

REVIEWED

By SLGFD at 6:21 am, Nov 17, 2021

IREDELL COUNTY NORTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2021

Submitted to

THE BOARD OF COUNTY COMMISSIONERS

James B. Mallory III, Chairman

Melissa Neader, Vice-Chairman

Marvin Norman

Gene Houpe

Scottie Brown

by

Beth M. Mull, County Manager

and

Debra L. Cheek, Director of Finance

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November 9, 2021

To the Members of the Board of Commissioners and Citizens of Iredell County:

The annual comprehensive financial report of Iredell County, North Carolina for the fiscal year ended June 30, 2021 is hereby submitted. The North Carolina General Statutes require all general-purpose local governments to issue within four months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. G. S. 153A-82 requires the County Manager to annually submit to the Board of Commissioners and make available to the public a complete report on the finances and administrative activities as of the end of the fiscal year. Management is responsible for the contents of this annual comprehensive financial report which fulfills both statutory requirements.

Management of Iredell County has established a comprehensive internal control framework designed to protect the assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Iredell County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. All disclosures necessary to enable the reader to gain an understanding of Iredell County, North Carolina's activities have been included. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Martin Starnes & Associates, CPAs, PA, a firm of licensed certified public accountants audited the County's financial statements. The purpose of the independent audit was to provide reasonable assurance that the June 30, 2021 financial statements have no material misstatements. The audit involved examining, on a test basis, evidence supporting the amounts presented in the financial statements, assessment of accounting principles used, and evaluation of the financial statements presented. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2021 are presented fairly in all material respects with GAAP. The report of Martin Starnes & Associates, CPA, PA, is presented first in the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the needs of federal grantor agencies. 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 government's internal controls and compliance with legal

requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are included in the Annual Comprehensive Financial Report. GAAP requires management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This transmittal letter is designed to complement MD&A and should be read in conjunction with it. The County's MD&A is presented immediately following the report of Martin Starnes & Associates, CPAs, PA.

The financial reporting entity (the government) includes all the funds and account groups of the primary government (i.e., Iredell County, North Carolina as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The Iredell County Industrial Facility and Pollution Control Financing Authority is a component unit of the County. It, however, has no reportable financial transactions or account balances and is therefore not included in the combined financial statements.

Profile of the County

Iredell County was established November 18, 1788 as a body politic and is located in the piedmont of North Carolina. Surrounded by nine contiguous counties, Iredell County is intersected by Interstates 40 and 77. The County is empowered to levy a property tax on both real and personal property located within its boundaries and levies taxes on behalf of five separate fire tax districts. According to the International City/County Manager's Association, in 1927 Iredell County, North Carolina was the first county in the nation to establish the commissioner-manager form of government. The governing board of commissioners is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and appointing the county manager, tax assessor, tax collector, county attorney, and clerk to the board. The manager is responsible for carrying out the policies and ordinances of the governing board, and for overseeing the day-to-day operations of the government. The five member board of commissioners is elected on a county-wide, partisan basis, with two or four-year terms. Three commissioners are elected every two years, and the chairman is selected by a majority vote of the board members.

Iredell County, North Carolina is 598 square miles and spans more than 40 miles from north to south. The County's population was certified to be 181,071 as of July 2019 of which 108,520 reside in non-incorporated areas. The County has seen an overall increase of 2.8% in population since July 2017. There are 29,354 students currently enrolled in the public schools and Charter Schools. A combination of industrial and agricultural production contributes to the economy of the County. Commodity prices for agriculture have decreased across the board. Agriculture in Iredell County has an economic impact of \$662 million with cash gate receipts of \$165 million. Of the 367,488 total acres in Iredell County, 133,346 acres or 36 percent is consumed by 1,055 farms with an average farm size of 126 acres. Of the Iredell County farms 100% are family owned and 1% farm organically. In North Carolina, Iredell County ranks first in dairy production, first in all cattle (both beef and dairy), and corn silage production. In addition, Iredell County ranks sixth in poultry (layers), and fifth in hay production. Other crops include soybeans, corn, wheat, rapeseed, cotton, viniferous grapes, strawberries, nursery crops as well as forestry and forest products.

The County provides a full range of services. These services include public safety (law enforcement and detention facilities, funds for fire protection in unincorporated areas and emergency medical services), human services (social services, public health), solid waste disposal, funds for education, cultural and recreational, planning and zoning, general administrative services and others.

There are five municipalities within Iredell County, the City of Statesville and the Towns of Mooresville, Troutman, Harmony, and Love Valley. Statesville, the county seat, is approximately 21 square miles and has a certified population of 26,028. The Town of Mooresville, about 15 miles southeast of Statesville, and about 35 miles north of Charlotte, North Carolina has a certified population of 42,594. Both the City of Statesville and the Town of Mooresville offer municipal water and sewer and have excellent parks and recreational facilities for the citizens. Lake Norman, North Carolina's largest man-made lake, has over 500 miles of shoreline in southern Iredell County. The Town of Troutman is located about five miles south of Statesville. With population of 2,884, Troutman has enjoyed both residential and commercial growth over the past few years. With Harmony to the east and Love Valley to the west of Interstate 77, the Towns are located in northern Iredell County, approximately twenty miles from Statesville. Harmony, with a population of 557, is a very charming small town surrounded by some of Iredell County's most productive farms and dairies. The Town of Love Valley, with a year-round population of about 124, is located in the shadow of the Brushy Mountains. Love Valley offers a taste of the "old west" where hitching posts line the streets and horseback is the most common means of transportation. During holiday weekends, the Town's population increases by several hundred.

The County adopts an annual budget with a July 1 effective date. The budget provides the basis for financial planning and control. The budget process starts in January of each year when County departments are presented a budget package for the upcoming year. The departments are given approximately four weeks to complete their requests and submit them with documentation for all increases. The finance officer and budget analyst compile the departmental requests and present a working document to the county manager as a starting point to develop a proposed budget. The county manager submits her recommended budget to the county commissioners by mid-May for their consideration and deliberation. The board of commissioners holds a public hearing to consider public comments on the budget on the first Tuesday in June, and formally adopts the subsequent year's budget prior to June 30. Appropriations are made at the fund and department level, for example, Department of Social Services. The county manager can approve department directors' requests to make transfers within operating line items and within salary line items. County Commissioners' approval is required for most transfers between operating and salary line items and transfers between departments. This report includes budget-to-actual comparisons for each individual governmental fund for which an annual budget has been adopted. The governmental fund section also includes project-length, budget-to-actual comparisons for those budgets adopted on a project basis (capital project funds).

Factors Affecting Financial Condition

The County is an important transportation center for the state as Interstate 77 and 40 intersect in the County which has given Iredell County the slogan "Crossroads for the Future". Access to the interstates, proximity to Charlotte, quality of life, and low tax rate have diversified the County's economy through private investments in manufacturing, retail, motorsports, and other industries making the County very attractive to corporate recruitment. Over the past year, Iredell County has captured 64 projects totaling nearly \$550 million in investments. These infrastructure projects, new businesses, and expanding industries have created over 1,500 jobs and 3.2 million square feet of new commercial space.

The County is also the location of the corporate headquarters of Lowe's Companies, Inc. There are approximately 4,000 employees located at the Lowe's Companies, Inc.'s 1.2 million square-foot main campus and approximately 60 ancillary businesses within 10 to 15 minutes of the campus. Lowe's

Companies Inc. Distribution has their headquarters in Mooresville. The home-improvement retailer announced plans to hire more than 250 employees for its regional distribution center in Statesville. The company had sales of nearly \$90 billion in fiscal 2020.

Denso Manufacturing/ASMO, Inc., manufacturer of components for the automotive industry continues to invest in equipment and fixtures in their existing facility. Denso/ASMO, Inc. has invested over 217.5 million as of January 1, 2020 for planned improvements.

Cheney Brothers is a broad line food distributor that serves several customers throughout the region and Southeastern US. The company announced plans to expand their facility in the Statesville Business Park that will include over 72,000 sf of warehouse space. This expansion will be an investment of \$11 million and will add 50 jobs. As of January 1, 2020, Cheney Brothers has invested a total of \$6.7 million.

Doosan Bobcat North America is an industry leader in engineering, manufacturing and marketing of compact construction equipment, generators, air compressors, lighting systems, and light compaction equipment the company has purchased land adjacent to their current site and plans to invest \$70 million, add 250 jobs, and become the new home of Bobcat's Ground Maintenance Equipment division. As of January 1, 2020, Doosan/Clark Equipment Company has invested over \$20 million.

The creation of **Larkin Regional Commerce Park**, a 1,000-acre site southeast of Statesville off I-77 at exit 45 is poised to become the region's hub for industrial, advanced manufacturing and e-commerce. Larkin has announced they will construct a one million square foot building for an estimated infrastructure development cost of \$37 million.

Walmart Fulfillment Services LLC has purchased the 1 million sf building constructed by local developer along Murdock Road in Troutman. They plan to invest \$69 million and create 250 jobs for the new e-commerce fulfillment center.

Jeld-Wen is one of the largest door and window manufacturers. The company plans to occupy an existing building on Sherrill Drive in Statesville. The company plans to invest \$7.8 million in this facility and add 235 jobs.

The primary focus for the Town and for southern Iredell County has been to maintain a diversified tax base. Along with extensive residential development, supporting businesses and new companies are coming into the community and existing companies are expanding.

Partnering with Mooresville-South Iredell Economic Development Commission, Iredell County invested \$675,000 over a two-year period in the purchase of a 476-acre tract of land for a new industrial park in Mooresville.

Pactiv Evergreen is an industry leader in paper and plastic packaging. Pactiv plans to invest \$15 million in their facility located in the Mooresville Business Park and add 60 new jobs.

MacLean Curtis, a division of MacLean Fogg Component Solutions, purchased 24 acres in this new industrial park and has constructed a 96,000 square foot building. The environmentally friendly building facilitates relationships with customers in the region that are in need of precision-machined components.

As of January 1, 2020, MacLean Curtis investments have exceeded \$30 million with \$7.4 million being invested in equipment in this fiscal year.

Roush Yates Engines is known as the manufacturer of Ford engines for NASCAR. Over the past several years Roush Yates has entered new markets through their Manufacturing Solutions division. Roush plans to invest \$14 million and add 50,000 square feet of additional space to their existing facility that will help them build their capacity in this division.

Carolina Beverage Group is a contract beverage manufacturer with over 300 employees. They plan to add a \$9 million malt beverage line to their existing facility on Mazeppa Road and create 70 additional jobs.

Niagara Bottling is a leading beverage manufacturer and had announced their plan to add 180,000 sf of warehouse space adjacent to their manufacturing facility in Mooresville at a cost of \$20 million and will create 8 jobs.

The County's continued commitment to local industry is evident in its investment in local airport facilities. The City of Statesville and the County provided the local matching share for State and federal aviation grants which, together with local funds, were used to make improvements at the Statesville Airport. Aircraft can fly non-stop from the Statesville Airport to the west coast of the U.S. or to Europe. This investment in the airport is very attractive to new industry as well as businesses currently located in the County and neighboring counties. The valuation of aircraft located at the Statesville Airport as of January 1, 2021 is \$111,293,251.

Long-term Financial Planning

The County's operating budget (which includes the General Fund, Solid Waste Fund, EMS Special Services Fund, 911 Emergency Telephone Fund, Transportation Fund, Workers Compensation Fund, Property and Liability Insurance Fund, Healthcare Benefits Fund, Fire District Funds, and JCPC Grant Fund) totals \$333,335,253 for the fiscal year ending June 30, 2021. The tax rate supporting the General Fund is \$.5375 per \$100 of assessed value based on total estimated valuation of \$26,674,720,000. Beginning in fiscal year ending June 30, 2021 Fire District Funds are supported by taxes levied on an All-County district at a rate of \$.09 per \$100 on estimated valuation of \$15,302,000,000.

The County developed an improvement plan for 24 different county-owned buildings including projects for parking, painting, roofing, and other indoor and outdoor renovations. The project was fully funded by fund balance appropriation from the General Fund to the Facilities Improvements Capital Project Fund in previous years. As part of the annual budget process, the County re-examines and updates the improvement plan to ensure the County's commitments, obligations, and anticipated needs are met in a fiscally sound manner. Since its inception, the Facilities Improvement Capital Project Fund has been increased to \$7,407,740.

The County uses pay-as-you-go financing as a significant capital financing source, but recognizes that debt issuance is sometimes the most appropriate financing structure for a capital project. Current debt obligations and planned debt issuance are factored into the County's long-term financial plan.

Relevant Financial Policies

In accordance with state statute, appropriated fund balance in any fund will not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts

The County will maintain an undesignated fund balance that exceeds eight percent (8%) in accordance with North Carolina Local Government Commission's (LGC) recommendation. The additional fund balance is maintained in the General Fund in case unforeseen needs or opportunities should arise. The amount of fund balance is strongly influenced by economic conditions within the County, future capital outlay needs, revenue stability, and in Iredell County's case, the limited susceptibility to natural disasters.

FOR THE YEAR

The government's staff, following specific directives of the governing board and the county manager, has been involved in a variety of projects throughout the year. These projects reflect the County's commitment to ensuring that its citizens are able to live and work in an enviable environment.

During budget preparation, the Board of Commissioners examined levels of services in programs currently offered and how the services could be provided more efficiently. Capital projects were considered and approved in areas that will enable the County to better serve the needs of the public and County government.

In March 2020, the Iredell County Board of Commissioners declared a State of Emergency related to the COVID-19 pandemic after its first confirmed case. Since that date, the Health Department Incident Management Team, as well as the Iredell County Emergency Operation Center, have been and remain activated. As of June 30, 2021 the Iredell County Health Department has coordinated drive thru testing clinics, confirmed approximately 19,252 total cases, have had 45 point of vaccination clinics, and administered approximately 135,893 vaccinations to Iredell County residents. In addition, Iredell County Health Department has responded to multiple outbreaks and clusters identified in schools, residential care, and nursing home facilities, has implemented Covid-19 related policies, practices, and procedures that are equitable to mitigate transmission. Related team members have responded to numerous phone calls and emails to answer incoming questions and concerns and has served to guide healthcare, childcare, and other businesses and industries to prevent Covid-19 transmissions. All Iredell County Departments have modified how they interact with the public and limit face-to-face interaction while still providing vital services to our citizens. The Courts and the Detention Center have coordinated virtual hearings and judications to avoid transportation and direct contact with State and Iredell County employees.

The County has received federal funding to assist with COVID-related and recovery costs. The funds include both Coronavirus Aid, Relief, and Economic Security Act (CARES) and American Rescue Plan Act (ARPA) funding. CARES funding was distributed in fiscal years 2020 and 2021. The FY 2020 CARES funding totaled \$6,770,524.00 and was spent on necessary expenditures incurred due to the public health emergency with respect to the Covid-19 virus. Expenses included personal protective equipment, janitorial and sanitation supplies for all county facilities, vaccine clinic equipment and supplies, technology equipment to allow for social distancing and virtual conferencing including video court proceedings, and emergency personnel salaries. The County has been approved for

\$35,313,684.00 under the American Rescue Plan Act of 2021 and is still developing plans for expenditure of these funds.

