826	4,543,168
Excess of revenues over (under) expenditures	(5,496,566)	9,371,225	216,547	9,587,772	15,084,338
Other Financing Sources (Uses)					
Transfers from					
General Fund	1,555,000	1,555,000	-	1,555,000	-
General Capital Fund	750,000	750,000	-	750,000	-
School Construction Fund	40,209	40,209	-	40,209	-
Transfers to					
General Fund	(250,000)	(200,000)	(50,000)	(250,000)	-
School Construction Fund	(801,403)	(801,403)	-	(801,403)	-
Fund Balance Appropriated	4,202,760	-	-	-	(4,202,760)
Total other financing sources (uses)	5,496,566	1,343,806	(50,000)	1,293,806	(4,202,760)
Net change in fund balance	-	10,715,031	166,547	10,881,578	10,881,578
Fund Balances - Beginning of Year			10,715,031		
Fund Balances - End of Year			\$ 10,881,578		

CATAWBA COUNTY, NORTH CAROLINA

Schedule D-5

Page 1 of 2

School Construction Fund
**Schedule of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actual
From Inception and for the Year Ended June 30, 2021**

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Investment earnings	-	892,830	(847)	891,983	891,983
Total revenues	-	892,830	(847)	891,983	891,983
Expenditures					
Catawba County Schools					
Banoak Elementary	8,845,000	8,093,174	751,826	8,845,000	-
Maiden Middle School	34,720	18,000	16,720	34,720	-
Roof Replacements	1,610,000	111,225	218,775	330,000	1,280,000
St. Stephens Classroom Renovation	19,984,312	1,727,522	7,377,549	9,105,071	10,879,241
Total Catawba County Schools	30,474,032	9,949,921	8,364,870	18,314,791	12,159,241
Catawba Valley Community College					
Cosmetology Center	2,041,982	-	2,041,982	2,041,982	-
Engineering Building	228,017	78,018	-	78,018	149,999
Public Safety Complex	1,130,000	-	250,000	250,000	880,000
Vocational Building	25,100,000	24,899,660	200,340	25,100,000	-
Total Catawba Valley Community College	28,499,999	24,977,678	2,492,322	27,470,000	1,029,999
Hickory Public Schools					
Oakwood Elementary Renovation	2,188,181	1,854,323	-	1,854,323	333,858
Total Hickory Public Schools	2,188,181	1,854,323	-	1,854,323	333,858
Newton-Conover City Schools					
Conover School Renovations	3,312,452	3,276,439	-	3,276,439	36,013
Newton-Conover High School Cafeteria	2,848,529	5,000	760,429	765,429	2,083,100
Roof Replacements	147,364	33,051	25,090	58,141	89,223
Total Newton-Conover City Schools	6,308,345	3,314,490	785,519	4,100,009	2,208,336
Other					
Future Debt Service	13,868,333	-	-	-	13,868,333
Total Other	13,868,333	-	-	-	13,868,333
Total expenditures	81,338,890	40,096,412	11,642,711	51,739,123	29,599,767
Excess of revenues over (under) expenditures	(81,338,890)	(39,203,582)	(11,643,558)	(50,847,140)	30,491,750
Other Financing Sources (Uses)					
Transfers from					
General Fund	15,305,642	14,905,642	400,000	15,305,642	-
School Capital Fund	801,403	801,403	-	801,403	-
Transfers to					
School Capital Fund	(5,209)	(5,209)	-	(5,209)	-

School Construction Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actual
From Inception and for the Year Ended June 30, 2021

	Project Authorization	Actual			
		Prior Years	Current Year	Total to Date	Over/Under
Bonds issued	63,929,928	31,927,700	18,550,000	50,477,700	(13,452,228)
Premium on bonds issued	-	448,055	-	448,055	448,055
Fund Balance Appropriated	1,307,126	-	-	-	(1,307,126)
Total other financing sources (uses)	81,338,890	48,077,591	18,950,000	67,027,591	(14,311,299)
Net change in fund balance	\$ -	\$ 8,874,009	7,306,442	\$ 16,180,451	\$ 16,180,451
Fund Balances - Beginning of Year			8,874,009		
Fund Balances - End of Year			\$ 16,180,451		

Hospital Capital Reserve Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2021
 With Comparative Actual Amounts for Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Investment earnings	50,000	(125)	(50,125)	69,796
Total revenues	50,000	(125)	(50,125)	69,796
Excess of revenues over (under) expenditures	50,000	(125)	(50,125)	69,796
Other Financing Sources (Uses)				
Transfer to General Fund	(500,000)	(500,000)	-	(500,000)
Fund Balance Appropriated	450,000	-	(450,000)	-
Total other financing sources (uses)	(50,000)	(500,000)	(450,000)	(500,000)
Net change in fund balance	-	(500,125)	(500,125)	(430,204)
Fund Balances - Beginning of Year		3,310,337		3,740,541
Fund Balances - End of Year		2,810,212		3,310,337

Enterprise Fund
(Proprietary Fund Type)

To account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing 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.

Solid Waste Management Fund -

To account for the operations of the County's solid waste activities.

Solid Waste Management Construction Fund -

To account for the financing and construction of all major solid waste capital projects.

Water and Sewer Fund -

To account for the County's water and sewer activities.

Water and Sewer Construction Fund -

To account for the financing and construction of all major water and sewer capital projects in the unincorporated sections of the County.

CATAWBA COUNTY, NORTH CAROLINA

Schedule E-1

Page 1 of 2

Solid Waste Management Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Operating revenues				
Charges for services				
Solid waste charges	\$ 6,686,266	\$ 7,890,013		
Methane recovery	465,000	401,085		
Other operating	90,780	89,461		
Total operating revenues	<u>7,242,046</u>	<u>8,380,559</u>	<u>1,138,513</u>	<u>7,539,279</u>
Nonoperating revenues				
Solid waste disposal tax	77,000	82,444		
Scrap tire disposal tax	200,000	230,697		
White goods disposal tax	65,000	84,670		
Scrap tire grant	18,500	38,128		
Electronics management distribution	12,000	7,753		
Hickory community relations	3,000	-		
Proceeds from sale of equipment	12,000	-		
Property cleanup reimbursement	2,500	350		
Miscellaneous	295	12,750		
Investment earnings	60,000	(6,380)		
Total nonoperating revenues	<u>450,295</u>	<u>450,412</u>	<u>117</u>	<u>815,054</u>
Total revenues	<u>7,692,341</u>	<u>8,830,971</u>	<u>1,138,630</u>	<u>8,354,333</u>
Expenditures				
Solid Waste Management				
Administration				
Salaries & employee benefits	330,526	328,158		
Other operating	674,682	366,346		
	<u>1,005,208</u>	<u>694,504</u>	<u>310,704</u>	<u>644,726</u>
Recycling				
Salaries & employee benefits	57,477	57,221		
Other operating	196,782	97,355		
	<u>254,259</u>	<u>154,576</u>	<u>99,683</u>	<u>238,915</u>
Solid Waste Management Improvements				
Other operating	190,681	66,718		
	<u>190,681</u>	<u>66,718</u>	<u>123,963</u>	<u>167,663</u>
Solid Waste Code Enforcement				
Salaries & employee benefits	73,541	73,172		
Other operating	35,864	5,729		
	<u>109,405</u>	<u>78,901</u>	<u>30,504</u>	<u>75,426</u>
Sanitary Landfill				
Salaries & employee benefits	1,599,989	1,493,116		
Maintenance and repair	498,645	335,255		
Solid waste disposal tax remittance	17,550	429,366		
Landfill closure and postclosure care costs	40,000	-		
Other operating	2,031,346	1,256,754		
	<u>4,187,530</u>	<u>3,514,491</u>	<u>673,039</u>	<u>3,294,142</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule E-1

Page 2 of 2

Solid Waste Management Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior Year
	Budget	Actual	Over/Under	
Blackburn Landfill - Methane Recovery				
Maintenance and repair	474,640	312,787		
Other operating	73,460	60,043		
	548,100	372,830	175,270	350,067
Total operating expenditures	6,295,183	4,882,020	1,413,163	4,770,939
Capital outlay	465,000	444,371	20,629	1,284,781
Total expenditures	6,760,183	5,326,391	1,433,792	6,055,720
Excess of revenues over (under) expenditures	932,158	3,504,580	2,572,422	2,298,613
Other Financing Sources (Uses)				
Transfer to Solid Waste Capital Fund	(1,433,970)	(1,433,970)		
Fund balance appropriated	501,812	-	(501,812)	
Total other financing sources (uses)	(932,158)	(1,433,970)	(501,812)	(3,766,257)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 2,070,610	\$ 2,070,610	\$ (1,467,644)
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 2,070,610		
Reconciling items				
Capital outlay		444,371		
Depreciation		(1,474,816)		
(Increase) decrease in deferred outflows of resources - pensions		60,158		
(Increase) decrease in net pension liability		(142,357)		
(Increase) decrease in deferred inflows of resources - pensions		4,233		
(Increase) decrease in accrued landfill closure and postclosure care costs		(100,000)		
(Increase) decrease in compensated absences		(9,770)		
(Increase) decrease in deferred outflows of resources - OPEB		162,114		
(Increase) decrease in net OPEB liability		(236,684)		
(Increase) decrease in deferred inflows of resources - OPEB		2,843		
Project expenditures not capitalized		(13,440)		
Revenues from capital projects		3,557		
Transfers from capital projects		1,433,970		
Total reconciling items		134,179		
Change in net position (Exhibit 7) (full accrual)		\$ 2,204,789		

CATAWBA COUNTY, NORTH CAROLINA

Schedule E-2

**Solid Waste Management Capital Fund
 Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
 From Inception and for the Year Ended June 30, 2021**

	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
Revenues					
Investment earnings	\$ -	\$ 522,433	3,557	\$ 525,990	\$ 525,990
Miscellaneous revenue	-	359,098	-	359,098	359,098
Total revenues	-	881,531	3,557	885,088	885,088
Expenditures					
Capital outlay					
Bethany Church Road Landfill	2,683,970	395,655	270,787	666,442	2,017,528
Landfill Collection Improvements	240,000	96,751	-	96,751	143,249
Landfill Closure	1,000,000	-	-	-	1,000,000
Methane Gas Perimeter	100,000	-	-	-	100,000
Subtitle D Cell Construction	9,915,986	6,884,858	2,524,339	9,409,197	506,789
Total expenditures	13,939,956	7,377,264	2,795,126	10,172,390	3,767,566
Excess of revenues over (under) expenditures	(13,939,956)	(6,495,733)	(2,791,569)	(9,287,302)	4,652,654
Other Financing Sources (Uses)					
Transfer from Solid Waste Operating	13,840,022	12,406,052	1,433,970	13,840,022	-
Fund Balance appropriated	99,934	-	-	-	(99,934)
Total other financing sources (uses)	13,939,956	12,406,052	1,433,970	13,840,022	(99,934)
Revenues and other sources over (under) expenditures and other financing uses	\$ -	\$ 5,910,319	\$ (1,357,599)	\$ 4,552,720	\$ 4,552,720



CATAWBA COUNTY, NORTH CAROLINA

Schedule E-3

Page 1 of 2

Water and Sewer Fund
Schedule of Revenues, Expenditures - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2021
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020

	2021			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Operating revenues	\$ -	\$ -	\$ -	\$ -
Total operating revenues	-	-	-	-
Nonoperating revenues				
Municipality revenue	847,000	1,058,256		
Domestic Haulers	-	-		
Capital fees	210,000	376,125		
Investment earnings	-	4,398		
Total nonoperating revenues	1,057,000	1,438,779	381,779	2,492,862
Total revenues	1,057,000	1,438,779	381,779	2,492,862
Expenditures				
Water and Sewer				
Water and Sewer Administration				
Salaries & employee benefits	122,981	120,809		
Other operating	1,314,541	317,008		
Principal	1,186,525	1,186,525		
Interest	168,822	158,011		
Total expenditures	2,792,869	1,782,353	1,010,516	2,905,421
Excess of revenues over (under) expenditures	(1,735,869)	(343,574)	1,392,295	(412,559)
Other Financing Sources (Uses)				
Fund balance appropriated	1,735,869	-		
Total other financing sources (uses)	1,735,869	-	(1,735,869)	805,367
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ (343,574)	\$ (343,574)	\$ 392,808
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ (343,574)		
Reconciling items				
Depreciation		(857,525)		
(Increase) decrease in deferred outflows of resources - pensions		5,128		
(Increase) decrease in net pension liability		(11,310)		
(Increase) decrease in deferred inflows of resources - pensions		231		
(Increase) decrease in compensated absences		11,201		
(Increase) decrease in deferred outflows of resources - OPEB		5,404		
(Increase) decrease in net OPEB liability		(7,890)		
(Increase) decrease in deferred inflows of resources - OPEB		95		
Loan principal		1,186,525		
Disposal of asset - donated to municipality		(27,928)		

CATAWBA COUNTY, NORTH CAROLINA

Schedule E-3

Page 2 of 2

Water and Sewer Fund**Schedule of Revenues, Expenditures - Budget and Actual (Non-GAAP)****For the Fiscal Year Ended June 30, 2021****With Comparative Actual Amounts For Fiscal Year Ended June 30, 2020**

Project expenditures not capitalized	(146,537)
Revenues from capital projects	107
Transfer to General Capital Projects Fund	<u>(700,000)</u>
Total reconciling items	<u>(542,499)</u>
Change in net position (full accrual)	<u>\$ (886,073)</u>

Water and Sewer Capital 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	Over/Under
Revenues					
Other Taxes					
Sales Taxes - Article 46 - one quarter of one percent	\$ 3,109,158	\$ 3,383,453	-	\$ 3,383,453	\$ 274,295
Investment earnings	-	3,443,642	107	3,443,749	3,443,749
Golden Leaf Grant	491,257	-	-	-	(491,257)
Miscellaneous	-	76,223	-	76,223	76,223
Total revenues	3,600,415	6,903,318	107	6,903,425	3,303,010
Expenditures					
Capital outlay					
Balls Creek Water Phase II	6,191,905	1,196,376	77,700	1,274,076	4,917,829
Bandys Mill Creek Commscope	250,000	-	-	-	250,000
East Maiden Hwy 150 Gravity	953,000	-	1,842	1,842	951,158
EcoComplex and Resource Recovery	1,669,367	1,034,023	-	1,034,023	635,344
EPA Stormwater Phase II	250,000	64,569	-	64,569	185,431
Hart Road Water	500,000	407,110	61,440	468,550	31,450
Hwy 16 Sewer	910,000	-	-	-	910,000
Hwy 16 South Utilities	2,019,132	-	-	-	2,019,132
Hwy 150 Sewer Service Phase I and II	2,136,848	1,842,624	-	1,842,624	294,224
McLin/Lyle Creek Sewer Outfall	3,000,000	-	-	-	3,000,000
Sherrills Ford Wastewater Treatment	68,836	-	68,836	68,836	-
Wastewater Emergent Need	100,000	-	-	-	100,000
Wastewater Treatment Plant Expansion	1,000,000	-	-	-	1,000,000
Total expenditures	19,049,088	4,544,702	209,818	4,754,520	14,294,568
Excess of revenues over (under) expenditures	(15,448,673)	2,358,616	(209,711)	2,148,905	17,597,578
Other Financing Sources (Uses)					
Transfers from					
General Fund	5,274,881	5,274,881	-	5,274,881	-
Water and Sewer Construction Fund - Governmental	480,633	12,509,510	-	12,509,510	12,028,877
Transfers to					
General Capital Projects Fund	(700,000)		(700,000)	(700,000)	-
Wate and Sewer Operations	(805,367)	(805,367)	-	(805,367)	-
Fund balance appropriated	11,198,526	-	-	-	(11,198,526)
Total other financing sources (uses)	15,448,673	16,979,024	(700,000)	16,279,024	830,351
Revenues and other sources over (under) expenditures and other financing uses	\$ -	\$ 19,337,640	\$ (909,711)	\$ 18,427,929	\$ 18,427,929

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.

Municipal Tax Fund – accounts for ad valorem and vehicle property taxes that are billed and collected by the County for various municipalities within the County but that are not revenues to the County.

Jail Inmate Pay Fund – accounts for cash collections for the benefit of inmates collected from their friends and families and held while the inmates are incarcerated.

CATAWBA COUNTY, NORTH CAROLINA**Schedule F-1****Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2021**

	Municipal Tax Fund	Jail Inmate Pay Fund	Total Custodial Funds
ASSETS			
Cash and Cash Equivalents	\$ 14,438	\$ 58,442	\$ 72,880
Taxes receivable for other governments, net	3,424,000	-	3,424,000
Total assets	<u>3,438,438</u>	<u>58,442</u>	<u>3,496,880</u>
LIABILITIES			
Accounts payable and accrued liabilities	-	-	-
Due to other governments	14,438	-	14,438
Total liabilities	<u>14,438</u>	<u>-</u>	<u>14,438</u>
Net Position			
Restricted for:			
Individuals, organizations, and other governments	3,424,000	58,442	3,482,442
Total net position	<u>\$ 3,424,000</u>	<u>\$ 58,442</u>	<u>\$ 3,482,442</u>

CATAWBA COUNTY, NORTH CAROLINA**Schedule F-2**

Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2021

	Municipal Tax Fund	Jail Inmate Pay Fund	Total Custodial Funds
ADDITIONS			
Ad valorem taxes for other governments	\$ 50,159,155	\$ -	\$ 50,159,155
Collections on behalf of inmates	-	441,882	441,882
Total additions	<u>50,159,155</u>	<u>441,882</u>	<u>50,601,037</u>
DEDUCTIONS			
Tax distributions to other governments	50,494,114	-	50,494,114
Payments on behalf of inmates	-	430,797	430,797
Total deductions	<u>50,494,114</u>	<u>430,797</u>	<u>50,924,911</u>
Net increase (decrease) in fiduciary net position	(334,959)	11,085	(323,874)
Net position, beginning, as previously reported	-	-	-
Prior period restatement - change in accounting principle	3,758,959	47,357	3,806,316
Net position, beginning, as restated	<u>3,758,959</u>	<u>47,357</u>	<u>3,806,316</u>
Net position, ending	<u>\$ 3,424,000</u>	<u>\$ 58,442</u>	<u>\$ 3,482,442</u>



SM

Other Schedules

This section contains additional information on *cash and investments, property taxes, and general long-term debt*.