The County Landfill has a life of site permit for all acres that are currently approved on site suitability plans. Filling is currently underway in the newly constructed Phase VI. The entire site has approximately 23 years of life left at current disposal and compaction rates. Additional acreage for future disposal is available but has not been placed on site suitability.

The County, like many other large public and private entities, relies on a large and complex technology environment to conduct its operations and faces multiple cybersecurity threats including, but not limited to, hacking, phishing, viruses, malware and other attacks on its computing and other digital networks and systems (collectively, "Systems Technology"). As a recipient and provider of personal, private, or sensitive information, the County may be the target of cybersecurity incidents that could result in adverse consequences to the County and its Systems Technology, requiring a response action to mitigate the consequences.

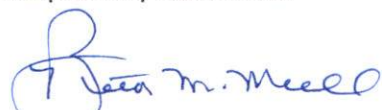
Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the County's System Technology for the purposes of misappropriating assets or information or causing operational disruption and damage. To mitigate the risk of business operations impact and/or damage from cybersecurity incidents or cyber-attacks, the County has invested in multiple forms of cybersecurity and operational safeguards.

AWARDS. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the government for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This is the 33rd year the County has received this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. The reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS. We would like to express our gratitude to the employees of Iredell County who continue to serve the citizens of the County as efficiently and as effectively as possible. We also offer our sincere thanks to the Iredell County Board of Commissioners for their continued leadership and support.

Respectfully submitted,



Beth M. Mull
County Manager



Debra L. Cheek
Director of Finance



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
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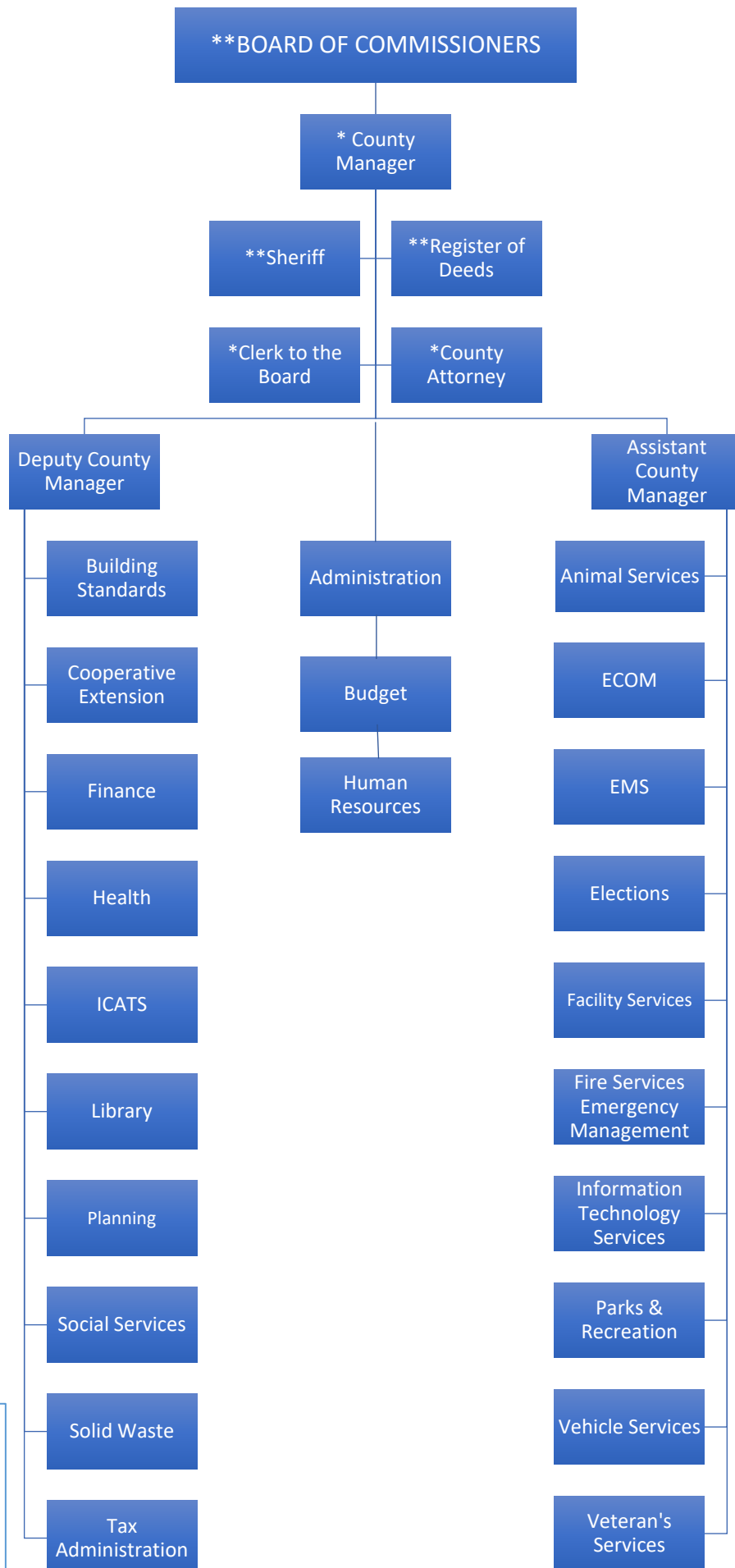
**County of Iredell
North Carolina**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



** Elected
* Appointed by the
Board of
Commissioners

Updated Jan 2019

IREDELL COUNTY, NORTH CAROLINA

Board of County Commissioners

James B. Mallory III, Chairman

Melissa Neader, Vice-Chairman

Marvin Norman

Gene Houpe

Scottie Brown

County Officials

Beth M. Mull	County Manager
Lisa Valdez	County Attorney
Amy Anderson	Clerk to the Board
Darren E. Campbell	Sheriff
Maureen Purcell	Register of Deeds
Susan G. Robertson	Deputy County Manager
Joseph R. Pierce	Assistant County Manager
Matthew Todd	Director of Planning
Debra L. Cheek	Director of Finance
F. William Furches, Jr.	Tax Administration/Collector
Sandra F. Gregory	Director of Human Services
Robby Wilkinson	Director of Development Services
Jane Hinson	Director of Health
Yvette Smith	Director of Social Services

FINANCIAL SECTION

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

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

Independent Auditor's Report

To the Board of Commissioners
Iredell County
Statesville, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Iredell County, North Carolina, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Iredell County, North Carolina, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in note 2H, to the financial statements, for the fiscal year ended June 30, 2021, Iredell County adopted new accounting guidance, Governmental Accounting Standards Board (GASB) No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Other Post-Employment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios, the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of Net Pension Liability and County Contributions, the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and Schedule of County Contributions, and the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Iredell County's basic financial statements. The introductory section, combining and individual fund financial statements, budgetary schedules, supplemental ad valorem tax schedules, and statistical section, as well as the accompanying Schedule of Expenditures of Federal and State Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, supplemental ad valorem tax schedules, and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from, and relates 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 financial statements and certain additional procedures, including comparing and

reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements, or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, budgetary schedules, supplemental ad valorem tax schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2021 on our consideration of Iredell County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 Iredell 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 Iredell County's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 9, 2021

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Iredell County, North Carolina
Management's Discussion and Analysis
June 30, 2021

As management of Iredell County, North Carolina, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the 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 following this narrative.

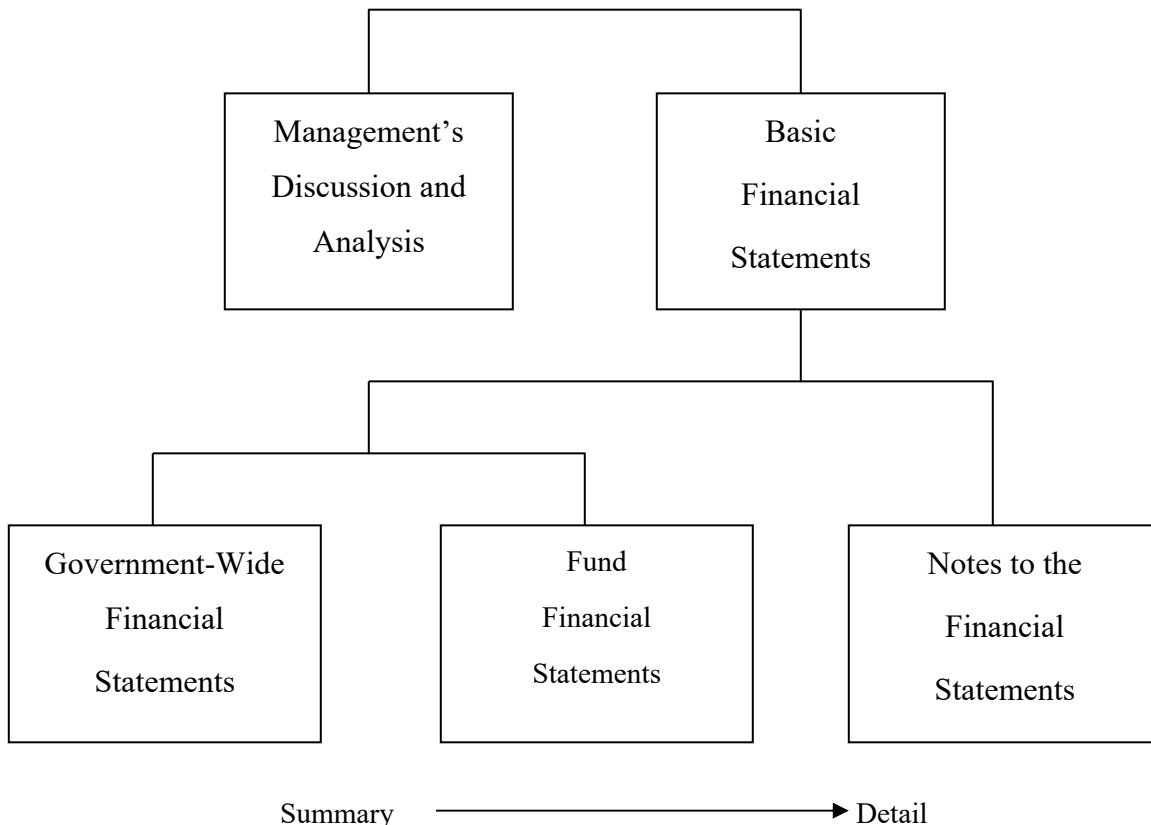
Financial Highlights

- The assets and deferred outflows of resources of Iredell County, North Carolina, exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$414,932,172 (net position).
- The government's total net position increased by \$41,151,854, primarily due to an increase in revenues in the Governmental Activities funds, as well as the implementation of GASB Statement No. 84, Fiduciary Activities, which created six new special revenue funds that were once treated as agency funds.
- As of the close of the current fiscal year, Iredell County's governmental funds reported a combined ending fund balance of \$166,096,884, an increase of \$26,906,726 in comparison with the prior year. The Fund Balance in the General Fund increased \$19,414,056. The American Rescue Fund increased by \$198. Nonmajor Funds increased \$7,492,472. The total amount of the increase in the General Fund, \$19,414,056, resulted in an overall increase of \$16,491,583 in the amount available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, fund balance available for appropriation in the General Fund was \$94,235,740, or 36.57%, of total General Fund expenditures and transfers to other funds for the fiscal year.
- The County made a \$1,723,540 transfer from the General Fund to the Facilities Improvement Fund to maintain facility improvements at current County buildings.
- Iredell County maintains its Fitch AAA general obligation bond ratings, as well as its AA rating with Standard & Poor's and Aa1 rating with Moody's Investors Service.

Overview of the Financial Statements

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

Required Components of Annual Financial Report



Basic Financial Statements

The first two statements (Exhibits A and B) 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 C through K) 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) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the 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. **Required supplemental information** is reported immediately after the notes. This section contains funding information about the County's pension plan. The next section is **supplemental information** provided to show details about the County's nonmajor governmental funds and internal service funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the NC General Statutes also can be found in this part of the statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of Iredell 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 they have changed. Net position is the difference between the County's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities and 2) business-type activities. The Iredell County Industrial Facility and Pollution Control Financing Authority is a component unit of the County; however, it has no reportable financial transactions or account balances and is not included in the government-wide statements. The governmental activities include most of the County's basic services such as public safety, human services, parks and recreation, and general administration. Property taxes and Federal State grant funds finance most of these activities. There are two business-type activities provided by the County. Landfill services, for which customers are charged and EMS Special Services which provide convalescent ambulance transports.

Exhibits A and B of this report are the government-wide financial statements.

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. The 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 Iredell County can be divided into two categories: governmental funds and proprietary 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 government 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.

Iredell County, North Carolina, adopts an annual budget for its General Fund, as required by the 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 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 adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

Proprietary Funds – The County has two kinds of proprietary 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 its solid waste landfill operations and convalescent ambulance transports. These funds are the same as the functions separate activity shown in the business-type activities in the Statement of Net Position and the Statement of Activities. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the functions of Iredell County, North Carolina. The County uses an internal service fund to account for three activities – the Self-Insured Employee Healthcare Benefits Fund, the Self-Insured Property and Liability Fund, and Self-Insured Workers' Compensation Benefits Fund. Because these activities benefit predominantly governmental rather than business-type activities, the internal service funds have been included within the governmental activities in the government-wide financial statements.

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

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 start on page 44 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Iredell County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 98 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of resources of Iredell County exceeded liabilities and deferred inflows of resources by \$414,932,172 as of June 30, 2021.

One of the largest components of net position \$277,845,810 (66.96%) reflects the County's net investment in capital assets (e.g. land, buildings, equipment, and vehicles), less any related debt still outstanding that was used to acquire those items. Iredell County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Iredell County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources since the capital assets cannot be used to liquidate these liabilities.

Iredell County, North Carolina's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 201,676,800	\$ 157,842,301	\$ 37,883,283	\$ 37,115,416	\$ 239,560,083	\$ 194,957,717
Pension asset	475,890	358,748	-	-	475,890	358,748
Capital assets	431,781,574	438,137,535	32,823,851	30,443,926	464,605,425	468,581,461
Total assets	<u>633,934,264</u>	<u>596,338,584</u>	<u>70,707,134</u>	<u>67,559,342</u>	<u>704,641,398</u>	<u>663,897,926</u>
 Total deferred outflows of resources	 <u>27,036,499</u>	 <u>17,249,170</u>	 <u>1,128,227</u>	 <u>782,445</u>	 <u>28,164,726</u>	 <u>18,031,615</u>
 Long-term liabilities						
outstanding	245,028,728	250,384,661	14,344,403	17,530,310	259,373,131	267,914,971
Other liabilities	54,732,494	36,832,942	1,140,529	1,272,891	55,873,023	38,105,833
Total liabilities	<u>299,761,222</u>	<u>287,217,603</u>	<u>15,484,932</u>	<u>18,803,201</u>	<u>315,246,154</u>	<u>306,020,804</u>
 Total deferred inflows of resources	 <u>2,517,153</u>	 <u>2,213,579</u>	 <u>110,645</u>	 <u>105,698</u>	 <u>2,627,798</u>	 <u>2,319,277</u>
 Net position:						
Net investment in capital assets	246,691,369	228,675,519	31,154,441	28,250,928	277,845,810	256,926,447
Restricted	75,122,151	72,260,545	-	-	75,122,151	72,260,545
Unrestricted	36,878,868	23,220,508	25,085,343	21,181,960	61,964,211	44,402,468
Total net position	<u>\$ 358,692,388</u>	<u>\$ 324,156,572</u>	<u>\$ 56,239,784</u>	<u>\$ 49,432,888</u>	<u>\$ 414,932,172</u>	<u>\$ 373,589,460</u>

An additional portion of Iredell County's net position \$75,122,151 (18.10%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$61,964,211 (14.93%) is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Iredell County is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business type-activities. The same situation was true for the prior fiscal year.