Schedule of Cash and Investment Balances

Analysis of Current Tax Levy

Schedule of Taxes Receivable

General Long-Term Debt Requirements and Maturity Schedule

CATAWBA COUNTY, NORTH CAROLINA

Schedule G-1

Page 1 of 2

**Schedule of Cash and Investment Balances
June 30, 2021**

	Amounts Represented on Statements	Cost Value	Fair Value
Cash			
On hand	\$ 9,993	\$ 9,993	\$ 9,993
In demand deposits			
(interest bearing)	12,224,654	12,224,654	12,224,654
(noninterest bearing)	187,746	187,746	187,746
Certificates of deposit	240,000	240,000	240,000
Money Market, unrestricted	1,013,337	1,013,337	1,013,337
Debt escrow-restricted for capital	10,563,211	10,563,211	10,563,211
Cash deposits, restricted for debt service	19,265,479	19,265,479	19,265,479
Total cash	<u>\$ 43,504,420</u>	<u>\$ 43,504,420</u>	<u>\$ 43,504,420</u>
Other Investments			
North Carolina Capital			
Management Trust, Government Portfolio	125,497,922	125,497,922	125,497,922
Federal Farm Credit	3,115,470	3,003,969	3,115,470
Federal Home Loan Bank	33,115,994	33,045,345	33,115,994
Federal Home Loan Mortgage Corporation	11,199,004	11,144,317	11,199,004
Federal National Mortgage Association	11,756,126	11,487,869	11,756,126
Total other investments	<u>\$ 184,684,516</u>	<u>\$ 184,179,422</u>	<u>\$ 184,684,516</u>
Total cash and investments	<u><u>\$ 228,188,936</u></u>	<u><u>\$ 227,683,842</u></u>	<u><u>\$ 228,188,936</u></u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule G-1

Page 2 of 2

**Schedule of Cash and Investment Balances
June 30, 2021****Distribution by funds**

General Fund	\$	87,925,641	
Restricted cash		19,652,630	\$ 107,578,271
Special Revenue Funds			
Emergency Telephone System Fund	\$	1,038,726	
Narcotics Seized Funds and Property Fund		41,482	
State Unauthorized Substance Abuse Fund		137,885	
Narcotics Seized Justice Funds		159,275	
Narcotics Seized Treasury Funds		84,614	
Rescue Squads Fund		335,847	
Library Endowment Fund		225,206	
Gretchen Peed Scholarship Fund		58,703	
Parks Preservation Trust Fund		55,824	
Community Development Fund		29,606	
American Rescue Plan (ARP) Fund			
Restricted Cash		15,473,757	
Fines and Forfeitures Fund		38,316	
Representative Payee Fund		129,304	
Deed of Trust Fund		12,369	
Fire District Funds		1,754,203	19,575,117
Capital Projects Funds			
General Capital Projects Fund	\$	13,854,201	
Restricted Cash		5,022,380	
Schools Capital Projects Fund		8,905,218	
School Construction Fund		11,893,949	
Restricted Cash		5,795,919	
Hospital Capital Reserve Fund		2,807,987	48,279,654
Enterprise Fund			
Water & Sewer Fund	\$	33,848,941	
Solid Waste Management Fund		18,834,073	52,683,014
Custodial Funds			
Municipal Tax Funds	\$	14,438	
Sheriff Inmate Funds		58,442	<u>72,880</u>
Total			<u><u>\$ 228,188,936</u></u>

Analysis of Current Tax Levy
For the Year Ended June 30, 2021

	County-wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	\$ 18,970,732,316	0.575	\$ 109,081,711	\$ 98,963,126	\$ 10,118,585
Penalties	-		49,776	49,776	-
Total	18,970,732,316		109,131,487	99,012,902	10,118,585
Discoveries:					
Current year taxes	138,343,957	0.575	795,478	795,478	-
Prior year taxes	86,123,094	various	495,208	495,208	-
Penalties	-		154,105	154,105	-
Total	224,467,051		1,444,791	1,444,791	-
Abatements:	(60,383,950)		(347,208)	(304,733)	(42,475)
Total property valuation	<u>\$ 19,134,815,417</u>				
Net levy			110,229,070	100,152,960	10,076,110
Uncollected taxes at June 30, 2021			1,148,474	1,148,474	-
Current year's taxes collected			<u>\$ 109,080,596</u>	<u>\$ 99,004,486</u>	<u>\$ 10,076,110</u>
Current levy collection percentage			<u>98.96%</u>	<u>98.85%</u>	<u>100.00%</u>

Secondary Market Disclosures

Assessed Valuation:	
Assessment Ratio ⁽¹⁾	100%
Real Property	\$ 13,386,384,363
Personal Property	4,761,084,974
Public Service Companies ⁽²⁾	987,346,080
Total Assessed Valuation	<u>\$ 19,134,815,417</u>
Tax Rate per \$100	0.575
Net Levy (includes discoveries, releases and abatements) ⁽³⁾	\$ 110,229,070

In addition to the County-wide rate, the following is the total levies by the County on behalf of fire protection districts for the fiscal year ended June 30:

Fire Protection Districts	\$ 8,399,866,273
---------------------------	------------------

⁽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.

Schedule of Taxes Receivable
June 30, 2021

General Fund	Uncollected Balance June 30, 2020	Additions and Adjustments	Collections and Credits	Uncollected Balance June 30, 2021
2020	\$ -	\$ 110,229,070	\$ 109,080,596	\$ 1,148,474
2019	1,583,768	-	1,047,388	536,380
2018	558,139	-	270,443	287,696
2017	307,040	-	128,993	178,047
2016	210,733	-	71,038	139,695
2015	161,476	-	48,708	112,768
2014	155,030	-	36,620	118,410
2013	304,566	-	34,433	270,133
2012	361,290	-	32,901	328,389
2011	328,543	-	29,021	299,522
Prior	320,708	-	320,708	-
	<u>\$ 4,291,293</u>	<u>\$ 110,229,070</u>	<u>\$ 111,100,849</u>	<u>\$ 3,419,514</u>
Less allowance for uncollectible taxes	<u>2,950,431</u>			<u>2,459,750</u>
Taxes receivable -- net	<u>\$ 1,340,862</u>			<u>\$ 959,764</u>

Reconcilement with revenues:

Ad valorem taxes	
General Fund	\$ 110,862,502
Rescue Squad Fund	<u>844,892</u>
Total ad valorem taxes	\$ 111,707,394
Reconciling items:	
Penalties and interest collected	(648,422)
Tax on leased vehicle collected	(239,877)
Prior year release/adjustments	(38,954)
Taxes written off	<u>320,708</u>
Total reconciling items	<u>(606,545)</u>
Total collections	<u>\$ 111,100,849</u>

CATAWBA COUNTY, NORTH CAROLINA
General Long-Term Debt Requirements and Maturity Schedule
June 30, 2021

Schedule J-1

Fiscal Year Ended June 30	Governmental Activities			Business Type Activities		
	Debt Principal	Interest	Total	Debt Principal	Interest	Total
2022	14,600,679	5,354,338	19,955,017	1,198,897	137,191	1,336,088
2023	14,508,135	4,898,059	19,406,194	1,214,036	103,132	1,317,168
2024	14,313,485	4,441,121	18,754,606	1,206,510	69,290	1,275,800
2025	11,625,603	4,028,561	15,654,164	987,447	41,529	1,028,976
2026	38,216,613	3,143,362	41,359,975	255,607	20,172	275,779
2027-2031	40,795,124	6,942,479	47,737,603	668,211	15,682	683,893
2032-2036	15,930,000	2,407,576	18,337,576	-	-	-
2037-2039	<u>5,820,000</u>	<u>318,888</u>	<u>6,138,888</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 155,809,639</u>	<u>\$ 31,534,384</u>	<u>\$ 187,344,023</u>	<u>\$ 5,530,708</u>	<u>\$ 386,996</u>	<u>\$ 5,917,704</u>

⁽¹⁾ 10% of Legal Debt Limit

Statistical Section

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

<u>Content</u>	<u>Pages</u>
<i>Financial Trends</i> These tables contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	200-207
<i>Revenue Capacity</i> These tables contain information to help the reader assess the County's most significant local revenue source, the property tax.	208-214
<i>Debt Capacity</i> These tables present information to help the reader assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future.	215-219
<i>Demographic and Economic Information</i> These tables offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	220-221
<i>Operating Information</i> These tables contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the county provides and the activities it performs.	222-227

CATAWBA COUNTY, NORTH CAROLINA

Table 1
Page 1 of 2

Net Position by Component
Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year				
	2021	2020	2019	2018	2017
Governmental activities:					
Net investment in capital assets	\$ 124,449,252	\$ 115,574,093	\$ 102,979,361	\$ 102,894,759	\$ 92,137,818
Restricted	50,609,042	39,677,297	47,104,886	26,520,247	32,847,390
Unrestricted	(35,914,333)	(40,780,172)	(47,734,012)	(31,770,408)	(20,049,846)
Total governmental activities net position	<u>139,143,961</u>	<u>114,471,218</u>	<u>102,350,235</u>	<u>97,644,598</u>	<u>104,935,362</u>
Business-type activities:					
Net investment in capital assets	70,980,887	68,855,090	64,560,596	60,993,467	57,243,979
Unrestricted	<u>43,799,475</u>	<u>44,606,556</u>	<u>47,132,939</u>	<u>46,791,325</u>	<u>46,440,583</u>
Total business-type activities net position	<u>114,780,362</u>	<u>113,461,646</u>	<u>111,693,535</u>	<u>107,784,792</u>	<u>103,684,562</u>
Primary government:					
Net investment in capital assets	195,430,139	184,429,183	167,539,957	163,888,226	149,381,797
Restricted	50,609,042	39,677,297	47,104,886	26,520,247	32,847,390
Unrestricted	<u>7,885,142</u>	<u>3,826,384</u>	<u>(601,073)</u>	<u>15,020,917</u>	<u>26,390,737</u>
Total primary government net position	<u>\$ 253,924,323</u>	<u>\$ 227,932,864</u>	<u>\$ 214,043,770</u>	<u>\$ 205,429,390</u>	<u>\$ 208,619,924</u>

Data Source
 Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINATable 1
Page 2 of 2**Net Position by Component**
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2016	2015	2014	2013	2012
Governmental activities:					
Net investment in capital assets	\$ 82,024,110	\$ 75,032,918	\$ 73,669,285	\$ 72,733,148	\$ 71,902,720
Restricted	37,336,072	55,052,023	61,304,988	50,910,338	32,831,276
Unrestricted	(17,909,411)	(49,201,049)	(70,537,217)	(56,964,579)	(39,024,726)
Total governmental activities net position	<u>101,450,771</u>	<u>80,883,892</u>	<u>64,437,056</u>	<u>66,678,907</u>	<u>65,709,270</u>
Business-type activities:					
Net investment in capital assets	53,727,147	51,643,356	49,571,504	51,632,394	47,665,657
Unrestricted	<u>47,385,811</u>	<u>46,123,218</u>	<u>45,362,525</u>	<u>39,533,644</u>	<u>41,998,988</u>
Total business-type activities net position	<u>101,112,958</u>	<u>97,766,574</u>	<u>94,934,029</u>	<u>91,166,038</u>	<u>89,664,645</u>
Primary government:					
Net investment in capital assets	135,751,257	126,676,274	123,240,789	124,365,542	119,568,377
Restricted	37,336,072	55,052,023	61,304,988	50,910,338	32,831,276
Unrestricted	<u>29,476,400</u>	<u>(3,077,831)</u>	<u>(25,174,692)</u>	<u>(17,430,935)</u>	<u>2,974,262</u>
Total primary government net position	<u>\$ 202,563,729</u>	<u>\$ 178,650,466</u>	<u>\$ 159,371,085</u>	<u>\$ 157,844,945</u>	<u>\$ 155,373,915</u>

Data Source
Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINA
Table 2
Page 1 of 2
Changes in Net Position
Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year				
	2021	2020	2019	2018	2017
Expenses					
Governmental activities:					
General government	\$ 13,652,217	\$ 12,155,897	\$ 11,645,266	\$ 10,229,231	\$ 12,702,261
Public safety	51,540,354	50,525,230	42,615,139	40,842,983	39,368,324
Environmental protection	632,202	620,215	629,550	599,963	679,490
Economic and physical development	21,826,814	20,154,248	18,490,744	17,042,823	16,638,619
Human services	48,655,343	46,071,393	44,620,992	43,083,045	48,949,754
Culture and recreation	3,843,536	3,786,087	3,372,144	3,545,635	3,518,210
Education	65,156,094	58,197,754	65,517,013	69,146,541	57,013,840
Interest on long-term debt	3,951,535	4,064,107	4,318,642	3,615,378	3,707,890
Total governmental activities expenses	<u>209,258,095</u>	<u>195,574,931</u>	<u>191,209,490</u>	<u>188,105,599</u>	<u>182,578,388</u>
Business-type activities:					
Solid waste management	6,629,739	8,122,386	6,576,468	5,640,840	5,575,002
Water and sewer	1,624,959	3,040,068	3,210,852	2,289,106	2,074,045
Total business-type activities expenses	<u>8,254,698</u>	<u>11,162,454</u>	<u>9,787,320</u>	<u>7,929,946</u>	<u>7,649,047</u>
Total primary government expenses	<u>217,512,793</u>	<u>206,737,385</u>	<u>200,996,810</u>	<u>196,035,545</u>	<u>190,227,435</u>
Program Revenues					
Governmental activities:					
Fees, fines, and charges for services:					
General government	1,960,548	2,010,935	2,413,382	2,048,789	1,645,516
Public safety	9,794,544	8,325,780	8,753,953	9,082,972	9,062,382
Environmental protection	16,175	24,502	40,791	35,125	33,368
Economic and physical development	4,454,616	3,472,412	2,639,454	2,886,862	2,783,017
Human services	1,927,447	2,199,185	1,986,009	2,104,653	2,777,252
Culture and recreation	70,270	60,759	63,150	60,763	57,805
Education	344,400	-	-	-	-
Operating grants and contributions	36,094,621	31,304,752	29,495,898	29,180,562	33,826,622
Capital grants and contributions	14,472	565,040	465,997	246,568	114,292
Total governmental activities program revenues	<u>54,677,093</u>	<u>47,963,365</u>	<u>45,858,634</u>	<u>45,646,294</u>	<u>50,300,254</u>
Business-type activities:					
Fees, fines, and charges for services	8,777,537	9,225,356	7,972,268	7,384,774	6,615,230
Operating grants and contributions	1,096,384	1,049,294	870,227	1,500,375	742,079
Capital grants and contributions	-	996,137	13,364	-	-
Total business-type activities program revenues	<u>9,873,921</u>	<u>11,270,787</u>	<u>8,855,859</u>	<u>8,885,149</u>	<u>7,357,309</u>
Total primary government program revenues	<u>64,551,014</u>	<u>59,234,152</u>	<u>54,714,493</u>	<u>54,531,443</u>	<u>57,657,563</u>
Net (Expenses) Revenues					
Governmental activities	(154,581,002)	(147,611,566)	(145,350,856)	(142,459,305)	(132,278,134)
Business-type activities	<u>1,619,223</u>	<u>108,333</u>	<u>(931,461)</u>	<u>955,203</u>	<u>(291,738)</u>
Total primary government net expense	<u>(152,961,779)</u>	<u>(147,503,233)</u>	<u>(146,282,317)</u>	<u>(141,504,102)</u>	<u>(132,569,872)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	120,612,862	115,771,446	107,841,934	104,070,254	102,512,789
Local option sales taxes	46,887,470	39,552,244	37,938,247	36,065,390	34,612,225
Other taxes	2,213,573	1,849,277	1,795,787	1,848,291	1,768,591
Investment earnings, unrestricted	(42,857)	2,559,582	4,175,509	702,975	209,348
Gain (loss) on sales of capital assets	8,075	-	-	-	-
Transfers	700,000	-	(1,694,984)	(1,653,489)	(1,600,000)
Total governmental activities	<u>170,379,123</u>	<u>159,732,549</u>	<u>150,056,493</u>	<u>141,033,421</u>	<u>137,502,953</u>
Business-type activities:					
Taxes					
Local option sales taxes	-	-	900,150	848,925	821,860
Other taxes	397,811	369,136	372,218	425,298	340,216
Investment earnings	1,682	1,184,091	1,867,691	292,600	52,518
Gain on sales of capital assets	-	106,551	5,161	54,598	48,748
Transfers	(700,000)	-	1,694,984	1,653,489	1,600,000
Total business-type activities	<u>(300,507)</u>	<u>1,659,778</u>	<u>4,840,204</u>	<u>3,274,910</u>	<u>2,863,342</u>
Total primary government	<u>170,078,616</u>	<u>161,392,327</u>	<u>154,896,697</u>	<u>144,308,331</u>	<u>140,366,295</u>
Change in Net Position					
Governmental activities	15,798,121	12,120,983	4,705,637	(1,425,884)	5,224,819
Business-type activities	<u>1,318,716</u>	<u>1,768,111</u>	<u>3,908,743</u>	<u>4,230,113</u>	<u>2,571,604</u>
Total primary government	<u>\$ 17,116,837</u>	<u>\$ 13,889,094</u>	<u>\$ 8,614,380</u>	<u>\$ 2,804,229</u>	<u>\$ 7,796,423</u>

Data Source

Audited Financial Statements

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2016	2015	2014	2013	2012
Expenses					
Governmental activities:					
General government	\$ 11,860,452	\$ 9,933,029	\$ 10,807,772	\$ 9,760,225	\$ 9,737,258
Public safety	34,879,104	32,921,751	32,732,323	31,236,944	31,399,814
Environmental protection	585,457	546,444	492,269	508,073	459,609
Economic and physical development	14,883,762	13,950,985	13,538,407	12,780,487	11,657,411
Human services	46,621,822	47,218,856	47,935,422	48,863,130	50,113,468
Culture and recreation	3,595,626	3,127,165	2,847,558	2,776,547	2,724,942
Education	50,223,611	49,298,062	61,843,087	57,519,210	57,134,411
Interest on long-term debt	3,477,042	3,815,195	3,774,279	3,602,099	4,487,690
Total governmental activities expenses	166,126,876	160,811,487	173,971,117	167,046,715	167,714,603
Business-type activities:		46,123,218			
Solid waste management	5,346,204	4,899,445	5,166,963	5,927,016	5,797,602
Water and sewer	2,279,892	2,291,702	1,612,849	2,102,576	2,462,706
Total business-type activities expenses	7,626,096	7,191,147	6,779,812	8,029,592	8,260,308
Total primary government expenses	173,752,972	168,002,634	180,750,929	175,076,307	175,974,911
Program Revenues					
Governmental activities:					
Fees, fines, and charges for services:					
General government	1,664,523	1,870,508	1,752,070	1,869,484	2,018,381
Public safety	8,617,461	8,747,839	8,068,851	9,178,100	9,436,724
Environmental protection	35,269	24,651	5,100	4,675	5,100
Economic and physical development	2,552,503	2,489,106	2,204,984	2,329,590	2,287,770
Human services	7,390,409	5,279,686	6,762,666	7,247,968	6,368,320
Culture and recreation	61,537	66,579	57,436	62,192	61,080
Education	-	-	494,298	499,006	509,420
Operating grants and contributions	33,083,275	37,229,196	29,136,207	28,576,342	31,816,198
Capital grants and contributions	250,000	125,000	2,292,224	1,859,891	1,746,730
Total governmental activities program revenues	53,654,977	55,832,565	50,773,836	51,627,248	54,249,723
Business-type activities:					
Fees, fines, and charges for services	6,421,312	6,054,569	5,671,631	5,880,833	5,912,649
Operating grants and contributions	743,064	606,766	868,759	650,178	447,717
Capital grants and contributions	223,191	486,732	126,942	731,970	1,366,637
Total business-type activities program revenues	7,387,567	7,148,067	6,667,332	7,262,981	7,727,003
Total primary government program revenues	61,042,544	62,980,632	57,441,168	58,890,229	61,976,726
Net (Expenses) Revenues					
Governmental activities	(112,471,899)	(104,978,922)	(123,197,281)	(115,419,467)	(113,464,880)
Business-type activities	(238,529)	(43,080)	(112,480)	(766,611)	(533,305)
Total primary government net expense	(112,710,428)	(105,022,002)	(123,309,761)	(116,186,078)	(113,998,185)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	98,691,384	94,200,605	93,649,723	89,347,893	85,663,390
Local option sales taxes	32,903,055	29,962,757	28,027,368	26,644,767	26,394,707
Other taxes	1,590,916	1,652,213	1,494,645	1,548,870	1,517,464
Investment earnings, unrestricted	1,470,473	975,564	1,155,474	(183,818)	1,291,370
Gain (loss) on sales of capital assets	-	-	-	9,169	-
Transfers	(1,617,050)	(800,000)	(1,601,565)	(775,000)	(775,000)
Total governmental activities	133,038,778	125,991,139	122,725,645	116,591,881	114,091,931
Business-type activities:					
Taxes					
Local option sales taxes	870,975	1,451,312	1,359,558	1,293,304	-
Other taxes	327,044	312,429	297,543	294,409	1,585,139
Investment earnings	715,609	477,221	621,805	(94,709)	487,048
Gain on sales of capital assets	54,235	2,220	-	-	-
Transfers	1,617,050	800,000	1,601,565	775,000	775,000
Total business-type activities	3,584,913	3,043,182	3,880,471	2,268,004	2,847,187
Total primary government	136,623,691	129,034,321	126,606,116	118,859,885	116,939,118
Change in Net Position					
Governmental activities	20,566,879	21,012,217	(471,636)	1,172,414	627,051
Business-type activities	3,346,384	3,000,102	3,767,991	1,501,393	2,313,882
Total primary government	\$ 23,913,263	\$ 24,012,319	\$ 3,296,355	\$ 2,673,807	\$ 2,940,933