Of the \$2,861,606 net increase in restricted net position reported for Iredell County's governmental activities, \$46,775 for Health and DSS, \$158,685 for Public Safety, \$3,302,561 for School Capital, \$100,110 for restricted revenue for Register of Deeds, \$1,712 for Cultural and Recreation, \$43,312 for Register of Deeds' pension plan and restrictions related to cash balances on deposit with the County's bond trustee increased by \$613,401. Restrictions related to State statue requirements decreased by \$1,404,950.

The County's net position increased by \$41,151,854 for the fiscal year ended June 30, 2021. This increase represents the degree to which increases in ongoing revenues have surpassed similar increases in ongoing expenses.

Governmental Activities. Governmental activities increased Iredell County's net position by \$34,344,958, thereby accounting for 83.5% of the total growth in the net position of Iredell County. Key elements of this increase are as follows:

Iredell County, North Carolina's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 20,060,964	\$ 20,427,718	\$ 13,165,515	\$ 12,036,326	\$ 33,226,479	\$ 32,464,044
Operating grants and contributions	24,304,653	16,973,557	10,961	110,810	24,315,614	17,084,367
Capital grants and contributions	11,091,309	-	3,694	-	11,095,003	-
General revenues:						
Property taxes	160,639,901	150,627,655	-	-	160,639,901	150,627,655
Local option sales taxes	49,175,579	41,788,033	-	-	49,175,579	41,788,033
Other taxes	6,649,242	5,450,871	-	-	6,649,242	5,450,871
Grants and contributions not restricted to specific programs	962,135	869,749	-	-	962,135	869,749
Other	3,786,752	3,798,211	141,657	610,187	3,928,409	4,408,398
Total revenues	<u>276,670,535</u>	<u>239,935,794</u>	<u>13,321,827</u>	<u>12,757,323</u>	<u>289,992,362</u>	<u>252,693,117</u>
Expenses:						
General government	20,235,338	23,307,424	-	-	20,235,338	23,307,424
Public safety	67,513,297	64,731,381	-	-	67,513,297	64,731,381
Transportation	2,519,451	2,305,670	-	-	2,519,451	2,305,670
Economic & physical development	4,751,373	4,414,318	-	-	4,751,373	4,414,318
Human services	29,187,856	30,323,743	-	-	29,187,856	30,323,743
Cultural and recreation	6,225,688	5,846,897	-	-	6,225,688	5,846,897
Education	106,418,154	79,421,865	-	-	106,418,154	79,421,865
Interest on long-term debt	5,599,420	7,122,405	-	-	5,599,420	7,122,405
Landfill	-	-	5,133,072	13,309,045	5,133,072	13,309,045
EMS special services	-	-	1,256,859	1,325,906	1,256,859	1,325,906
Total expenses	<u>242,450,577</u>	<u>217,473,703</u>	<u>6,389,931</u>	<u>14,634,951</u>	<u>248,840,508</u>	<u>232,108,654</u>
Change in net position before transfers	34,219,958	22,462,091	6,931,896	(1,877,628)	41,151,854	20,584,463
Transfers	<u>125,000</u>	<u>125,000</u>	<u>(125,000)</u>	<u>(125,000)</u>	<u>-</u>	<u>-</u>
Change in net position after transfers	<u>34,344,958</u>	<u>22,587,091</u>	<u>6,806,896</u>	<u>(2,002,628)</u>	<u>41,151,854</u>	<u>20,584,463</u>
Net position, beginning	324,156,572	301,569,481	49,432,888	51,435,516	373,589,460	353,004,997
Restatement	<u>190,858</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>190,858</u>	<u>-</u>
Net position, July 1, restated	<u>324,347,430</u>	<u>301,569,481</u>	<u>49,432,888</u>	<u>51,435,516</u>	<u>373,780,318</u>	<u>353,004,997</u>
Net position, June 30	<u>\$ 358,692,388</u>	<u>\$ 324,156,572</u>	<u>\$ 56,239,784</u>	<u>\$ 49,432,888</u>	<u>\$ 414,932,172</u>	<u>\$ 373,589,460</u>

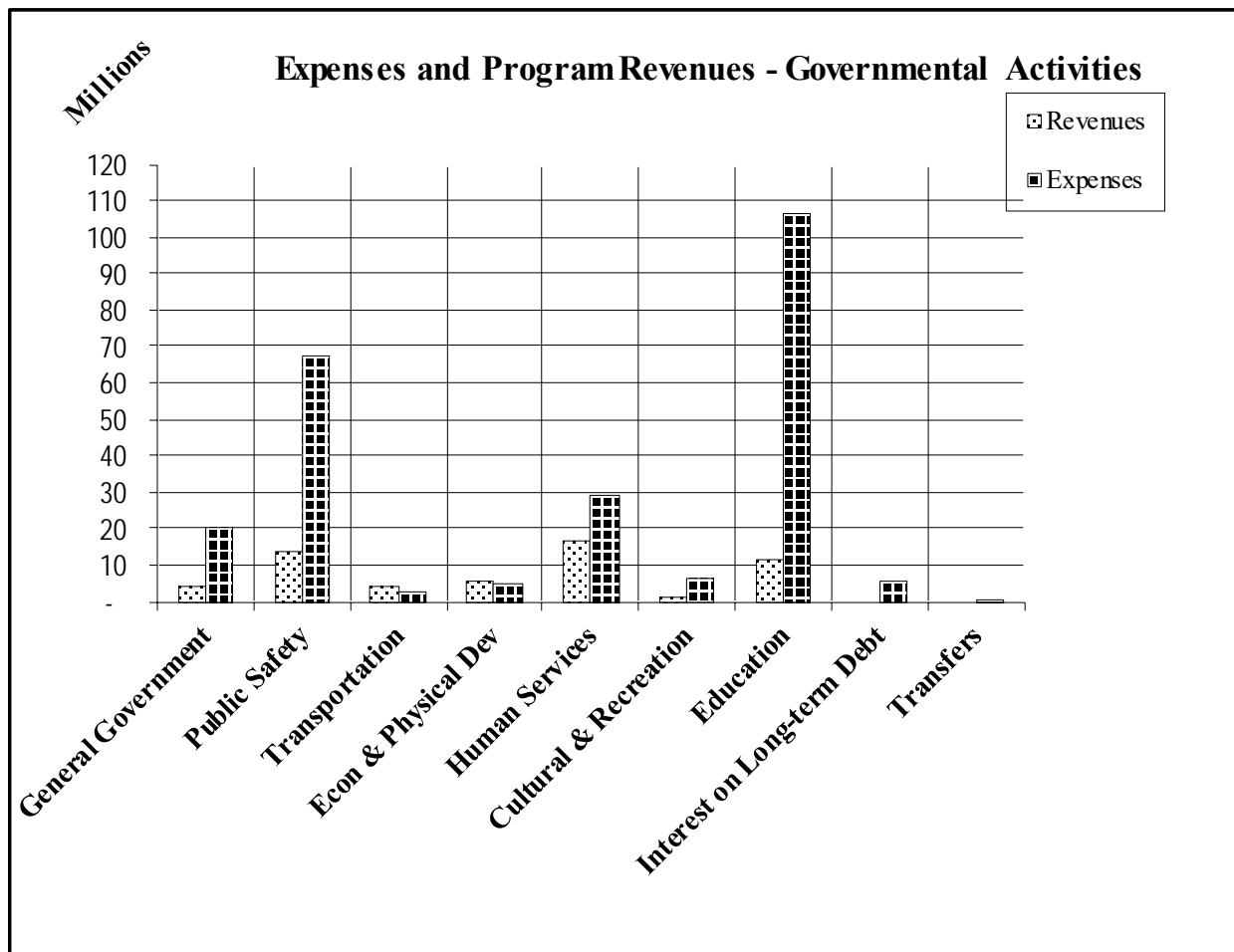
Several particular aspects of the County's financial operations influenced the total unrestricted governmental net position:

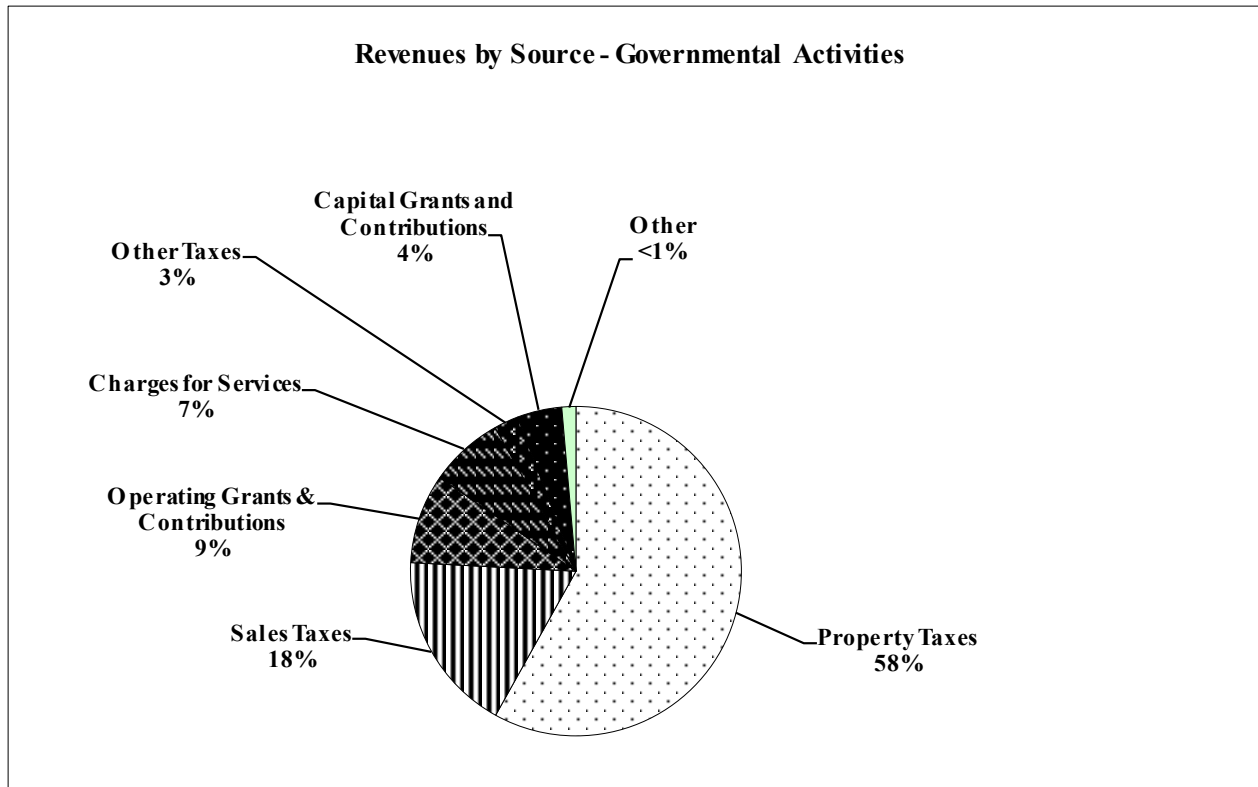
- The total property tax base increased from \$26,024,078,939 for the 2019-20 fiscal year to \$27,257,490,278 at June 30, 2021, a 4.74% increase. This resulted in total receipts for the year of \$160,639,901, an increase of prior year receipts by \$10,012,246 or an 6.65% increase.
- *Decrease in the receipt of charges for services and expenses.* The total receipts for the year \$20,060,964 decreased from the prior fiscal year by \$366,754 or 1.8%. While the General Fund recognized an increase of \$1,055,582, Transportation Sales and Services realized a decrease of \$1,422,336.
- *Growth in Local Option Sales Taxes.* The total receipts for the year \$49,175,579 exceeded prior fiscal year receipts by \$7,387,546, or an 17.7% increase.
- Continued low cost of debt due to the County's high bond rating.

Expenses were closely monitored to keep spending at a minimum while maintaining adequate response to service demands. For the fiscal year ended June 30, 2021, areas of change in the General Fund are as follows:

- Addition of full-time personnel were as follows: 2 – Facility Services; 1 – GIS Mapping; 1 – Sheriff; 4 – Emergency Communications; 1 – Building Standards.
- The County's Pay Plan included a mid-year pay scale adjustment of 3% this fiscal year.
- The County's contribution to the Health Care Benefits Fund for each full-time employee remained constant at \$9,925. The total General Fund contribution for Employee Health Care Benefits was \$9,457,008.
- *Increasing total expenses for General Government.* Expenses for General Government departments increased by \$564,652 or 3.29% over the previous year. The County takes a pro-active approach to reduce capital spending and maintain payroll expenses. This year's increase is a combination of the across the board salary increase, increases in Election operating expenses due to Presidential Election year, as well as the increase in personnel in various departments.
- *Increasing total expenses for Public Safety.* Expenses for public safety departments increased \$287,354, or 0.60%, from the prior year. Salaries and Benefits increased \$921,038, or 2.9%, over the previous year. This was a result of one new positions in the Sheriff's department, four in the Emergency Communications department. Operating costs decreased \$1,936,392, or 13.5% over the previous year. This is due in part to recognizing a capital lease in the previous fiscal year. The Sheriff's Office is responsible for all law enforcement activities within the non-municipal areas of Iredell County, detention of arrestees awaiting trial and adjudicated criminals sentenced to six months or less, and security of the State courts. The Sheriff's Office handled 12,183 civil and criminal processes, investigated 5,163 crimes, and made 6,553 arrests in the past fiscal year.
- *Increasing Economic and Physical Development expenses.* The economic and physical development departments realized a net increase of \$94,226, or 2.12%. Operating Expenses increased \$191,306, or 23.6%. This was a due in part to increased contracted services costs due to permitting software. The Planning and Enforcement division recognized a \$97,996 decrease in capital expenses.

- *Decreasing Human Services expenses.* The human services departments saw a net decrease of \$119,036, or 0.38%. Salaries and Benefits showed an increase of \$244,640 due to the across the board increase implemented mid-year. Social Services operating expenses decreased \$692,898 over the previous year with a large portion of the decrease realized in the Foster Care program. While operating expense for the Health Department increased, capital expenses decreased \$79,054 from the prior year, as a result of one time capital purchases made for COVID-19 mitigation efforts in the previous year.
- *Decreasing Cultural and Recreational expenses.* The cultural and recreational departments saw a net decrease of \$133,942, or 2.36%. While the Cultural and Recreational Departments saw an overall increase, the Library recognized a decrease of \$220,299 in building expenses.
- *Increasing Educational expenses.* Current expense and capital outlay payments to the two individual public school units and the community college increased actual spending by \$22,801,165, or 33.3%. Current expense increased by \$9,443,329, or 17.72% as a result of a new funding formula for current expense. Capital outlay payments increased \$13,357,836, or 87.9% due to increased capital expense as a result of a one time capital fund balance appropriation carried over from the previous year.