[Data Source](#)

Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINA

Table 3
Page 1 of 2

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

	Fiscal Year				
	2021	2020	2019	2018	2017
General Fund					
Nonspendable					
Inventories	\$ 319,229	\$ 304,083	\$ 310,198	\$ 314,246	\$ 315,603
Prepaid	18,419	617,948	595,103	600,017	650,755
Notes receivable	913,027	1,195,145	930,261	828,179	1,140,298
Restricted					
Stabilization by State Statute	18,655,860	16,340,426	17,310,522	16,277,027	15,043,605
Register of Deeds	115,021	43,326	46,265	17,382	17,170
Debt service	19,265,800	17,412,407	15,552,488	13,923,346	11,878,801
Social Services	240,000	243,133	245,354	-	-
General Capital Reserve	-	-	-	405,964	404,237
Committed					
Tax Reappraisal	128,307	95,125	94,005	119,803	173,005
Assigned					
Public Health	680,178	662,279	572,272	734,665	684,018
Social Services	5,149,537	3,892,520	3,434,388	3,758,037	4,133,196
County Manager	388,954	263,100	251,336	251,049	168,882
Human Resources	238,628	203,989	210,196	323,652	396,894
Library	693,938	691,398	515,113	307,791	127,497
Cooperative Extension	-	-	-	-	-
Subsequent year's expenditures	8,511,516	6,389,453	7,606,196	6,809,722	6,196,066
Unassigned	57,306,094	49,576,091	41,970,308	39,478,996	38,512,665
Total general fund	112,624,508	97,930,423	89,644,005	84,149,876	79,842,692
Restricted					
Stabilization by State Statute	9,198,727	16,168,544	22,009,972	2,642,305	9,998,054
Public Safety	1,670,080	1,539,652	1,282,323	934,306	607,282
Human Services	25,552	-	-	-	-
Fire Protection	1,747,215	1,408,760	1,881,139	1,487,254	1,521,675
Debt service	-	-	-	-	-
Library Endowment	225,206	205,165	199,878	193,303	192,424
Scholarship	58,703	58,670	56,815	54,953	53,725
Parks Preservation	55,824	23,032	5,515	5,335	5,312
Community Development	20,136	19,960	4,408	25,764	15,821
American Rescue Plan Act	15,473,757	-	-	-	-
CARES Act	-	4,923	-	-	-
General Capital	5,022,380	6,946,054	17,884,858	30,058,365	452,704
School Capital and Construction	5,795,919	2,717,631	6,066,675	22,578,401	22,019,761
Hospital Capital	2,807,987	3,305,995	3,728,084	4,104,986	4,586,527
Committed					
General Capital	7,471,743	532,909	2,462,695	17,584,405	16,137,346
School Capital	8,460,279	8,969,464	6,791,275	6,116,496	7,159,669
School Construction	10,242,253	6,027,961	8,877,798	7,216,972	12,264,434
Hospital Construction	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(15,495,456)	(1,106,533)	-	-	-
Total fund balances	52,780,305	46,822,187	71,251,435	93,002,845	75,014,734
Total governmental funds	\$ 165,404,813	\$ 144,752,610	\$ 160,895,440	\$ 177,152,721	\$ 154,857,426

Data Source
Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINA

Table 3
Page 2 of 2

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

	Fiscal Year				
	2016	2015	2014	2013	2012
General Fund					
Nonspendable					
Inventories	\$ 326,899	\$ 319,059	\$ 327,147	\$ 305,186	\$ 338,109
Prepaid	791,762	115,502	164,242	26,922	54,469
Notes receivable	1,487,417	1,597,343	-	-	-
Restricted					
Stabilization by State Statute	15,930,246	15,465,797	14,650,010	12,972,979	12,221,688
Register of Deeds	5,883	78,807	1,410	66,229	50,346
Debt service	10,014,375	8,273,296	1,839,350	-	-
Social Services	-	-	-	-	-
General Capital Reserve	462,531	456,389	452,670	448,015	448,620
Committed		46,123,218			
Tax Revaluation	172,990	165,832	192,437	166,678	153,881
Assigned					
Public Health	376,026	241,739	289,199	428,814	197,421
Social Services	5,189,684	5,101,867	4,304,485	4,505,344	4,640,932
County Manager	165,824	94,899	122,118	182,660	217,313
Human Resources	498,613	582,027	614,061	624,570	579,873
Library	103,073	224,601	400,697	334,917	298,313
Cooperative Extension	-	-	-	-	154,516
Subsequent year's expenditures	8,740,222	6,144,343	6,471,106	6,356,815	6,542,811
Unassigned	34,098,284	21,646,494	20,734,380	24,199,035	25,202,712
Total general fund	78,363,829	106,631,213	50,563,312	50,618,164	51,101,004
Restricted					
Stabilization by State Statute	13,762,920	21,233,131	28,760,070	3,847,266	4,652,337
Public Safety	494,667	2,489,115	2,582,688	2,658,023	2,743,542
Human Services	-	-	-	-	-
Fire Protection	1,370,246	1,258,983	1,145,873	893,577	859,873
Debt service	-	-	4,645,650	-	-
Library Endowment	192,428	187,371	239,217	236,757	237,077
Scholarship	52,740	52,294	46,048	44,288	44,099
Parks Preservation	1,099	50,004	49,596	75,197	161,597
Community Development	-	12,105	17,469	-	-
American Rescue Plan Act	-	-	-	-	-
CARES Act	-	-	-	-	-
General Capital	2,231,565	10,604,245	17,957,394	-	-
School Capital and Construction	-	224,942	4,726,766	22,834,431	4,316,249
Hospital Capital	5,063,041	5,494,731	5,449,956	5,393,919	5,401,200
Committed					
General Capital	18,875,251	12,203,246	4,543,427	32,219,263	23,913,332
School Capital	5,499,929	5,900,499	6,465,739	6,172,623	9,594,076
School Construction	6,790,440	6,596,208	-	927,914	1,815,442
Hospital Construction	24,433	24,370	24,171	23,693	23,725
Assigned	-	-	-	-	-
Unassigned	(712)	-	(2,380,149)	-	(4,355)
Total fund balances	54,358,047	66,331,244	74,273,915	75,326,951	53,758,194
Total governmental funds	\$ 132,721,876	\$ 172,962,457	\$ 124,837,227	\$ 125,945,115	\$ 104,859,198

CATAWBA COUNTY, NORTH CAROLINA

Table 4
Page 1 of 2

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2021	2020	2019	2018	2017
Revenues					
Ad valorem taxes	\$ 121,024,799	\$ 115,496,421	\$ 108,017,836	\$ 104,028,855	\$ 102,643,115
Other taxes	48,220,380	40,497,590	38,794,760	36,953,090	35,395,806
Unrestricted intergovernmental revenues	2,094,948	1,987,827	1,859,693	1,895,660	1,915,010
Restricted intergovernmental revenues	40,647,300	35,480,559	33,799,515	32,872,765	37,710,248
Permits and fees	5,352,866	3,678,377	3,648,564	3,545,784	3,270,330
Sales and services	7,780,817	8,079,661	7,679,583	7,789,214	7,955,557
Investment earnings	(42,859)	2,559,583	4,175,516	702,974	209,348
Miscellaneous	3,517,835	3,838,422	3,258,451	3,584,753	3,544,286
Total revenues	228,596,086	211,618,440	201,233,918	191,373,095	192,643,700
Expenditures					
Current:					
General government	14,898,197	13,057,864	13,645,725	12,033,377	12,813,629
Public safety	48,186,161	46,544,256	40,511,383	40,537,103	40,004,086
Environmental protection	601,045	594,076	607,125	581,569	661,156
Economic and physical development	19,023,000	18,731,430	17,619,284	16,222,681	15,493,426
Human services	45,273,661	43,149,372	42,815,566	42,039,157	47,706,576
Culture and recreation	3,496,614	3,492,983	3,603,514	3,397,645	3,407,377
Education	46,477,634	45,497,776	44,679,342	43,331,107	41,012,204
Capital Outlay	30,208,203	37,444,960	34,042,704	35,780,090	27,343,949
Debt service:					
Principal	14,577,808	14,676,883	13,445,368	13,501,848	13,430,361
Interest	4,314,087	4,571,669	4,826,204	3,507,375	3,763,682
Payment to refunded bond escrow agent	-	-	-	-	-
Bond issuance costs	145,011	-	-	375,651	115,551
Total expenditures	227,201,421	227,761,269	215,796,215	211,307,603	205,751,997
Other Financing Sources (uses)					
Transfers from other funds	14,349,626	7,162,914	5,158,796	6,641,134	10,302,305
Transfers to other funds	(13,649,626)	(7,162,914)	(6,853,780)	(8,294,623)	(11,902,305)
Installment purchase obligations issued	18,550,000	-	-	-	50,530,000
Premium on installment obligations issued	-	-	-	-	-
Bonds issued	-	-	-	39,085,000	-
Premium on bonds issued	-	-	-	4,798,292	-
Payment to refunded escrow agent	-	-	-	-	(13,686,153)
Sales of capital assets	8,075	-	-	-	-
Total other financing sources (uses)	19,258,075	-	(1,694,984)	42,229,803	35,243,847
Net change in fund balances	\$ 20,652,740	\$ (16,142,829)	\$ (16,257,281)	\$ 22,295,295	\$ 22,135,550
Debt service as a percentage of noncapital expenditures	8.8%	9.5%	9.1%	8.6%	8.9%

⁽¹⁾ Note: Beginning FY 2012, current refundings are shown as debt service expenditures rather than other financing use.