Business-Type Activities. This year, the Iredell County Solid Waste Disposal Facility had an increase in net position of \$6,559,148, or a 13.73% increase. During the year, the Solid Waste Disposal Facility reimbursed \$243,508 to Governmental Activities for services provided by Human Resources, Finance, Information Systems Management, Administration, etc. Some of the factors contributing to the increase in net position are as follows:

- Iredell County Solid Waste experienced a decrease in landfill closure post-closure cost of \$3,204,170 due to the addition of Phase VI which increased the cubic yards of capacity.
- Iredell County Solid Waste had an increase of 8.20% in the main source of revenue, Tipping Fees.
- The Solid Waste Availability Fee assessed to homeowners on their real property showed a minimal increase of 2.06% for a total of \$4,399,227 in revenues.
- Landfill Gas revenue experienced a increase of 2.34% as a result of equipment maintenance and repair performed by a Third Party.
- The Solid Waste Capital Project Fund completed the Iredell County Landfill Phase VI construction during fiscal year 2021. The entire site has approximately 23 years of life left at current disposal and compaction rates.

This year the Iredell County EMS Special Services Fund had an increase in net position of \$247,748, or a 14.96% increase. During the year, the EMS Special Services Fund reimbursed \$138,733 Governmental Activities for services provided by Human Resources, Finance, Information Systems Management, Administration, and Facility Services. Some factors contributing to the change in net position are as follows:

- EMS Specialty Services transport fees increased from the prior fiscal year by \$424,762 or 35.3%.
- The fund has made a 20 year commitment of a \$125,000 per year transfer to the General Fund for the Public Safety Complex which houses the EMS Specialty Services Division and is in its sixth year.

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Iredell 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. The County's major governmental funds include the General Fund and the American Rescue Plan Act Fund. The remaining governmental funds are considered non-major.

The General Fund is the chief operating fund of Iredell County. At the end of the current fiscal year, Iredell County's fund balance available for appropriation in the General Fund was \$94,235,740, while the total fund balance reached \$148,049,155. As a measure of the General Fund's liquidity, it may be useful to compare both fund balance available for appropriation and total fund balance to total fund expenditures and transfers out. Fund balance available for appropriation represents 36.57% of total General Fund expenditures and transfers out, while total fund balance represents 57.46% of that same amount.

At June 30, 2021, the governmental funds of Iredell County, North Carolina, reported a combined fund balance of \$166,096,884, increasing the prior year's combined fund balance by \$26,906,726, or 19.3%. There was an increase of \$19,414,056 for the General Fund. An increase of \$7,492,472 was realized in the Non-Major Governmental Funds and when combined with increases accounts for the net increase in the fund balance. The \$19,414,056 fund balance increase in the General Fund includes an increase in the amount of Ad Valorem Taxes in the amount of \$9,594,369 and Local Option Sales Taxes of \$7,387,546. Actual revenues of the General Fund were approximately \$13,006,781 greater than budgeted and actual expenditures, adjusting for encumbrances, were \$2,392,260 million less than the budgeted amounts. Transfers out to capital project funds represent \$1,873,540 of the net increase.

Non-spendable items as well as restrictions by State statute represent \$53,813,415 or 36.35% of the total fund balance. Other restrictions are represented by the following: Register of Deeds \$650,381, Public Safety \$860,466, Debt Service \$2,861,364, Human Services \$6,590,316 and Cultural and Recreational of \$74,340.

At June 30, 2021, the American Rescue Plan Act Fund reported a liability of \$17,656,842 for funds received in June. Iredell County received \$17,656,842 of American Rescue Plan Act funds from the Federal American Rescue Plan to spend directly on related expenditures incurred to address the pandemic.

Fund Balance in Nonmajor Governmental Funds increased by \$7,492,472 for the fiscal year. A combination of increases in Special Revenue Funds of \$2,131,047 and the nonmajor Capital Project Funds of \$5,361,425 accounted for this change. The Jail project and Public Safety Complex had decreases in fund balance of \$1,283,705 and 1,676,021, respectively due to construction costs as they near completion. Other major capital project funds that saw a significant decrease in fund balance were the 2018 GO Bonds MCC project with a decrease of \$1,476,714 and the 2018 ISS GO Middle School project with a decrease of \$618,071. The ISS School LED project and the MGSD Selma Burke Middle School project realized an increase in fund balance of \$4,650,489 and \$5,143,709, respectively, as a result of debt issued and contributions received. Some major highlights of nonmajor governmental funds include the Transportation Services Fund, which realized a net increase of \$1,549,573.

Limitations on the use of fund resources in the nonmajor governmental funds include restrictions by State statute represent \$4,213,745. Other restrictions are for contributions and unspent debt proceeds for School Capital of \$9,794,198, restrictions for use to public safety of \$2,604,254 and restrictions for use to human services of \$199,197.

Additional information on the County's limitations on the use of funds can be found in Note 1E the Basic Financial Statements.

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. There were amendments to the originally adopted budget totaling \$49,742,698 bringing the final budget to \$280,099,998. Those changes are summarized as follows:

- General government budgeted expenditures realized a net increase of \$6,998,323. A major portion of the increase, \$5,101,167, resulted from appropriations for services and supplies ordered in fiscal year 2019-20, but not performed or delivered until fiscal year 2020-21. Federal and State grants were received by the Elections Department in the amount of \$574,709 to assist with mitigating COVID-19 during the 2020 election. An appropriation of Fund Balance in the amount of \$1,010,000 was made to purchase property in Troutman.
- Large capital purchases were budgeted in a transfer line this year and then moved to the appropriate department as purchases were made. This resulted in \$143,432 being transferred to the Facility Services to purchase a portable generator to be used during power outages. A transfer of \$218,200 was made to the building budgets to replace carpet at Government Center South in Mooresville. Additionally, \$11,000 was transferred to the Parks & Recreation building budget for ADA improvements to Jennings Park.
- Public Safety budgeted expenditures increased \$5,397,295. Of this increase, \$4,179,487 resulted from appropriations for services and supplies ordered in fiscal year 2019-2020, but not performed or delivered until this fiscal year. Federal and State grants were recognized in the amount of \$436,501. A Justice Assistance Grant award totaled \$15,990 for the purchase of mobile printers. Federal Equity money in the amount of \$396,550 was appropriated for the purchase of a patrol boat and equipment. Contingency was appropriated in the amount of \$72,400 to assist the North Iredell Rescue Squad with parking lot repairs. A \$36,000 donation was recognized to support the Community Response and Peer Support programs in the Emergency Medical Services Department.

- Large capital purchases were budgeted in a transfer line this year and then moved to the appropriate department as purchases were made. This resulted in \$629,407 to the Emergency Medical Services Department for the purchase of three ambulances.
- Economic and Physical Development budgeted expenditures increased \$404,988. Of this net increase, \$83,961 resulted from appropriations for services and supplies ordered in fiscal year 2019-20, but not performed or delivered until this fiscal year. An appropriation of Fund Balance in the amount of \$315,000 was made for the purchase of new Inpsections Permitting software.
- Human Services budgeted expenditures increased \$4,316,644. Of this increase, \$1,790,025 resulted from appropriations for services and supplies ordered in fiscal year 2019-20, but not performed or delivered until this fiscal year. Federal and State grants were recognized in the amount of \$2,520,769 for the Health Department and Department of Social Services for COVID-19 mitigation and recovery.
- Cultural and recreational budgeted expenditures increased \$270,655. Of this increase, \$185,330 resulted from appropriations for services and supplies ordered in fiscal year 2019-20, but not performed or delivered until this fiscal year. The Parks and Recreation Department received \$58,500 from a local YMCA grant to assist with costs for an after school kids program.
- Educational budgeted expenditures increased \$31,235,261. Of this increase, \$26,358,029 resulted from capital outlay appropriations for fiscal year 2019-20 carried over to the 2020-21 fiscal year. Lottery proceeds provided additional funding for Iredell-Statesville Schools in the amount of \$4,874,045.
- Transfer budgeted expenditures increased \$1,268,540, with \$1,091,340 going to the Facility Improvement Fund for drainage work at the Government Center Complex and \$150,000 going to the Future Park Fund.

Revenues for the fiscal year were \$13,006,781 over the amount budgeted. A positive variance was seen in Ad Valorem Taxes exceeding budget by \$4,013,487 due to greater than anticipated growth in valuation. A positive variance of \$11,643,785 was seen in Local Option Sales Taxes as spending continues to trend upward, despite COVID-19. A negative variance of \$(3,268,333) resulted in Intergovernmental Revenues due to an increase in multi-year Federal and State grants. A positive variance was seen in Permits and Fees, \$494,385 due to an increase in building permits. A payment for Medicaid Hold Harmless was received from the State in the amount of \$2,912,435. Sales and Services recognized a negative variance of \$(579,075) due largely to a decrease in Parks and Recreation Fees. A negative variance of \$(720,392) was seen in investment earnings.

Actual expenditures were \$38,566,038 less than budget. Of this amount, \$36,173,778 represents encumbrances that are reserved in Fund Balance and will be paid for in the subsequent fiscal year. Total Salaries and Benefits were \$7,580,138 less than budget, which resulted from unfilled positions and using CARES funding for employees out on leave due to COVID-19. Of the total amount budgeted for Foster Care, \$718,165 remained unspent at June 30 as well as \$1,417,130 in other programs in the Social Services Department. The Sheriff and Jail department realized unspent funds of \$4,941,640.

Proprietary Funds. Iredell County's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. Unrestricted net position of the Solid Waste Disposal Enterprise Fund at the end of the fiscal year amounted to \$23,241,686 and \$1,843,657 in the EMS Special Services Fund.

Capital Asset and Debt Administration

Capital Assets. Iredell County's capital assets for its governmental and business-type activities as of June 30, 2021 totals \$464,605,425 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, and vehicles. During the fiscal year, the County -

- Purchased new equipment for Governmental and Business-Type activity departments.
- Purchased new vehicles for the Sheriff's Department.
- Continued construction of multi-year capital projects.

Iredell County Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 3,903,751	\$ 2,895,009	\$ 11,405,275	\$ 11,405,275	\$ 15,309,026	\$ 14,300,284
Land improvements	1,673,900	1,731,377	7,565,645	7,999,572	9,239,545	9,730,949
Buildings and system	306,893,610	274,672,832	1,045,780	1,273,948	307,939,390	275,946,780
Equipment	6,193,279	6,282,874	3,922,961	3,465,786	10,116,240	9,748,660
Vehicles and motorized equipment	6,296,744	5,306,413	964,257	802,742	7,261,001	6,109,155
Construction in progress	106,820,290	147,249,030	7,919,933	5,496,603	114,740,223	152,745,633
	<u>\$ 431,781,574</u>	<u>\$ 438,137,535</u>	<u>\$ 32,823,851</u>	<u>\$ 30,443,926</u>	<u>\$ 464,605,425</u>	<u>\$ 468,581,461</u>

Additional information on the County's capital assets can be found in Note 2A beginning of the Basic Financial Statements.

Long-Term Debt. As of June 30, 2021, Iredell County, North Carolina, had total bonded debt outstanding of \$117,865,000, all of which is debt backed by the full faith and credit of the County.

Iredell County, North Carolina's Outstanding Debt General Obligation Bonds

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds	<u>\$ 117,865,000</u>	<u>\$ 126,385,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 117,865,000</u>	<u>\$ 126,385,000</u>

As of June 30, 2021, Iredell County, North Carolina, had total direct placement installment purchase contracts of \$73,467,750.

**Iredell County, North Carolina's Outstanding Debt
Installment Purchases/Notes Payable**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Installment purchases - Notes payable	<u>\$ 71,897,550</u>	<u>\$ 76,679,437</u>	<u>\$ 1,570,200</u>	<u>\$ 1,800,200</u>	<u>\$ 73,467,750</u>	<u>\$ 78,479,637</u>

As mentioned in the financial highlights section of this document, Iredell County, North Carolina, maintains its Fitch AAA general obligation bond ratings, as well as its AA rating with Standard & Poor's and Aa1 rating with Moody's Investors Service. These bond ratings are clear indications 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.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the County is \$1,991,868,341.

Additional information regarding the County's long-term debt can be found in Note 2B beginning of this audited financial report.

Economic Factors and Next Year's Budgets and Rates

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

- The COVID-19 pandemic did not have a negative impact on property tax collections for the fiscal year. Property tax collections for the fiscal year resulted in a 99.41% collection rate. At the outset of the pandemic, the County adjusted its sales tax revenue projections for the fiscal year. Actual sales tax collections did not experience a drop in revenue, as actual sales tax collections exceeded the original amount expected for the fiscal year in the budget.
- There has been an estimated \$550 million in Economic Development announced in this fiscal year. This announcement includes over 6.2 million square feet of new construction.
- An average per capita assessed valuation in excess of \$147,329.
- A large diverse tax base with only 4.99% of assessed value attributed to the top ten taxpayers in the County.

Budget Highlights for the Fiscal Year Ending June 30, 2022

Governmental Activities: Iredell County, North Carolina, like the rest of the state, is facing an uncertain economy going into this fiscal year due to COVID-19. The 2021-22 budget is based on an overall increase in the tax base of 3.71% from fiscal year 2021, with an estimated assessed valuation of \$27,665,174,000. Real property, net of deferred taxes, is estimated to increase \$635.5 million, or 2.92% to \$22.4 billion. Motor Vehicles and other Taxable Personal Property is expected to increase \$310 million totaling \$4,709,674,000, which is an increase of 7.04% from 2021. In addition, Public Service Companies reflect an increase of \$45 million to a total of \$485 million. Discoveries, penalties and releases are expected to be \$40 million. The tax rate for the County remained the same at \$.5375 per hundred dollars of value. Total current and delinquent tax collections of \$148,844 million are budgeted for 2022. Due to the uncertainty of the COVID pandemic, the budgeted tax collection rate used was the fiscal year 2020 collection rate of

99.08%. The one-cent, point-of-delivery local option sales tax, authorized under Article 36 of Chapter 105 of the NC General Statutes, is budgeted at \$23.5 million, which is a slight increase over last year's budget and 7.4% less than the estimated collections for 2021. Sales taxes authorized under Articles 40 and 42 are budgeted at \$22.5 million and 4.6% less than the estimated collections for 2021.

Restricted Intergovernmental revenues are budgeted at \$14,838,469 for 2022. Primarily federal and State grants, these revenues were budgeted with a 3.2% increase compared to 2021 due to an increase in State and Federal funds awarded to assist with mitigating the COVID-19 pandemic. A 1.3% increase is budgeted for Social Services programs while the grants for the County Health Department are budgeted with a 41.3% increase due to increased State and Federal funding to help in the mitigation efforts of the COVID-19 pandemic. Total revenues from permits and fees and sales and services are budgeted approximately 2% lower than budget and 1.3% lower than actual for fiscal year 2021. This is due primarily to the continued impact from COVID-19 on development activities such as building permits, planning and erosion control fees, septic tank and well permits, in addition to Register of Deeds recording fees.

Total budgeted expenditures and transfers to other funds in the General Fund are increasing 2.52% for a total of \$236,155,420 in fiscal year 2022. The 2022 budget includes funding for employee performance increases, up to 3% of annual salary as well as an across the board increase of 2.5% at July 1, 2021. Thirty new positions were approved including a Public Information Officer, one Janitorial Day Porter, an Equipment Services Mechanic, one IT personnel, one Detective, and seven School Resource Officers in the Sheriff's Office, a Bailiff and one Detention Captain, an Animal Control Officer, a QA Compliance Officer in ECOM, two Paramedics and a Business Officer in EMS, one Assistance Fire Marshal, an Emergency Planner, an Erosion Control Officer, one Environmental Health Specialist, three Child Welfare QA Specialist, one Child Welfare QA Supervisor, and one Income Maintenance QA Supervisor in DSS, a Library Program Specialist, and one Parks Grounds Manager.

For fiscal year 2022, County funding to support public schools, the community college, and the retirement of debt issued, or to be issued for educational facilities, is budgeted for \$101,131,156 or 42.82% of the total General Fund expenditures. While the per-pupil funding recognized a 1.4% increase from \$1,940 in 2021 to \$1,967 for 2022, total Current Expense recognized a decrease of 1.3% due to a decrease of 795 students. Appropriations for school capital outlay are budgeted with an increase of \$1.1 million increase over fiscal year 2021 due to the increase in sales taxes designated for school capital. Current Expense for Mitchell Community College decreased by 1.08%, or \$45,744, to \$4,194,414 for fiscal year 2022 and Capital Outlay for MCC increased 5.6% to \$1,804,170. Debt Service decreased 3.6%, or \$984,638 due to paying off old debt. In its final year, an appropriation for School Safety and Security is providing an additional \$1,068,760 to the public schools and Mitchell Community College for identified capital needs to provide safety and security measures in the schools.

Business-Type Activities: Solid Waste total revenues are budgeted at \$13,238,725, or a 20.1% increase over 2021. This includes a Fund Balance appropriation of \$2 million for development of a new Landfill Entrance. Tipping Fees revenue will provide an additional \$151,000 over last year while other projected revenues are budgeted with slight increases for FY2022. Methane Gas Rights revenue will provide \$270,000. State grants and sales of recycled materials are anticipated to remain steady. The revenues will provide for personnel, operating costs, debt service, and capital expenditures, as well as add to retained earnings for future lined landfill construction.

EMS Specialty Services Convalescent Transport Fees are projected to remain steady at \$1,561,903 as this business continues to grow in its tenth year of operations. These revenues provide for personnel, operating costs, and capital expenditures totaling \$1,436,903, and will pay \$125,000 to the general fund in contribution to the construction of the Public Safety Complex. EMS Specialty Services has committed to a 20 year payment of \$125,000 each year for a total of \$3,200,000 for this project. 2021-2022 represents the seventh payment.

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 Director of Finance, Iredell County, 200 South Center Street, Statesville, North Carolina 28687.

BASIC FINANCIAL STATEMENTS

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IREDELL COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION **JUNE 30, 2021**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 146,349,804	\$ 25,279,904	\$ 171,629,708
Receivables, net	20,950,447	1,380,746	22,331,193
Note receivable	380,790	-	380,790
Prepaid items and other assets	106,863	3,657	110,520
Restricted cash and cash equivalents	33,888,896	11,218,976	45,107,872
Total current assets	<u>201,676,800</u>	<u>37,883,283</u>	<u>239,560,083</u>
Non-current assets:			
Net pension asset	<u>475,890</u>	<u>-</u>	<u>475,890</u>
Capital assets:			
Land, improvements, and construction in progress	110,724,041	19,325,208	130,049,249
Other capital assets, net of depreciation	<u>321,057,533</u>	<u>13,498,643</u>	<u>334,556,176</u>
Total capital assets	<u>431,781,574</u>	<u>32,823,851</u>	<u>464,605,425</u>
Total non-current assets	<u>432,257,464</u>	<u>32,823,851</u>	<u>465,081,315</u>
Total assets	<u>633,934,264</u>	<u>70,707,134</u>	<u>704,641,398</u>
Deferred Outflows of Resources:			
Deferred charges	2,527,178	116,843	2,644,021
Pension deferrals	16,595,028	594,842	17,189,870
OPEB deferrals	<u>7,914,293</u>	<u>416,542</u>	<u>8,330,835</u>
Total deferred outflows of resources	<u>27,036,499</u>	<u>1,128,227</u>	<u>28,164,726</u>
Liabilities:			
Accounts payable and accrued liabilities	7,588,539	730,677	8,319,216
Payable from restricted assets	50,956	-	50,956
Prepaid recreation fees	42,465	-	42,465
Prepaid privilege fees	6,917	-	6,917
Prepaid solid waste fees	-	140	140
Advance from grantor - payable from restricted assets	19,336,980	-	19,336,980
Accrued interest payable	1,524,891	6,543	1,531,434
Due within one year	<u>26,181,746</u>	<u>403,169</u>	<u>26,584,915</u>
Total current liabilities	<u>54,732,494</u>	<u>1,140,529</u>	<u>55,873,023</u>
Long-term liabilities:			
Non-current liabilities due in more than one year:			
Net pension liability (LGERS)	25,106,546	887,270	25,993,816
Total OPEB liability	28,992,848	1,525,939	30,518,787
Total pension liability (LEOSSA)	8,111,539	-	8,111,539
Due in more than one year	<u>182,817,795</u>	<u>11,931,194</u>	<u>194,748,989</u>
Total long-term liabilities	<u>245,028,728</u>	<u>14,344,403</u>	<u>259,373,131</u>
Total liabilities	<u>299,761,222</u>	<u>15,484,932</u>	<u>315,246,154</u>

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

IREDELL COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Deferred Inflows of Resources:			
Prepaid taxes	552,194	-	552,194
Pension deferrals	310,392	23,562	333,954
OPEB deferrals	1,654,567	87,083	1,741,650
Total deferred inflows of resources	2,517,153	110,645	2,627,798
Net Position:			
Net investment in capital assets	246,691,369	31,154,441	277,845,810
Restricted for:			
Stabilization by state statute	57,539,705	-	57,539,705
Social services	6,789,513	-	6,789,513
Sheriff and animal services	3,464,720	-	3,464,720
School capital	3,302,561	-	3,302,561
Register of Deeds	650,381	-	650,381
Debt service	2,861,364	-	2,861,364
Future recreation expenditures	74,340	-	74,340
Register of Deeds' Pension plan	439,567	-	439,567
Unrestricted	36,878,868	25,085,343	61,964,211
Total net position	<u>\$ 358,692,388</u>	<u>\$ 56,239,784</u>	<u>\$ 414,932,172</u>

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

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IREDELL COUNTY, NORTH CAROLINA

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ 20,235,338	\$ 3,094,137	\$ 1,168,920	\$ -
Public safety	67,513,297	6,679,296	6,890,544	-
Transportation	2,519,451	1,017,185	2,675,457	-
Economic and physical development	4,751,373	5,647,875	214,652	-
Human services	29,187,856	3,461,818	12,759,686	-
Cultural and recreational	6,225,688	160,653	595,394	-
Education	106,418,154	-	-	11,091,309
Interest on long-term debt	5,599,420	-	-	-
Total governmental activities	242,450,577	20,060,964	24,304,653	11,091,309
Business-type activities:				
Solid waste disposal facility	5,133,072	11,537,856	10,961	3,694
EMS special services	1,256,859	1,627,659	-	-
Total business-type activities	6,389,931	13,165,515	10,961	3,694
Total primary government	\$ 248,840,508	\$ 33,226,479	\$ 24,315,614	\$ 11,095,003

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

IREDELL COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Primary Government:			
Governmental activities:			
General government	\$ (15,972,281)	\$ -	\$ (15,972,281)
Public safety	(53,943,457)	-	(53,943,457)
Transportation	1,173,191	-	1,173,191
Economic and physical development	1,111,154	-	1,111,154
Human services	(12,966,352)	-	(12,966,352)
Cultural and recreational	(5,469,641)	-	(5,469,641)
Education	(95,326,845)	-	(95,326,845)
Interest on long-term debt	(5,599,420)	-	(5,599,420)
Total governmental activities	<u>(186,993,651)</u>	<u>-</u>	<u>(186,993,651)</u>
Business-type activities:			
Solid waste disposal facility	-	6,419,439	6,419,439
EMS special services	-	370,800	370,800
Total business-type activities	<u>-</u>	<u>6,790,239</u>	<u>6,790,239</u>
Total primary government	<u>(186,993,651)</u>	<u>6,790,239</u>	<u>(180,203,412)</u>
General Revenues:			
Taxes:			
Property taxes, levied for general purpose	160,639,901	-	160,639,901
Local option sales tax	49,175,579	-	49,175,579
Other taxes	6,649,242	-	6,649,242
Grants and contributions, not restricted to specific programs	962,135	-	962,135
Investment earnings, unrestricted	48,895	9,546	58,441
Miscellaneous, unrestricted	3,737,857	132,111	3,869,968
Total general revenues	221,213,609	141,657	221,355,266
Transfers	125,000	(125,000)	-
Total general revenues and transfers	<u>221,338,609</u>	<u>16,657</u>	<u>221,355,266</u>
Change in net position	<u>34,344,958</u>	<u>6,806,896</u>	<u>41,151,854</u>
Net Position:			
Beginning of year - July 1	324,156,572	49,432,888	373,589,460
Restatement	190,858	-	190,858
Beginning of year - July 1 - restated	<u>324,347,430</u>	<u>49,432,888</u>	<u>373,780,318</u>
End of year - June 30	<u>\$ 358,692,388</u>	<u>\$ 56,239,784</u>	<u>\$ 414,932,172</u>

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

IREDELL COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS JUNE 30, 2021

	General Fund	American Rescue Plan Act Fund	Total Nonmajor Funds	Total Governmental Funds
Assets:				
Cash and cash equivalents	\$ 132,490,414	\$ -	\$ 7,759,968	\$ 140,250,382
Taxes receivable, net	257,907	-	52,398	310,305
Receivables, net	19,030,793	-	1,609,349	20,640,142
Note receivable	380,790	-	-	380,790
Due from other funds	289,632	-	-	289,632
Prepays	84,797	-	-	84,797
Inventory	22,066	-	-	22,066
Restricted cash and cash equivalents	2,912,320	17,657,040	13,319,536	33,888,896
Total assets	<u>\$ 155,468,719</u>	<u>\$ 17,657,040</u>	<u>\$ 22,741,251</u>	<u>\$ 195,867,010</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	\$ 4,368,473	\$ -	\$ 2,643,763	\$ 7,012,236
Payable from restricted assets	50,956	-	-	50,956
Prepaid recreation fees	42,465	-	-	42,465
Prepaid privilege license	6,917	-	-	6,917
Advance from grantor - payable from restricted assets	-	17,656,842	1,680,138	19,336,980
Due to other funds	-	-	289,632	289,632
Total liabilities	<u>4,468,811</u>	<u>17,656,842</u>	<u>4,613,533</u>	<u>26,739,186</u>
Deferred Inflows of Resources	<u>2,950,753</u>	<u>-</u>	<u>80,187</u>	<u>3,030,940</u>
Fund Balances:				
Non-spendable	487,653	-	-	487,653
Restricted:				
Stabilization by state statute	53,325,762	198	4,213,745	57,539,705
Restricted for social services	6,590,316	-	199,197	6,789,513
Restricted for sheriff and animal services	860,466	-	2,604,254	3,464,720
Restricted for school capital	-	-	9,794,198	9,794,198
Restricted for Register of Deeds	650,381	-	-	650,381
Restricted for debt service	2,861,364	-	-	2,861,364
Restricted for future recreation expenditures	74,340	-	-	74,340
Committed	6,000,000	-	1,472,034	7,472,034
Assigned	7,549,658	-	307,595	7,857,253
Unassigned	69,649,215	-	(543,492)	69,105,723
Total fund balances	<u>148,049,155</u>	<u>198</u>	<u>18,047,531</u>	<u>166,096,884</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 155,468,719</u>	<u>\$ 17,657,040</u>	<u>\$ 22,741,251</u>	<u>\$ 195,867,010</u>

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

IREDELL COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS JUNE 30, 2021

	Total Governmental Funds
Total fund balances from Page 1 of 2	\$ 166,096,884
Amounts reported for governmental activities in the Statement of Net Position (Exhibit A) are different because:	
Deferred charges related to advance refundings of debt	2,527,178
Capital assets used in governmental activities are not financial resources and, therefore,	431,781,574
Internal service funds are used by management to charge the costs of employee healthcare benefits to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the Statement of Net Position.	5,523,119
Net pension asset	475,890
Net pension liability - LGERS	(25,106,546)
Total pension liability - LEOSA	(8,111,539)
Total OPEB liability	(28,992,848)
Deferred outflows of resources related to pensions are not reported in the funds.	16,595,028
Deferred outflows of resources related to OPEB are not reported in the funds.	7,914,293
Some liabilities, including bonds payable, compensated absences and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds.	(210,524,432)
Deferred inflows of resources for taxes receivable and ambulance receivables	2,478,746
Deferred inflows of resources related to pensions are not reported in the funds.	(310,392)
Deferred inflows of resources related to OPEB are not reported in the funds.	(1,654,567)
Net position of governmental activities	<u>\$ 358,692,388</u>

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

IREDELL COUNTY, NORTH CAROLINA

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

	General Fund	American Rescue Plan Act Fund	Total Nonmajor Funds	Total Governmental Funds
Revenues:				
Ad valorem taxes	\$ 147,839,302	\$ -	\$ 14,134,775	\$ 161,974,077
Other taxes and licenses	55,824,821	-	-	55,824,821
Unrestricted intergovernmental	962,135	-	-	962,135
Restricted intergovernmental	19,643,749	-	9,534,949	29,178,698
Permits and fees	8,227,259	-	-	8,227,259
Contributions	-	-	6,217,264	6,217,264
Sales and services	10,809,192	-	1,017,185	11,826,377
Investment earnings	45,108	198	2,062	47,368
Property sales	-	-	6,500	6,500
Miscellaneous	839,518	-	2,891,839	3,731,357
Total revenues	<u>244,191,084</u>	<u>198</u>	<u>33,804,574</u>	<u>277,995,856</u>
Expenditures:				
Current:				
General government	17,727,914	-	1,092,292	18,820,206
Public safety	47,894,648	-	21,128,407	69,023,055
Transportation	-	-	2,255,566	2,255,566
Economic and physical development	4,534,391	-	106,563	4,640,954
Human services	30,901,354	-	-	30,901,354
Cultural and recreational	5,543,372	-	602,636	6,146,008
Intergovernmental:				
Education	91,287,424	-	7,004,081	98,291,505
Capital outlay	-	-	11,800	11,800
Debt service:				
Principal repayments	19,731,389	-	-	19,731,389
Interest and other charges	7,939,293	-	-	7,939,293
Total expenditures	<u>225,559,785</u>	<u>-</u>	<u>32,201,345</u>	<u>257,761,130</u>
Revenues over (under) expenditures	<u>18,631,299</u>	<u>198</u>	<u>1,603,229</u>	<u>20,234,726</u>
Other Financing Sources (Uses):				
Installment purchase obligations issued	-	-	6,547,000	6,547,000
Transfers in	2,875,900	-	2,093,143	4,969,043
Transfers (out)	(2,093,143)	-	(2,750,900)	(4,844,043)
Total other financing sources (uses)	<u>782,757</u>	<u>-</u>	<u>5,889,243</u>	<u>6,672,000</u>
Net change in fund balances	<u>19,414,056</u>	<u>198</u>	<u>7,492,472</u>	<u>26,906,726</u>
Fund Balances:				
Beginning of year - July 1	128,635,099	-	10,364,201	138,999,300
Prior period adjustment	-	-	190,858	190,858
Beginning of year, as restated	<u>128,635,099</u>	<u>-</u>	<u>10,555,059</u>	<u>139,190,158</u>
End of year - June 30	<u>\$ 148,049,155</u>	<u>\$ 198</u>	<u>\$ 18,047,531</u>	<u>\$ 166,096,884</u>

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

IREDELL COUNTY, NORTH CAROLINA

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

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

Net change in fund balances - total governmental funds (Exhibit D)	\$ 26,906,726
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Governmental funds report capital outlays and 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 capital outlay exceeded depreciation in the current period.