CATAWBA COUNTY, NORTH CAROLINA

Table 4
Page 2 of 2

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2016	2015	2014	2013	2012
Revenues					
Ad valorem taxes	\$ 98,864,292	\$ 94,982,137	\$ 94,593,965	\$ 89,246,050	\$ 86,401,682
Other taxes	33,513,929	30,577,418	28,514,821	27,201,571	26,867,917
Unrestricted intergovernmental revenues	1,914,853	1,950,128	1,902,192	1,887,066	1,839,255
Restricted intergovernmental revenues	36,702,096	37,914,903	36,065,434	36,172,540	37,487,597
Permits and fees	2,725,409	2,398,171	2,130,735	2,346,916	2,012,367
Sales and services	9,289,078	10,275,072	11,363,376	11,518,226	12,117,015
Investment earnings	1,451,782	975,566	1,155,473	(183,818)	963,774
Miscellaneous	7,502,488	6,790,563	3,539,937	3,469,424	3,675,026
Total revenues	191,963,927	185,863,958	179,265,933	171,657,975	171,364,633
Expenditures					
Current:					
General government	12,646,281	10,889,713	11,329,249	10,339,386	10,134,171
Public safety	34,477,572	33,618,405	31,930,143	30,928,591	30,749,802
Environmental protection	573,409	545,637	461,359	477,163	451,864
Economic and physical development	15,010,630	13,813,474	13,573,781	12,850,717	11,307,365
Human services	46,315,883	47,773,150	47,114,736	48,069,751	49,245,926
Culture and recreation	3,513,584	3,109,069	2,769,125	2,694,713	2,677,465
Education	40,239,272	40,394,875	40,004,060	39,695,975	39,257,916
Capital Outlay	26,081,492	18,273,102	33,342,151	21,113,769	20,810,153
Debt service:					
Principal	10,582,661	12,331,427	13,932,346	13,586,635	41,605,430
Interest	3,744,689	4,042,723	3,794,348	3,600,703	5,023,779
Payment to refunded bond escrow agent	-	-	1,014,000	1,128,232	-
Bond issuance costs	-	-	23,583	135,592	448,255
Total expenditures	193,185,473	184,791,575	199,288,881	184,621,227	211,712,126
Other Financing Sources (uses)					
Transfers from other funds	8,376,971	5,187,183	2,942,065	2,247,667	1,450,431
Transfers to other funds	(9,994,021)	(5,987,183)	(4,543,630)	(3,022,667)	(2,225,431)
Installment purchase obligations issued	570,000	-	20,125,000	33,600,000	650,000
Premium on installment obligations issued	-	-	2,161,054	-	-
Bonds issued	-	-	1,810,000	10,965,000	41,995,366
Premium on bonds issued	-	-	39,911	-	3,873,747
Payment to refunded escrow agent	-	-	(1,849,125)	(9,750,000)	(17,777,592)
Sales of capital assets	-	-	-	9,169	24,349
Total other financing sources (uses)	(1,047,050)	(800,000)	20,685,275	34,049,169	27,990,870
Net change in fund balances	\$ (2,268,596)	\$ 272,383	\$ 662,327	\$ 21,085,917	\$ (12,356,623)
Debt service as a percentage of noncapital expenditures	8.1%	9.4%	9.5%	9.5%	22.2%

⁽¹⁾ Note: Beginning FY 2012, current refundings are shown as debt service expenditures rather than other financing use.

CATAWBA COUNTY, NORTH CAROLINA**Table 5****Assessed Valuation and Actual Value of Taxable Property
Last Ten Fiscal Years**

Fiscal Year	Real Property	Personal Property	Public Utility Property	Total Taxable Assessed Value	Total Direct Tax Rate ⁽¹⁾	Estimated Real Market Value
2012 ⁽²⁾	12,154,011,798	2,754,476,587	606,953,739	15,515,442,124	0.530	15,436,714,878
2013	12,240,949,134	3,127,347,289	659,587,935	16,027,884,358	0.530	15,946,556,918
2014	12,224,185,313	3,790,836,072	685,580,853	16,700,602,238	0.530	16,192,168,158
2015	12,267,687,100	3,622,784,098	746,952,594	16,637,423,792	0.530	16,249,070,995
2016 ⁽²⁾	11,564,008,687	3,742,083,773	788,247,696	16,094,340,156	0.575	16,261,837,078
2017	11,682,762,282	3,910,899,616	827,530,781	16,421,192,679	0.575	16,571,997,860
2018	11,821,086,656	4,032,470,698	846,131,001	16,699,688,355	0.575	17,439,106,470
2019	11,984,593,390	4,339,896,854	856,998,611	17,181,488,855	0.575	18,580,608,689
2020 ⁽²⁾	13,101,976,344	4,431,826,297	922,892,477	18,456,695,118	0.575	18,821,838,791
2021	13,386,384,363	4,761,084,974	987,346,080	19,134,815,417	0.575	N/A

⁽¹⁾ Tax rate expressed in dollars of tax per \$100 of assessed valuation.⁽²⁾ Increase as a result of the County 4-year real property revaluation cycle.

Source: Catawba County Property Appraiser



CATAWBA COUNTY, NORTH CAROLINATable 6
Page 1 of 2**Property Tax Rates - Direct and Overlapping Governments ⁽¹⁾
Last Ten Fiscal Years**

	Fiscal Year				
	2021	2020	2019	2018	2017
Catawba County					
Property Tax	0.5750	0.5750	0.5750	0.5750	0.5750
Fire Districts:					
Bandys	0.1150	0.0780	0.0820	0.0820	0.0820
Catawba Rural	0.1300	0.1300	0.1000	0.1000	0.1000
Claremont Rural	0.1100	0.0900	0.0900	0.0900	0.0800
Conover Rural	0.1100	0.1100	0.1100	0.0900	0.0900
Cooksville	0.0750	0.0750	0.0620	0.0620	0.0620
Hickory Rural	0.1500	0.1500	0.1200	0.1200	0.0900
Long View Rural	0.0830	0.0830	0.0730	0.0730	0.0730
Maiden Rural	0.0753	0.0753	0.0800	0.0800	0.0800
Mountain View	0.0718	0.0718	0.0750	0.0750	0.0750
Newton Rural	0.1300	0.1200	0.1200	0.0900	0.0900
Oxford	0.0650	0.0650	0.0650	0.0650	0.0650
Propst	0.0620	0.0620	0.0620	0.0620	0.0620
Sherrills Ford	0.1300	0.1300	0.1100	0.1100	0.1100
St. Stephens	0.1200	0.1200	0.1200	0.1200	0.1200
Municipalities:					
Town of Brookford	0.5200	0.5200	0.5200	0.5200	0.5200
Town of Catawba	0.5800	0.5800	0.5800	0.4800	0.4800
Town of Long View	0.5700	0.5700	0.5700	0.5200	0.5200
Town of Maiden	0.3800	0.3800	0.3800	0.3800	0.3800
City of Claremont	0.0490	0.0490	0.4900	0.4900	0.4900
City of Conover	0.0500	0.0500	0.5000	0.4700	0.4700
City of Hickory	0.5875	0.5875	0.5665	0.5665	0.5665
City of Newton	0.5400	0.5400	0.5400	0.5400	0.5400
Total Maximum Rate - Fire District	0.7250	0.7250	0.6950	0.6950	0.6950
Total Maximum Rate - Municipalities	1.1625	1.1625	1.1550	1.1415	1.1415

⁽¹⁾ All tax rates are expressed in dollars of tax per \$100 of assessed valuation. For the above years, the tax levies were assessed at one hundred percent (100%) of the actual value.

Source: Catawba County Tax Collector

CATAWBA COUNTY, NORTH CAROLINATable 6
Page 2 of 2**Property Tax Rates - Direct and Overlapping Governments ⁽¹⁾
Last Ten Fiscal Years**

	Fiscal Year				
	2016	2015	2014	2013	2012
Catawba County					
Property Tax	0.5750	0.5300	0.5300	0.5300	0.5300
Fire Districts:					
Bandys	0.0820	0.0700	0.0700	0.0700	0.0600
Catawba Rural	0.0850	0.0700	0.0700	0.0700	0.0700
Claremont Rural	0.0800	0.0700	0.0700	0.0700	0.0700
Conover Rural	0.0900	0.0700	0.0700	0.0700	0.0700
Cooksville	0.0620	0.0617	0.0617	0.0617	0.0517
Hickory Rural	0.0900	0.0700	0.0700	0.0700	0.0700
Long View Rural	0.0730	0.0650	0.0546	0.0546	0.0546
Maiden Rural	0.0750	0.0700	0.0600	0.0600	0.0600
Mountain View	0.0600	0.0600	0.0600	0.0600	0.0600
Newton Rural	0.0900	0.0850	0.0700	0.0700	0.0700
Oxford	0.0650	0.0558	0.0558	0.0558	0.0558
Propst	0.0620	0.0615	0.0615	0.0615	0.0615
Sherrills Ford	0.0810	0.0800	0.0700	0.0700	0.0700
St. Stephens	0.0900	0.0900	0.0700	0.0700	0.0700
Municipalities:					
Town of Brookford	0.5200	0.5200	0.5200	0.5200	0.5200
Town of Catawba	0.4800	0.4800	0.4800	0.4800	0.4800
Town of Long View	0.4200	0.4200	0.4200	0.4000	0.4000
Town of Maiden	0.3800	0.3800	0.3800	0.3800	0.3900
City of Claremont	0.4900	0.4600	0.4600	0.4600	0.4600
City of Conover	0.4700	0.4300	0.4000	0.4000	0.4000
City of Hickory	0.5665	0.5000	0.5000	0.5000	0.5000
City of Newton	0.5400	0.5100	0.4800	0.4800	0.4800
Total Maximum Rate - Fire District	0.6650	0.6200	0.6000	0.6000	0.6000
Total Maximum Rate - Municipalities	1.1415	1.0500	1.0500	1.0500	1.0500

⁽¹⁾ All tax rates are expressed in dollars of tax per \$100 of assessed valuation. For the above years, the tax levies were assessed at one hundred percent (100%) of the actual value.

CATAWBA COUNTY, NORTH CAROLINATable 7
Page 1 of 2**Principal Property Taxpayers
Current Year and Nine Years Ago**

		Fiscal Year 2021		
Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Apple, Inc.	Computer Server	\$ 1,200,532,895	1	6.27
Duke Energy Carolinas, LLC	Electric Utility	761,393,157	2	3.98
GKN Driveline Newton, LLC	Gears Mfg.	256,150,272	3	1.34
Corning Cable Systems, LLC	Cable Mfg.	170,441,682	4	0.89
Prysmian Cables and Systems, LLC	Cable Mfg.	159,507,639	5	0.83
CommScope Inc. of North Carolina	Cable Mfg.	111,434,433	6	0.58
Duke Lifepoint	Medical Care	81,159,218	7	0.42
Piedmont Natural Gas Co, Inc.	Gas Utility	77,791,340	8	0.41
Target Corporation	Warehouse/Retail	75,084,075	9	0.39
Hickory Springs Mfg. Co., Inc.	Manufacturing	52,421,379	10	0.27
Valley Hills Mall, LLC	Retail	-	-	-
		<u>\$ 2,945,916,090</u>		<u>15.38</u>
Total Assessed Valuation		<u>\$ 19,134,815,417</u>		

Source: Catawba County Tax Collector

CATAWBA COUNTY, NORTH CAROLINATable 7
Page 2 of 2**Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	Type of Business	Fiscal Year 2012		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Apple, Inc.	Computer Server	\$ 383,586,246	2	2.47
Duke Energy Carolinas, LLC	Electric Utility	456,040,635	1	2.94
GKN Driveline Newton, LLC	Gears Mfg.	109,562,117	5	0.71
Corning Cable Systems, LLC	Cable Mfg.	66,849,207	7	0.43
Prysmian Cables and Systems, LLC	Cable Mfg.	65,880,858	8	0.42
CommScope Inc. of North Carolina	Cable Mfg.	110,640,709	4	0.71
Duke Lifepoint	Medical Care	74,999,086	6	0.48
Piedmont Natural Gas Co, Inc.	Gas Utility	-	-	-
Target Corporation	Warehouse/Retail	117,193,942	3	0.76
Hickory Springs Mfg. Co., Inc.	Manufacturing	49,445,966	9	0.32
Valley Hills Mall, LLC	Retail	45,505,200	10	0.29
		<u>\$ 1,479,703,966</u>		<u>9.53</u>
Total Assessed Valuation		<u>\$ 15,515,442,124</u>		

Source: Catawba County Tax Collector

Property Tax Levies and Collections
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Tax Year	Total Tax Levy for Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2012	2011	82,231,844	78,892,929	95.94	3,039,393	81,932,322	99.64
2013	2012	84,947,787	81,441,422	95.87	3,177,976	84,619,398	99.61
2014	2013	88,513,192	85,800,420	96.94	2,442,639	88,243,059	99.69
2015	2014	88,178,346	86,413,676	98.00	1,646,260	88,059,936	99.87
2016	2015	92,542,456	90,856,714	98.18	1,572,974	92,429,688	99.88
2017	2016	94,639,996	93,070,059	98.34	1,430,242	94,500,301	99.85
2018	2017	96,140,422	94,571,921	98.37	1,390,454	95,962,375	99.81
2019	2018	99,113,042	97,751,358	98.63	1,073,988	98,825,346	99.71
2020	2019	106,244,575	104,660,807	98.51	1,047,388	105,708,195	99.50
2021	2020	110,229,070	109,080,596	98.96	-	109,080,596	98.96

⁽¹⁾ Includes discoveries, releases and abatements

Source: Catawba County Tax Collector



CATAWBA COUNTY, NORTH CAROLINA

Table 9
Page 1 of 2

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities							North Carolina Department of Commerce
	General Obligation Bonds	Certificates of Participation	Installment Purchases	Qualified Zone Academy Bonds	Qualified School Construction Bonds	Build America Bonds	Limited Obligation Bonds	
2012	7,715,000	18,090,000	19,475,148	500,000	27,808,553	7,822,302	39,787,135	-
2013	3,325,000	16,465,000	48,618,040	450,000	27,808,553	7,242,872	37,770,939	2,600,000
2014	799,341	12,208,902	44,692,131	400,000	27,808,553	6,663,443	63,119,732	2,600,000
2015	-	11,885,455	40,764,047	350,000	27,808,553	6,084,013	57,768,142	2,600,000
2016	-	10,582,008	37,299,345	300,000	27,808,553	5,504,583	52,638,035	2,600,000
2017	-	9,293,560	72,741,291	250,000	27,808,553	-	47,533,477	2,100,388
2018	-	8,020,112	65,653,300	200,000	27,808,553	-	86,320,939	1,590,784
2019	-	6,776,664	58,593,253	150,000	27,808,553	-	80,993,922	1,070,988
2020		5,558,217	51,671,667	100,000	27,808,553	-	74,282,324	540,796
2021		4,369,770	63,366,667	50,000	27,808,553	-	67,583,819	-

N/A = Not available

Sources:

¹ U.S. Department of Commerce Bureau of Economic Analysis

² Population based on estimates issued by the Bureau of the Census

CATAWBA COUNTY, NORTH CAROLINA

Table 9
Page 2 of 2

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Year	Business Type			Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽²⁾
	Installment Purchases	Limited Obligation Bonds	Revolving Loan			
2012	-	5,797,865	1,350,000	128,346,003	2.49	828
2013	8,000,000	5,504,061	1,275,000	159,059,465	2.95	1,023
2014	7,397,122	5,401,752	1,200,000	172,290,976	3.15	1,109
2015	6,783,333	5,097,634	1,125,000	160,266,177	2.80	1,028
2016	6,158,434	4,562,032	1,050,000	148,502,990	2.36	953
2017	5,522,224	4,030,882	975,000	170,255,375	2.63	1,091
2018	4,874,499	3,501,003	900,000	198,869,190	2.89	1,263
2019	4,215,049	2,972,398	825,000	183,405,827	2.55	1,157
2020	3,543,664	2,528,372	750,000	166,783,593	2.24	1,039
2021	2,860,127	2,086,253	675,000	168,800,189	N/A	1,050

N/A = Not available

Sources:

¹ U.S. Department of Commerce Bureau of Economic Analysis

² Population based on estimates issued by the Bureau of the Census

CATAWBA COUNTY, NORTH CAROLINA
Table 10
Page 1 of 2
**Legal Debt Margin Information
Last Ten Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Assessed value (after exemption)	19,134,815,417	18,456,695,118	17,181,488,855	16,699,988,355	16,421,192,679
Debt limit rate	8%	8%	8%	8%	8%
Debt limit	1,530,785,233	1,476,535,609	1,374,519,108	1,335,999,068	1,313,695,414
Less: Total net debt applicable to limit	149,537,030	149,376,135	167,855,980	198,869,191	170,255,375
Legal debt margin	<u>1,381,248,203</u>	<u>1,327,159,474</u>	<u>1,206,663,128</u>	<u>1,137,129,877</u>	<u>1,143,440,039</u>
Total net debt applicable to the limit as a percentage of debt limit	10%	10%	12%	15%	13%

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed value (after exemptions)	\$ 19,134,815,417
Debt limit (8% of assessed value)	1,530,785,233
Debt applicable to limit:	
Certificates of participation	4,369,770
Installment purchase	66,226,794
Qualified Zone Academy Bonds	50,000
Qualified School Construction Bonds	27,808,553
Limited Obligation Bonds	69,670,072
North Carolina Department of Commerce	-
Federal Revolving Loan	675,000
Less: Statutory deductions	
Sinking Funds	<u>(19,263,159)</u>
Total net debt applicable to limit	<u>149,537,030</u>
Legal debt margin	<u>\$ 1,381,248,203</u>

CATAWBA COUNTY, NORTH CAROLINA**Table 10**
Page 2 of 2**Legal Debt Margin Information**
Last Ten Fiscal Years

	2016	2015	2014	2013	2012
Assessed value (after exemption)	16,094,340,156	16,637,423,792	16,700,602,238	16,027,884,358	15,515,442,124
Debt limit rate	8%	8%	8%	8%	8%
Debt limit	1,287,547,212	1,330,993,903	1,336,048,179	1,282,230,749	1,241,235,370
Less: Total net debt applicable to limit	148,502,990	152,703,618	158,887,591	154,634,710	125,775,150
Legal debt margin	1,139,044,222	1,178,290,285	1,177,160,588	1,127,596,039	1,115,460,220
Total net debt applicable to the limit as a percentage of debt limit	12%	11%	12%	12%	10%

CATAWBA COUNTY, NORTH CAROLINA**Table 11****Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year	Population Estimate ⁽¹⁾	Personal Income	Per Capita Income ⁽²⁾	Median Age ⁽³⁾	School Enrollment ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2012	154,992	5,137,333,000	33,320	39.90	24,250	11.30
2013	155,494	5,357,979,000	34,716	40.25	24,241	10.80
2014	155,411	5,478,237,750	35,250	40.47	24,204	7.10
2015	155,832	5,725,579,344	36,742	40.67	23,889	6.00
2016	156,182	6,243,298,000	40,265	40.82	23,679	4.90
2017	156,106	6,489,428,000	41,477	41.06	23,509	4.00
2018	157,424	6,895,726,000	43,651	41.20	23,203	3.80
2019	158,579	7,193,629,000	45,342	41.25	22,705	4.20
2020	160,504	7,397,881,000	46,367	39.23	22,593	8.30
2021	160,732	N/A	N/A	41.70	21,701	4.7