Capital outlay	12,376,058
Depreciation	(18,706,500)

Net book value of capital assets disposed of during the year, not recognized on the modified accrual basis	(25,519)
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(178,941)
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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 an 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.

New debt	(6,547,000)
Principal	20,057,766
Amortization and accrued interest	2,013,496

Net expenditures of internal service funds determined to be governmental-type.	(157,221)
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Pension expense - LEOSSA	(436,609)
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Pension expense - LGERS	(3,559,026)
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Pension expense - ROD	43,312
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OPEB plan expense	2,592,368
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Expenses related to compensated absences that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(33,952)
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Change in net position of governmental activities (Exhibit B)	<u>\$ 34,344,958</u>
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The accompanying notes are an integral part of the financial statements.

IREDELL COUNTY, NORTH CAROLINA

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

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Over/Under
Revenues:				
Ad valorem taxes	\$ 143,825,815	\$ 143,825,815	\$ 147,839,302	\$ 4,013,487
Other taxes and licenses	42,973,464	42,973,464	55,824,821	12,851,357
Unrestricted intergovernmental	830,000	830,000	962,135	132,135
Restricted intergovernmental	15,019,968	23,044,217	19,643,749	(3,400,468)
Permits and fees	7,732,874	7,732,874	8,227,259	494,385
Sales and services	11,388,267	11,388,267	10,809,192	(579,075)
Investment earnings	765,500	765,500	45,108	(720,392)
Miscellaneous	582,731	718,431	839,518	121,087
Total revenues	<u>223,118,619</u>	<u>231,278,568</u>	<u>244,191,084</u>	<u>12,912,516</u>
Expenditures:				
Current:				
General government	18,241,133	25,593,180	17,727,914	7,865,266
Public safety	50,096,720	55,491,990	47,894,648	7,597,342
Economic and physical development	4,989,656	5,416,294	4,534,391	881,903
Human services	33,853,992	38,170,635	30,901,354	7,269,281
Cultural and recreational	5,864,859	6,196,536	5,543,372	653,164
Intergovernmental:				
Education	73,664,171	104,899,432	91,287,424	13,612,008
Debt service:				
Principal retirement	20,726,187	20,342,300	19,731,389	610,911
Interest and other charges	8,671,552	8,621,070	7,939,293	681,777
Total expenditures	<u>216,108,270</u>	<u>264,731,437</u>	<u>225,559,785</u>	<u>39,171,652</u>
Revenues over (under) expenditures	<u>7,010,349</u>	<u>(33,452,869)</u>	<u>18,631,299</u>	<u>52,084,168</u>
Other Financing Sources (Uses):				
Fund balance appropriated	3,717,000	45,296,562	-	(45,296,562)
Transfers in	2,515,340	2,515,340	2,875,900	360,560
Transfers (out)	(13,242,689)	(14,359,033)	(2,093,143)	12,265,890
Total other financing sources (uses)	<u>(7,010,349)</u>	<u>33,452,869</u>	<u>782,757</u>	<u>(32,670,112)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	19,414,056	<u>\$ 19,414,056</u>
Fund Balance:				
Beginning of year - July 1			<u>128,635,099</u>	
End of year - June 30			<u>\$ 148,049,155</u>	

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

IREDELL COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Business-Type Activities			Governmental Activities
	Solid Waste Disposal Facility Fund	Nonmajor Enterprise Fund	Total Enterprise Funds	Internal Service Funds
Assets:				
Current assets:				
Cash and cash equivalents	\$ 23,572,658	\$ 1,707,246	\$ 25,279,904	\$ 6,099,422
Receivables, net	841,958	538,788	1,380,746	-
Prepaid items	3,657	-	3,657	-
Restricted cash and cash equivalents	11,218,976	-	11,218,976	-
Total current assets	35,637,249	2,246,034	37,883,283	6,099,422
Non-current assets:				
Capital assets:				
Land and construction in progress	19,325,208	-	19,325,208	-
Other capital assets, net of depreciation	13,438,925	59,718	13,498,643	-
Total capital assets	32,764,133	59,718	32,823,851	-
Total assets	68,401,382	2,305,752	70,707,134	6,099,422
Deferred Outflows of Resources:				
Refunding charge deferrals	116,843	-	116,843	-
OPEB deferrals	333,233	83,309	416,542	-
Pension deferrals	442,225	152,617	594,842	-
Total deferred outflows of resources	892,301	235,926	1,128,227	-
Liabilities:				
Current liabilities:				
Accounts payable and accrued liabilities	701,029	29,648	730,677	576,303
Prepaid solid waste fees	140	-	140	-
Accrued interest payable	6,543	-	6,543	-
Compensated absences	121,506	9,653	131,159	-
Direct placement installment notes payable	272,010	-	272,010	-
Total current liabilities	1,101,228	39,301	1,140,529	576,303
Non-current liabilities:				
Compensated absences	21,442	1,703	23,145	-
Direct placement installment notes payable	1,514,243	-	1,514,243	-
Total OPEB liability	1,220,752	305,187	1,525,939	-
Net pension liability (LGERS)	637,466	249,804	887,270	-
Accrued landfill closure and post-closure care costs	10,393,806	-	10,393,806	-
Total non-current liabilities	13,787,709	556,694	14,344,403	-
Total liabilities	14,888,937	595,995	15,484,932	576,303
Deferred Inflows of Resources:				
OPEB deferrals	69,666	17,417	87,083	-
Pension deferrals	(1,329)	24,891	23,562	-
Total deferred inflows of resources	68,337	42,308	110,645	-
Net Position:				
Net investment in capital assets	31,094,723	59,718	31,154,441	-
Unrestricted	23,241,686	1,843,657	25,085,343	5,523,119
Total net position	\$ 54,336,409	\$ 1,903,375	\$ 56,239,784	\$ 5,523,119

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

IREDELL COUNTY, NORTH CAROLINA

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

	Business-Type Activities			Governmental Activities
	Solid Waste Disposal Facility Fund	Nonmajor Enterprise Fund	Total Enterprise Funds	Internal Service Funds
Operating Revenues:				
Tipping fees	\$ 5,777,736	\$ -	\$ 5,777,736	\$ -
Availability fees	4,399,227	-	4,399,227	-
Convalescent transport fees	-	1,627,659	1,627,659	-
Tire disposal fees and reimbursements	304,167	-	304,167	-
Mooresville transportation fees	212,450	-	212,450	-
Landfill gas	266,953	-	266,953	-
Recycling sales	18,199	-	18,199	-
NC disposal tax	103,205	-	103,205	-
White goods metal sales	159,367	-	159,367	-
Scrap metal sales	216,108	-	216,108	-
Miscellaneous	80,444	-	80,444	-
Other services	-	-	-	14,549,611
Total operating revenues	<u>11,537,856</u>	<u>1,627,659</u>	<u>13,165,515</u>	<u>14,549,611</u>
Operating Expenses:				
Salaries and employee benefits	3,155,147	850,654	4,005,801	-
Professional services	1,142,011	121,641	1,263,652	-
Maintenance and repairs	1,076,791	22,143	1,098,934	-
Operating expense	(2,197,334)	213,347	(1,983,987)	-
Depreciation	1,824,279	49,074	1,873,353	-
Other services	-	-	-	14,708,359
Total operating expenses	<u>5,000,894</u>	<u>1,256,859</u>	<u>6,257,753</u>	<u>14,708,359</u>
Net operating income (loss)	<u>6,536,962</u>	<u>370,800</u>	<u>6,907,762</u>	<u>(158,748)</u>
Non-Operating Revenues (Expenses):				
Investment earnings	9,037	509	9,546	1,527
Federal and state grants	10,961	-	10,961	-
Non-operating miscellaneous	130,672	1,439	132,111	-
Gain (loss) on disposal of asset	(32,184)	-	(32,184)	-
Interest and other charges	(99,994)	-	(99,994)	-
Total non-operating revenues (expenses)	<u>18,492</u>	<u>1,948</u>	<u>20,440</u>	<u>1,527</u>
Income before transfers and capital contributions	<u>6,555,454</u>	<u>372,748</u>	<u>6,928,202</u>	<u>(157,221)</u>
Capital contributions	3,694	-	3,694	-
Transfers (to) other funds	-	(125,000)	(125,000)	-
Total transfers and capital contributions	<u>3,694</u>	<u>(125,000)</u>	<u>(121,306)</u>	<u>-</u>
Change in net position	6,559,148	247,748	6,806,896	(157,221)
Net Position:				
Beginning of year - July 1	<u>47,777,261</u>	<u>1,655,627</u>	<u>49,432,888</u>	<u>5,680,340</u>
End of year - June 30	<u>\$ 54,336,409</u>	<u>\$ 1,903,375</u>	<u>\$ 56,239,784</u>	<u>\$ 5,523,119</u>

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

IREDELL COUNTY, NORTH CAROLINA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Business-Type Activities			Governmental Activities
	Solid Waste Disposal Facility Fund	Nonmajor Enterprise Fund	Total Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities:				
Cash received from customers	\$ 11,628,125	\$ 1,361,404	\$ 12,989,529	\$ -
Cash received from interfund services	-	-	-	14,550,014
Cash paid for goods and services	(3,234,469)	(351,198)	(3,585,667)	(14,536,074)
Cash paid to employees for services	(3,210,324)	(865,564)	(4,075,888)	-
Net cash provided (used) by operating activities	<u>5,183,332</u>	<u>144,642</u>	<u>5,327,974</u>	<u>13,940</u>
Cash Flows from Non-Capital Financing Activities:				
State and federal grants	10,961	-	10,961	-
Transfers to other funds	-	(125,000)	(125,000)	-
Net cash provided (used) by non-capital financing activities	<u>10,961</u>	<u>(125,000)</u>	<u>(114,039)</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(4,406,702)	-	(4,406,702)	-
Capital contributions	3,694	-	3,694	-
Principal retirements	(230,000)	-	(230,000)	-
Interest and other charges	(127,470)	-	(127,470)	-
Net cash provided (used) by capital and related financing activities	<u>(4,760,478)</u>	<u>-</u>	<u>(4,760,478)</u>	<u>-</u>
Cash Flows from Investing Activities:				
Investment earnings	<u>9,037</u>	<u>509</u>	<u>9,546</u>	<u>1,527</u>
Net increase (decrease) in cash and cash equivalents	442,852	20,151	463,003	15,467
Cash and Cash Equivalents:				
Beginning of year - July 1	<u>34,348,782</u>	<u>1,687,095</u>	<u>36,035,877</u>	<u>6,083,955</u>
End of year - June 30	<u>\$ 34,791,634</u>	<u>\$ 1,707,246</u>	<u>\$ 36,498,880</u>	<u>\$ 6,099,422</u>
Reconciliation of Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Net operating income (loss)	<u>\$ 6,536,962</u>	<u>\$ 370,800</u>	<u>\$ 6,907,762</u>	<u>\$ (158,748)</u>
Adjustments to Reconcile Net Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating activities:				
Depreciation	1,824,279	49,074	1,873,353	-
Non-operating miscellaneous	130,672	1,439	132,111	-
Change in Assets and Liabilities:				
(Increase) decrease in operating accounts receivable	(40,543)	(266,255)	(306,798)	403
(Increase) decrease in prepaid items	1,934	-	1,934	-
Increase (decrease) in net pension liability	62,296	62,296	124,592	-
(Increase) decrease in deferred outflows of resources for pensions	(25,789)	(25,789)	(51,578)	-
Increase (decrease) in deferred inflows of resources for pensions	(191)	(191)	(382)	-
Increase (decrease) in operating accounts payable and accrued liabilities	(3,198,103)	4,494	(3,193,609)	172,285
Increase (decrease) in total OPEB liability	135,302	33,825	169,127	-
(Increase) decrease in deferred outflows of resources for OPEB	(248,716)	(62,180)	(310,896)	-
Increase (decrease) in deferred inflows of resources for OPEB	4,262	1,067	5,329	-
Increase (decrease) in compensated absences	967	(23,938)	(22,971)	-
Total adjustments	<u>(1,353,630)</u>	<u>(226,158)</u>	<u>(1,579,788)</u>	<u>172,688</u>
Net cash provided (used) by operating activities	<u>\$ 5,183,332</u>	<u>\$ 144,642</u>	<u>\$ 5,327,974</u>	<u>\$ 13,940</u>

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

IREDELL COUNTY, NORTH CAROLINA**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

	Custodial Funds
Assets:	
Cash and cash equivalents	\$ 339,274
Receivables, net	<u>883,403</u>
Total assets	<u>1,222,677</u>
Liabilities:	
Accounts payable and accrued liabilities	<u>560,687</u>
Net Position:	
Restricted for:	
Individuals, organizations and other governments	<u><u>\$ 661,990</u></u>

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

IREDELL COUNTY, NORTH CAROLINA

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

	Custodial Funds
Additions:	
Ad valorem taxes for other governments	\$ 82,780,444
Cooperative extension receipts	18,091
Investment earnings	26
Total additions	<u>82,798,561</u>
Deductions:	
Tax distributions to other governments	82,446,021
Distributions to programs	14,246
Total deductions	<u>82,460,267</u>
Net increase (decrease) in fiduciary net position	<u>338,294</u>
Net Position:	
Net position - beginning, as previously reported	-
Prior period adjustment - change in accounting principle	323,696
Net position - beginning, as restated	<u>323,696</u>
Net position - ending	<u>\$ 661,990</u>

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

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IREDELL COUNTY, NORTH CAROLINA

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

1. Summary of Significant Accounting Policies

The accounting policies of Iredell County, North Carolina, (the “County”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The County, which is governed by a five-member Board of Commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. Management has considered all potential component units (legally separate entities for which the County is financially accountable) and has determined that there are no component units to be included in the financial statements.

Iredell County Industrial Facility and Pollution Control Financing Authority

Iredell 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 is governed by a three-member Board of Commissioners, all of whom are appointed by the County Commissioners. The County can remove any commissioner of the Authority with or without cause. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. The Authority does not issue separate financial statements.

B. Basis of Presentation

Government-Wide Statements – The Statement of Net Position and the Statement of Activities display information about the primary government (the County). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole, or in part, by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the Statement of Activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

IREDELL COUNTY, NORTH CAROLINA

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

Fund Financial Statements – The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category; *governmental, proprietary, and fiduciary* are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

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

The County reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

American Rescue Plan Act Fund – This fund is used to account for all the revenues received under the American Rescue Plan which are restricted for necessary expenditures incurred due to the public health emergency with respect to the coronavirus disease.

The County reports the following major enterprise fund:

Solid Waste Disposal Facility Fund – (see description below)

The County has the following fund categories:

Governmental Funds – Governmental funds account for the County's general governmental activities. Governmental funds include the following fund types:

General Fund – The General Fund is the primary operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Emergency Telephone System Fund, Transportation Services Fund, Fire District Fund, Juvenile Crime Prevention Grant Fund, CARES Act Fund, NCHFA Fund, Fines and Forfeitures Fund, Sheriff's Fund, Employee Flex Benefits Fund, Representative Payee Fund, Inspection Bonds Fund, and Register of Deeds Fund. As a result of the implementation of GASB Statement No. 84 – *Fiduciary Activities*, the County added six new special revenue funds that were formerly accounted for as fiduciary agency funds.

Capital Project Funds – Parks Capital Project Fund, Facilities Improvement Fund, Public Safety Complex project, Jennings Park project, 2016 GO Bonds NIHS/SIHS project, Jail Expansion project, Mooresville High School project, 2018 GO Bonds MCC project, 2018 ISS GO Middle School project, ISS School LED project, MGSD Selma Burke Middle School project, and Weathers Creek High School project.

IREDELL COUNTY, NORTH CAROLINA

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

Proprietary Funds – include the following fund types:

Solid Waste Disposal Facility Fund – The Solid Waste Disposal Facility Fund is used to account for the County’s operation, maintenance, and development of various landfills and disposal sites. For financial reporting purposes, the Phase VI (phase 6) Construction and Land Purchase fund has been consolidated with the Solid Waste Disposal Facility Fund.

EMS Special Services Fund – The EMS Special Services Fund is used to account for the County’s operation of convalescent transports for emergency medical services.

Internal Service Funds – The internal service funds are used to account for the financial activities of the County’s self-insured benefit plans for employee healthcare, workers' compensation, and property and liability coverage.

Fiduciary Funds – include 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 Cooperative Extension Fund, which is used to account for monies held by the County on behalf of the Cooperative Extension Agency and the Municipal Tax Collections Fund, which is used to account for monies collected from ad valorem taxes for the benefit of municipalities located in the County and monies collected from gross receipts taxes for the benefit of municipalities located in the County.

C. Measurement Focus, Basis of Accounting

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

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements – The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds, which have no measurement focus. The government-wide, proprietary, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

IREDELL COUNTY, NORTH CAROLINA

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

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's Enterprise Fund are charges to customers for sales and services. Operating expenses for the Enterprise Fund 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. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

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

IREDELL COUNTY, NORTH CAROLINA

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

D. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget ordinance is adopted for the general, special revenue (excluding the American Rescue Plan Act Fund, CARES Act Fund, and the NCHFA Fund) and the enterprise funds. All annual appropriations lapse at fiscal year-end. Project ordinances are adopted for the special revenue grant funds, capital project funds, and the enterprise capital project funds, which are consolidated with the operating funds for reporting purposes.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the object level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$50,000. The governing board must approve all amendments. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

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

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

State law [G.S. 159-30(c)] authorizes the County to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances, and the North Carolina Capital Management Trust (NCCMT).

The County's investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Government Portfolio, an SEC-registered (2a-7) government money market mutual fund, is measured at fair value and is rated AAAm by S&P and AAA-mf by Moody Investor Services. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost. Non-participating interest earnings and investment contracts are reported at cost.

Cash and Cash Equivalents. The County pools monies from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The County considers demand deposits and investments with a maturity date of 90 days or less at the time of purchase to be cash and cash equivalents.

IREDELL COUNTY, NORTH CAROLINA

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

Restricted Assets

The restricted cash and cash equivalents of the County consist of the following:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
Governmental Activities:		
General Fund	Deposits with bond trustees for subsequent years' principal and interest payments on outstanding debt	\$ 16
General Fund	Deposits from developers for inspection bonds	50,956
General Fund	Sinking Fund for the repayment of 2015A QSCB	2,861,348
CARES Act Fund	Advance from grantor	1,684,190
Iredell Statesville School LED Project	Unspent debt proceeds	6,491,637
American Rescue Plan Act Fund	Advance from grantor	17,657,040
MGSD Selma Burke Middle School Project	Unspent project contributions	5,143,709
Total		<u>\$ 33,888,896</u>
Business-Type Activities:		
Solid Waste Fund	Escrow funds for closure and post-closure costs	<u>\$ 11,218,976</u>

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.

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

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

IREDELL COUNTY, NORTH CAROLINA

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

Inventory. The inventories of the County are valued at cost (first-in, first-out), which approximates market. The County's General Fund inventory consist of expendable supplies that are recorded as expenditures as used rather than when purchased.

Capital Assets. Purchased or constructed capital assets are recorded at cost or estimated historical cost. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. Minimum capitalization costs are \$5,000 for individual items or bulk purchases of similar items. The cost of normal maintenance and repairs that do not add to the value of the asset, or materially extend assets' lives, are not capitalized.

The County holds title to certain Boards of Education properties that are included in the County's capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Boards of Education give those entities full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the respective entities, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met.

The County does not own any infrastructure. Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives of the individual assets:

<u>Asset</u>	<u>Estimated Years</u>
Buildings	30 to 50
Improvements	25
Furniture and equipment	5 to 10
Vehicles	5

Deferred Outflows/Inflows of Resources. In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows 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 criteria – a charge on refunding, and pension and OPEB related deferrals. In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has several items that meet the criteria for this category – prepaid taxes, taxes receivable, ambulance receivable, and pension and OPEB related deferrals.

IREDELL COUNTY, NORTH CAROLINA

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

Long-Term Obligations. In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type Statement of Net Position.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

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

Net Position / Fund Balances

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

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

The governmental fund types classify fund balances as follows:

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

Inventory – 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. The non-spendable amount related to inventory at June 30, 2021 is \$22,066.

Prepays – portion of fund balance that is not an available resource because it represents the year-end fund balance of prepaids, which are not spendable resources. The non-spendable amount related to prepaids at June 30, 2021 is \$84,797 for the General Fund.

Notes Receivable – portion of fund balance that is not an available resources because it represents long-term receivables, which are not spendable resources. The non-spendable amount related to notes receivable at June 30, 2021 is \$380,790.

IREDELL COUNTY, NORTH CAROLINA

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

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

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

Restricted for human services in the General Fund is the portion of fund balance restricted by revenue source for social services and health purposes.

Restricted for human services in the other governmental funds is fund balance remaining as a result of undistributed guardianship receipts.

Restricted for sheriff and animal services represents the aggregate of fund balance for three special revenue funds: the Juvenile Crime Prevention Grant Fund, the Fire District Fund, and the Emergency Telephone System Fund. It also includes General Fund net position restricted for use of law enforcement from controlled substance tax and federal equity sharing monies. Also, included are private donations for animal control.

Restricted for school capital represents the unspent proceeds of installment financing, restricted to the purpose for which the debt was issued.

Restricted for Register of Deeds is the portion of fund balance constituting the Automation Enhancement and Preservation Fund, funded by 10% of the fees collected and maintained by the Register of Deeds' office. The funds are available for appropriation but are legally restricted for computer and imaging technology in the Register of Deeds' office.

Restricted for debt service represents amounts on deposit with bond trustees for subsequent years' principal and interest payments on outstanding debt.

Restricted for future recreation expenditures is the portion of fund balance restricted by revenue source for use for parks, libraries, arts, and other related activities.

IREDELL COUNTY, NORTH CAROLINA

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

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

Purpose	General Fund	American Rescue Plan Act Fund	Other Governmental Funds
Restricted for:			
Stabilization by state statute	\$ 53,325,762	\$ 198	\$ 4,213,745
Human services	6,590,316	-	199,197
Sheriff and animal services	860,466	-	2,604,254
School capital	-	-	9,794,198
Register of Deeds	650,381	-	-
Debt service	2,861,364	-	-
Future recreation expenditures	74,340	-	-
Total	\$ 64,362,629	\$ 198	\$ 16,811,394

Restricted net position on Exhibit A varies from restricted fund balance on Exhibit C by the amount of unspent debt proceeds of \$6,491,637 and restricted for Register of Deeds pension plan of \$439,567, for a net difference of \$6,052,070, as of June 30, 2021.

Committed Fund Balance – This classification represents the portion of fund balance that can only be used for specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Commissioners is the highest level of decision-making authority for the government 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.

Committed for general government is the portion of fund balance committed for facility improvements of government buildings in the other governmental funds. In the General Fund, it represents the amount for tax revaluation.

Committed for culture & recreation is the portion of fund balance committed for future park expansion projects in the County.

Committed for school capital is the portion of fund balance committed for future construction and improvements of schools.

Committed for economic and physical development is the portion of fund balance committed for future fairground construction and improvements.

IREDELL COUNTY, NORTH CAROLINA

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

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

Purpose	General Fund	Other Governmental Funds
Committed:		
General government	\$ -	\$ 1,036,778
Culture & recreation	-	183,265
School capital	-	251,991
Economic & physical development	6,000,000	-
Total	<u>\$ 6,000,000</u>	<u>\$ 1,472,034</u>

Assigned Fund Balance – This classification represents the portions of fund balance that Iredell County intends to use for specific purposes, but do not meet the criteria to be classified as committed. Assignments of fund balance are generally created by action of the County's governing body, such as the adoption of an annual budget or project ordinance. However, an additional Board action is not required for the removal of an assignment.

Assigned for public safety is the portion of fund balance budgeted by the Board for public safety activities and capital expenditures.

Assigned for school capital is the portion of fund balance available as a result of unexpended ad valorem and sales taxes assigned for school capital outlay.

Assigned for economic & physical development in the General Fund is the portion of funds balance budgeted by the board for future capital projects for economic development.

Assigned for economic & physical development in the other governmental funds is fund balance available as a result of monies collected from developers for work to be performed as required by the inspections department.

Assigned for general government portion of fund balance is the portion of fund balance set aside for the County's reappraisal every four years and future technology needs of the County.

Assigned for transportation represents the activities of the Special Revenue Fund where grant funds and passenger fares are in excess of operating and capital costs.

IREDELL COUNTY, NORTH CAROLINA

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

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

Purpose	General Fund	Other Governmental Funds
Assigned:		
General government	\$ 492,885	\$ -
Economic & physical development	5,079,263	6,000
Public safety	505,048	53,520
Transportation	-	248,075
School capital	1,472,462	-
Total	\$ 7,549,658	\$ 307,595

Unassigned Fund Balance. Unassigned fund balance represents the portion of fund balance that has not been assigned to another fund or is not restricted, committed, or assigned for specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance.

The County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following order: bond/debt proceeds, federal funds, state funds, local non-County funds, and County funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. The Finance Officer has the authority to deviate from the policy if it is in the best interest of the County or when required by grant or other contractual agreements.

The County has not officially adopted a fund balance policy.

The following schedule provides management and citizens with information on the portion of General Fund balance that is available for appropriation:

Total Fund Balance - General Fund	\$ 148,049,155
Less:	
Prepays	(84,797)
Inventory	(22,066)
Long-term note receivable	(380,790)
Stabilization by state statute	(53,325,762)
Restricted, other	(11,036,867)
Committed	(6,000,000)
Assigned	(7,549,658)
Remaining fund balance	\$ 69,649,215

IREDELL COUNTY, NORTH CAROLINA

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

Outstanding encumbrances represent amounts needed to pay commitments related to purchase orders and contracts that remain unperformed at year-end.

<u>Purpose</u>	<u>General Fund</u>	<u>American Rescue Plan Act Fund</u>	<u>Other Governmental Funds</u>
Encumbrances	\$ 36,173,778	\$ 198	\$ 2,604,396

F. Revenues, Expenditures, and Expenses

Compensated Absences. The vacation policies of the County provide for the accumulation of up to thirty (30) days earned vacation leave, with such leave being fully vested when earned. The County's liability for accumulated earned vacation and the salary-related payments as of June 30, 2021 are recorded in the governmental activities of the government-wide financial statements and in the proprietary funds as the leave is earned. The County has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The sick leave policies of the County provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the County has no obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Estimates

Significant Estimates. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant areas where estimates are made are allowance for doubtful accounts, depreciation lives, and the closure/post-closure costs of the landfill.

G. Defined Benefit Cost Sharing Pension Plans

The County participates in two cost-sharing, multiple-employer defined benefit pension plans that are administered by the state; the Local Governmental Employees' Retirement System (LGERS), and the Registers of Deeds' Supplemental Pension Fund (RODSPF) (collectively, the "state-administered, defined benefit pension plans"). For purposes of measuring the net pension asset or 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

IREDELL COUNTY, NORTH CAROLINA

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

provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. Investments for all plans are reported at fair value.

2. Detail Notes on All Funds

A. Assets

Deposits

All of the County's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's agents in the County's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, these deposits are considered to be held by their agents in the County's name. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository using the Pooling Method. The County does not have a policy regarding custodial credit risk for deposits but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2021, the County's deposits had a carrying amount of \$6,439,344 and a bank balance of \$7,111,244. Of the bank balance, \$254,267 was covered by federal depository insurance, and \$6,856,977 was covered by collateral held under the Pooling Method.

At June 30, 2021, the County had \$236,369 of cash on hand.

IREDELL COUNTY, NORTH CAROLINA

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

Investments

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

Investment Type	Valuation Measurement Method	Fair Value	Less Than 6 Months	6-12 Months	1-3 Years
US Bank:					
US Treasuries	Fair Value-Level 1	\$ 2,853,873	\$ 1,445,800	\$ 497,598	\$ 910,475
Government Portfolio	Fair Value-Level 1	7,476	N/A	N/A	N/A
First Citizens:					
US Treasuries	Fair Value-Level 1	3,571,930	-	2,859,833	712,097
Government Portfolio	Fair Value-Level 1	4,211,110	N/A	N/A	N/A
NC Capital Management Trust:					
Government Portfolio	Fair Value-Level 1	<u>199,756,752</u>	<u>199,756,752</u>	<u>N/A</u>	<u>N/A</u>
Total		<u>\$ 210,401,141</u>	<u>\$ 201,202,552</u>	<u>\$ 3,357,431</u>	<u>\$ 1,622,572</u>

*Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, it is presented as an investment with a maturity of less than 6 months. The NCCMT Government Portfolio has an AAAM rating from S&P and AAA-mf by Moody's Investor Service.

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

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

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits no less than 30% of the total investment portfolio shall mature within 30 days. No less than 75% of the portfolio shall mature in 90 days, and the average maturity of the portfolio shall not exceed one year.