N/A = Not available

Sources:

¹ NC Budget and Management Office of State Planning - Based upon estimates issued by the U.S. Census Bureau² Bureau of Economic Analysis³ NC Budget and Management Office of State Planning⁴ North Carolina Department of Public Instruction⁵ United States Department of Labor - Bureau of Labor Statistics

CATAWBA COUNTY, NORTH CAROLINA**Table 12****Principal Employers
Current Year and Nine Years Ago**

Employer	Industry	2021		2012	
		Employees	Rank	Employees	Rank
Catawba County Schools	Education & Health Services	1,000+	1	1,000+	1
Catawba Valley Medical Center	Education & Health Services	1,000+	2	1,000+	2
CommScope	Manufacturing	1,000+	3	1,000+	4
Target Stores Div.	Transportation & Warehousing	1,000+	4	1,000+	-
Corning Optical Communications, LLC	Manufacturing	1,000+	5	1,000+	7
Catawba County Government	Public Administration	1,000+	6	-	5
Wal-Mart Associates, LLC	Retail Trade	1,000+	7	1,000+	-
Dip Partner Frye, LLC	Health Care & Social Assistance	1,000+	8	-	3
Gkn Driveline Newton, LLC	Manufacturing	500-999	9	-	-
Sutter Street Manufacturing, Inc.	Manufacturing	500-999	10	-	-
Hickory Springs Manufacturing Co., Inc.	Manufacturing	-	-	1,000+	6
Pierre Foods	Manufacturing	-	-	500-999	8
Ethan Allen, Inc.	Manufacturing	-	-	500-999	9
Sherrill Furniture Company	Manufacturing	-	-	500-999	10

CATAWBA COUNTY, NORTH CAROLINA
Full Time Equivalent County Employees by Function
Last Ten Fiscal Years

Table 13
Page 1 of 2

Full-time Equivalent Employees as of June 30					
	2021	2020	2019	2018	2017
Function					
Governmental activities:					
General government	82	81	80	82	82
Public safety	439	425	374	370	358
Environmental protection	5	5	5	4	4
Economic and physical development	97	91	91	86	84
Human services	516	516	515	510	505
Culture and recreation	38	38	38	37	36
Total governmental activities	<u>1,177</u>	<u>1,156</u>	<u>1,103</u>	<u>1,089</u>	<u>1,069</u>
Business-type activities:					
Water sewer	1	1	1	1	1
Solid waste management	30	29	29	29	27
Total business-type activities	<u>31</u>	<u>30</u>	<u>30</u>	<u>30</u>	<u>28</u>
Total primary government	<u><u>1,208</u></u>	<u><u>1,186</u></u>	<u><u>1,133</u></u>	<u><u>1,119</u></u>	<u><u>1,097</u></u>

Source: Catawba County Human Resources Department

CATAWBA COUNTY, NORTH CAROLINA
Full Time Equivalent County Employees by Function
Last Ten Fiscal Years

Table 13
Page 2 of 2

	Full-time Equivalent Employees as of June 30				
	2016	2015	2014	2013	2012
Function					
Governmental activities:					
General government	81	83	84	85	86
Public safety	355	347	345	340	337
Environmental protection	4	4	5	4	3
Economic and physical development	78	76	76	75	75
Human services	541	548	551	577	573
Culture and recreation	35	35	35	32	32
Total governmental activities	<u>1,093</u>	<u>1,093</u>	<u>1,096</u>	<u>1,113</u>	<u>1,106</u>
Business-type activities:					
Water sewer	1	1	1	1	1
Solid waste management	26	26	27	27	28
Total business-type activities	<u>27</u>	<u>27</u>	<u>28</u>	<u>28</u>	<u>29</u>
Total primary government	<u>1,120</u>	<u>1,120</u>	<u>1,124</u>	<u>1,141</u>	<u>1,136</u>

Source: Catawba County Human Resources Department

CATAWBA COUNTY, NORTH CAROLINA

Table 14
Page 1 of 2

**Operating Indicators by Function
Last Ten Fiscal Years**

Function	Fiscal Year				
	2021	2020	2019	2018	2017
Governmental activities:					
General government					
Number of registered voters	107,141	106,113	99,706	105,035	101,790
Number of marriage licenses issued	1,091	995	964	1,081	1,081
Number of tax bills issued	116,095	114,422	111,625	106,065	104,928
Public safety					
Number of 911 dispatch/calls	94,507	89,553	89,712	90,118	92,049
Sheriff Department offenses reported	4,273	2,697	9,417	5,914	6,054
Environmental protection					
Cooperative extension agent contacts	123,654	265,124	170,863	46,075	46,997
Economic and physical development					
Number of commercial permits issued	590	605	506	602	605
Number of residential permits issued	2,210	1,576	1,515	1,467	1,398
Human services					
Households received assistance with energy bills	3,341	3,706	3,681	2,628	3,344
Medicaid transportation provided (round trips)	14,751	17,941	21,368	25,679	27,235
Child support services cases currently open	5,886	6,139	6,512	6,501	6,562
Public health clients served	44,616	42,100	40,768	17,148	9,037
Restaurant inspections	1,386	1,303	1,374	1,434	1,353
Culture and recreation					
Total circulation for library system	535,336	426,914	476,434	468,898	525,988
Number of patrons visiting parks	151,326	208,492	166,853	160,803	166,319
Education					
Public school student enrollment K-12	21,701	22,593	22,705	23,203	23,509
Business-type activities:					
Solid waste management					
Tons buried - MSW	167,940	159,100	157,312	153,207	139,638
Tons buried - C&D	47,974	45,316	34,384	33,858	33,041
Tons recycled	24,597	19,255	19,685	20,256	21,761

⁽¹⁾ The State of North Carolina implemented combined motor vehicle registration renewal and property tax collection system whereby the State issues the bills for motor vehicle taxes

Sources: Catawba County Departments, NC Department of Public Instruction

CATAWBA COUNTY, NORTH CAROLINA

Table 14
Page 2 of 2

**Operating Indicators by Function
Last Ten Fiscal Years**

Function	Fiscal Year				
	2016	2015	2014 ⁽¹⁾	2013	2012
Governmental activities:					
General government					
Number of registered voters	101,330	98,344	101,442	100,431	99,286
Number of marriage licenses issued	1,074	1,017	1,009	1,023	1,076
Number of tax bills issued	104,396	103,835	99,196	232,881	232,817
Public safety					
Number of 911 dispatch/calls	93,089	89,426	84,974	85,938	87,108
Sheriff Department offenses reported	6,169	4,866	4,823	5,436	6,195
Environmental protection					
Cooperative extension agent contacts	41,348	22,733	28,860	64,719	75,102
Economic and physical development					
Number of commercial permits issued	631	603	598	730	750
Number of residential permits issued	1,182	1,098	993	892	876
Human services					
Households received assistance with energy bills	3,550	3,501	2,994	4,045	3,333
Medicaid transportation provided (round trips)	27,590	23,810	26,279	23,669	23,177
Child support services cases currently open	6,682	6,849	6,847	6,848	6,873
Public health clients served	10,958	13,887	18,698	22,087	23,063
Restaurant inspections	1,347	1,344	1,333	1,351	1,357
Culture and recreation					
Total circulation for library system	555,132	572,569	585,517	604,829	738,923
Number of patrons visiting parks	170,295	104,330	109,550	114,721	112,257
Education					
Public school student enrollment K-12	23,679	23,889	24,204	24,241	24,250
Business-type activities:					
Solid waste management					
Tons buried - MSW	133,843	123,325	120,579	117,787	117,330
Tons buried - C&D	32,819	27,638	28,670	26,786	27,980
Tons recycled	19,737	21,135	24,228	27,601	28,765

⁽¹⁾ The State of North Carolina implemented combined motor vehicle registration renewal and property tax collection system whereby the State issues the bills for motor vehicle taxes

Sources: Catawba County Departments, NC Department of Public Instruction

CATAWBA COUNTY, NORTH CAROLINA

Table 15
Page 1 of 2

**Capital Asset Statistics by Function
Last Ten Fiscal Years**

Function	Fiscal Year				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Governmental activities:					
General government					
Buildings	5	5	5	6	6
Vehicles	5	8	5	5	4
Public safety					
Buildings	14	14	14	13	12
Vehicles	260	233	225	247	230
Environmental protection					
Buildings	2	2	2	2	2
Vehicles	3	3	3	3	2
Economic and physical development					
Buildings	2	2	2	2	2
Vehicles	74	60	66	62	58
Human services					
Buildings	38	38	38	38	37
Vehicles	41	37	35	39	40
Culture and recreation					
Buildings	5	5	5	5	5
Vehicles	2	2	2	1	1
Business-type activities:					
Solid waste management					
Buildings	10	10	10	10	10
Vehicles	26	25	24	26	24
Water and sewer					
Buildings	0	0	0	0	0
Vehicles	0	0	0	0	0

N/A = Not available

Sources: Catawba County Departments

CATAWBA COUNTY, NORTH CAROLINA

Table 15
Page 2 of 2

**Capital Asset Statistics by Function
Last Ten Fiscal Years**

Function	Fiscal Year				
	2016	2015	2014	2013	2012
Governmental activities:					
General government					
Buildings	6	6	6	5	5
Vehicles	5	6	8	7	8
Public safety					
Buildings	11	10	10	10	10
Vehicles	221	218	216	211	207
Environmental protection					
Buildings	2	2	2	2	2
Vehicles	2	2	2	2	2
Economic and physical development					
Buildings	2	2	2	2	2
Vehicles	48	43	42	50	49
Human services					
Buildings	38	38	38	38	38
Vehicles	41	41	38	37	35
Culture and recreation					
Buildings	5	6	5	5	5
Vehicles	1	1	1	1	1
Business-type activities:					
Solid waste management					
Buildings	10	10	10	6	6
Vehicles	23	24	25	25	27
Water and sewer					
Buildings	0	0	0	0	0
Vehicles	0	0	0	0	0

N/A = Not available

Sources: Catawba County Departments