Credit Risk. The County's investments in the US Bank US Treasuries carried a credit rating of Aaa by Moody's as of June 30, 2021. The County's investments in First Citizens US Treasuries carried a credit rating of Aaa by Moody's as of June 30, 2021. The County's investments in the US Bank Government Portfolio and First Citizens Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2021. The NC Capital Management Trust Government Portfolio is rated AAAM by Standard & Poor's and AAA-mf by Moody's Investor Services. The County has no policy regarding credit risk.

IREDELL COUNTY, NORTH CAROLINA

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

Property Tax - Use-Value Assessment on Certain Lands

In accordance with the general statutes, agriculture, horticulture, and forestland may be taxed at 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 accrued interest from the original due date. This tax is immediately due and payable. Shown below are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

<u>Year of Levy</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 4,650,034	\$ 1,697,262	\$ 6,347,296
2019	4,648,535	1,231,862	5,880,397
2020	4,725,015	756,002	5,481,017
2021	4,638,556	266,717	4,905,273
Total	<u>\$ 14,023,584</u>	<u>\$ 3,685,126</u>	<u>\$ 17,708,710</u>

Receivables

At June 30, 2021, the County's government-wide receivable balances were as follows:

	<u>Accounts</u>	<u>Taxes</u>	<u>Ambulance Fees</u>	<u>Due from Other Governments</u>	<u>Total</u>
Governmental Activities:					
General	\$ 1,358,571	\$ 2,786,773	\$ 2,885,456	\$ 15,618,192	\$ 22,648,992
Other governmental	<u>114</u>	<u>268,903</u>	<u>-</u>	<u>1,494,824</u>	<u>1,763,841</u>
Total receivables	1,358,685	3,055,676	2,885,456	17,113,016	24,412,833
Allowance for doubtful accounts	<u>-</u>	<u>(2,745,371)</u>	<u>(717,015)</u>	<u>-</u>	<u>(3,462,386)</u>
Total governmental activities	<u>\$ 1,358,685</u>	<u>\$ 310,305</u>	<u>\$ 2,168,441</u>	<u>\$ 17,113,016</u>	<u>\$ 20,950,447</u>
Business-Type Activities:					
Solid waste	\$ 811,652	\$ -	\$ -	\$ 106,013	\$ 917,665
EMS special services	<u>-</u>	<u>-</u>	<u>733,620</u>	<u>-</u>	<u>733,620</u>
Total receivables	811,652	-	733,620	106,013	1,651,285
Allowance for doubtful accounts	<u>(75,707)</u>	<u>-</u>	<u>(194,832)</u>	<u>-</u>	<u>(270,539)</u>
Total business-type activities	<u>\$ 735,945</u>	<u>\$ -</u>	<u>\$ 538,788</u>	<u>\$ 106,013</u>	<u>\$ 1,380,746</u>

IREDELL COUNTY, NORTH CAROLINA

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

Due from other governments consisted of the following:

	Governmental Activities	Business-Type Activities
Local option sales tax	\$ 13,472,953	\$ -
Sales tax refund	1,066,330	8,558
Scrap tire	-	72,356
White goods	-	25,099
Other	2,573,733	-
Total	<u>\$ 17,113,016</u>	<u>\$ 106,013</u>

The Custodial Funds' accounts receivable is presented net of the allowance for uncollectible accounts of \$1,913.

Note Receivable

In December 2012, the County entered into an economic development agreement with South Iredell Community Development Corporation ("SICDC"). The County agreed to contribute \$675,000 to SICDC for park development costs for land that was acquired. The SICDC will pay the County 10% of the final gross sales price of each parcel of land that is sold until such time as the aggregate amount remitted to the County. The balance as of June 30, 2021 is \$380,790.

IREDELL COUNTY, NORTH CAROLINA

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

Capital Assets

The following is a summary of the changes in the governmental capital assets for the year ended June 30, 2021.

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balances</u>
Governmental Activities:					
Non-Depreciable Capital Assets:					
Land	\$ 2,895,009	\$ 1,008,742	\$ -	\$ -	\$ 3,903,751
Construction in progress	<u>147,249,030</u>	<u>5,356,414</u>	<u>-</u>	<u>(45,785,154)</u>	<u>106,820,290</u>
Total non-depreciable capital assets	<u>150,144,039</u>	<u>6,365,156</u>	<u>-</u>	<u>(45,785,154)</u>	<u>110,724,041</u>
Depreciable Capital Assets:					
Land improvements	2,444,850	-	-	-	2,444,850
Buildings and improvements	409,509,825	1,050,562	(5,720)	45,785,154	456,339,821
Equipment	22,649,146	2,263,352	(683,491)	-	24,229,007
Vehicles and motor equipment	<u>15,492,713</u>	<u>2,696,988</u>	<u>(574,500)</u>	<u>-</u>	<u>17,615,201</u>
Total depreciable capital assets	<u>450,096,534</u>	<u>6,010,902</u>	<u>(1,263,711)</u>	<u>45,785,154</u>	<u>500,628,879</u>
Less Accumulated Depreciation:					
Land improvements	713,473	57,477	-	-	770,950
Buildings and improvements	134,836,993	14,614,938	(5,720)	-	149,446,211
Equipment	16,366,272	2,340,387	(670,931)	-	18,035,728
Vehicles and motor equipment	<u>10,186,300</u>	<u>1,693,698</u>	<u>(561,541)</u>	<u>-</u>	<u>11,318,457</u>
Total accumulated depreciation	<u>162,103,038</u>	<u>\$ 18,706,500</u>	<u>\$ (1,238,192)</u>	<u>\$ -</u>	<u>179,571,346</u>
Total depreciable capital assets, net	<u>287,993,496</u>				<u>321,057,533</u>
Governmental activities capital assets, net	<u>\$ 438,137,535</u>				<u>\$ 431,781,574</u>

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

General government	\$ 964,429
Public safety	2,987,757
Transportation	345,947
Economic and physical development	227,276
Human services	388,586
Cultural and recreational	309,442
Education	<u>13,483,063</u>
Total depreciation expense	<u>\$ 18,706,500</u>

IREDELL COUNTY, NORTH CAROLINA

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

Capital asset activity for business-type activities for the year ended June 30, 2021 was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Business-Type Activities:				
Solid Waste Activities				
Non-Depreciable Capital Assets:				
Land	\$ 11,405,275	\$ -	\$ -	\$ 11,405,275
Construction in progress	5,496,603	2,423,330	-	7,919,933
Total non-depreciable capital assets	<u>16,901,878</u>	<u>2,423,330</u>	<u>-</u>	<u>19,325,208</u>
Depreciable Capital Assets:				
Land improvements	17,595,658	312,661	-	17,908,319
Buildings and improvements	6,496,041	-	-	6,496,041
Equipment	7,825,891	1,158,061	(214,952)	8,769,000
Vehicles and motor equipment	2,838,791	391,410	(162,164)	3,068,037
Total depreciable capital assets	<u>34,756,381</u>	<u>1,862,132</u>	<u>(377,116)</u>	<u>36,241,397</u>
Less Accumulated Depreciation:				
Land improvements	9,596,086	746,588	-	10,342,674
Buildings and improvements	5,222,093	228,168	-	5,450,261
Equipment	4,383,640	646,884	(182,768)	4,847,756
Vehicles and motor equipment	2,121,306	202,639	(162,164)	2,161,781
Total accumulated depreciation	<u>21,323,125</u>	<u>\$ 1,824,279</u>	<u>\$ (344,932)</u>	<u>22,802,472</u>
Total depreciable capital assets, net	<u>13,433,256</u>			<u>13,438,925</u>
Solid waste activities capital assets, net	<u>30,335,134</u>			<u>32,764,133</u>
EMS Special Services Activities				
Depreciable Capital Assets:				
Equipment	402,422	\$ -	\$ -	402,422
Vehicles and motor equipment	517,772	-	-	517,772
Total depreciable capital assets	<u>920,194</u>	<u>-</u>	<u>-</u>	<u>920,194</u>
Less Accumulated Depreciation:				
Equipment	378,887	21,818	-	400,705
Vehicles and motor equipment	432,515	27,256	-	459,771
Total accumulated depreciation	<u>811,402</u>	<u>\$ 49,074</u>	<u>\$ -</u>	<u>860,476</u>
Total depreciable capital assets, net	<u>108,792</u>			<u>59,718</u>
EMS special activities capital assets, net	<u>108,792</u>			<u>59,718</u>
 Business-type activities capital assets, net	 <u>\$ 30,443,926</u>			 <u>\$ 32,823,851</u>

IREDELL COUNTY, NORTH CAROLINA

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

Construction Commitments

The government has seven active construction projects as of June 30, 2021. The jail expansion project is for the renovation/expansion of the jail. At June 30, 2021 the government's commitment with the contractor is \$326,857. The Solid Waste Disposal Facility project is for the construction of Cell VI of the Iredell County Landfill. At June 30, 2021, the government's commitment with the contractor is \$315,883.

B. Liabilities

Payables

Payables at June 30, 2021 were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Accrued Interest</u>	<u>Total</u>
Governmental Activities:				
General Fund	\$ 2,037,954	\$ 2,019,228	\$ 1,524,891	\$ 5,582,073
Other governmental	3,006,010	-	-	3,006,010
Internal Service Fund	576,303	-	-	576,303
Total	<u>\$ 5,620,267</u>	<u>\$ 2,019,228</u>	<u>\$ 1,524,891</u>	<u>\$ 9,164,386</u>
Business-Type Activities:				
Solid waste disposal facility	\$ 622,394	\$ 78,635	\$ 6,543	\$ 707,572
EMS special services	5,001	24,647	-	29,648
Total	<u>\$ 627,395</u>	<u>\$ 103,282</u>	<u>\$ 6,543</u>	<u>\$ 737,220</u>

Pension Plan Obligations

Local Governmental Employees' Retirement System

Plan Description. The County is a participating employer in the state-wide 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, the State House of Representatives, the State Treasurer, and the State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The state's ACFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

IREDELL COUNTY, NORTH CAROLINA

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

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

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2021 was 10.90% of compensation for law enforcement officers and 10.15% 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 \$5,426,615 for LGERS 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.

IREDELL COUNTY, NORTH CAROLINA

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

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

At June 30, 2021, the County reported a liability of \$25,993,816 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2021, the County's proportion was 0.72742% (measured as of June 30, 2020), which was an increase of 0.0037% 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 \$9,058,275. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,282,563	\$ -
Changes of assumptions	1,934,450	-
Net difference between projected and actual earnings on pension plan investments	3,657,933	-
Changes in proportion and differences between County contributions and proportionate share of contributions	262,914	19,106
County contributions subsequent to the measurement date	5,426,615	-
Total	<u>\$ 14,564,475</u>	<u>\$ 19,106</u>

IREDELL COUNTY, NORTH CAROLINA

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

\$5,426,615 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 and outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2022	\$ 2,590,693
2023	3,437,979
2024	2,007,521
2025	1,082,561
2026	-
Thereafter	-
Total	<u>\$ 9,118,754</u>

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

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

The plan currently uses mortality rate 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

IREDELL COUNTY, NORTH CAROLINA

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

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	29.0%	1.4%
Global equity	42.0%	5.3%
Real estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation protection	6.0%	4.0%
Total	<u>100.0%</u>	

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

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%, 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%) or 1-percentage-point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
County's proportionate share of the net pension liability (asset)	<u>\$ 52,738,619</u>	<u>\$ 25,993,816</u>	<u>\$ 3,767,003</u>

IREDELL COUNTY, NORTH CAROLINA

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

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

Law Enforcement Officers' Special Separation Allowance

Plan Description – Iredell County administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. 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:

Retirees receiving benefits	27
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	176
Total	<u>203</u>

Summary of Significant Accounting Policies

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

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

Actuarial Assumptions

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

Inflation	2.50 percent
Salary increase	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	1.93 percent

IREDELL COUNTY, NORTH CAROLINA

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

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

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

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

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

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

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

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

Contributions – The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and 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 operation budget. There were no contributions made by the 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 \$395,376 as benefits came due.

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 \$8,111,539. The total pension liability was measured as of December 31, 2020 based on a December 31, 2019 actuarial valuation. The total pension liability was rolled forward to December 31, 2020 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2021, the County recognized pension expense of \$906,182.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 576,638	\$ 124,279
Changes of assumptions	1,798,682	107,319
County benefit payments and plan administrative expense made subsequent to the measurement date	203,148	-
Total	<u>\$ 2,578,468</u>	<u>\$ 231,598</u>

IREDELL COUNTY, NORTH CAROLINA

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

\$203,148 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2022	\$ 447,898
2023	458,211
2024	466,602
2025	453,616
2026	317,395
Thereafter	-
Total	<u>\$ 2,143,722</u>

Sensitivity of the County's Total Pension Liability to Changes in the Discount Rate. The following presents the County's total pension liability calculated using the discount rate of 1.93%, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.93%) or 1-percentage-point higher (2.93%) than the current rate:

	1% Decrease (0.93%)	Discount Rate (1.93%)	1% Increase (2.93%)
Total pension liability	<u>\$ 8,808,920</u>	<u>\$ 8,111,539</u>	<u>\$ 7,475,460</u>

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

	2021
Beginning balance	\$ 5,795,911
Service cost	275,782
Interest on the total pension liability	182,502
Difference between expected and actual experience in the measurement of the total pension liability	314,172
Changes of assumptions or other inputs	1,938,548
Benefit payments	<u>(395,376)</u>
Ending balance of the total pension liability	<u>\$ 8,111,539</u>

IREDELL COUNTY, NORTH CAROLINA

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

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

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

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

Supplemental Retirement Income Plan for Law Enforcement Officers

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

Funding Policy – Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to 5.0% of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. The County contributed \$854,323 for the reporting year. No amounts were forfeited.

Although not required, the County has chosen to include all other employees who are eligible for retirement benefits in the Supplemental Retirement Income Plan for Law Enforcement Officers. Contributions for the fiscal year ended June 30, 2021 were \$3,705,628. No amounts were forfeited.

Registers of Deeds' Supplemental Pension Fund

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

IREDELL COUNTY, NORTH CAROLINA

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

Deeds' Supplemental Pension Fund is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The state's ACFR includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of 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 \$26,273 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 \$475,890 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 2.08%, which was an increase of 0.260% from its proportion measured as of June 30, 2019.

IREDELL COUNTY, NORTH CAROLINA

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

For the year ended June 30, 2021, the County recognized pension expense of (\$17,030). At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 9,697
Net difference between projected and actual earnings on pension plan investments	-	40,720
Changes in proportion and differences between County contributions and proportionate share of contributions	20,654	32,833
County contributions subsequent to the measurement date	<u>26,273</u>	<u>-</u>
Total	<u><u>\$ 46,927</u></u>	<u><u>\$ 83,250</u></u>

\$26,273 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ending June 30, 2022. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2022	\$ (13,169)
2023	(20,792)
2024	(18,377)
2025	(10,258)
2026	-
Thereafter	<u>-</u>
Total	<u><u>\$ (62,596)</u></u>

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

Inflation	3.0 percent
Salary expense	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

IREDELL COUNTY, NORTH CAROLINA

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

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%.

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.

IREDELL COUNTY, NORTH CAROLINA

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

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

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
County's proportionate share of the net pension liability (asset)	<u>\$ 404,210</u>	<u>\$ 475,890</u>	<u>\$ 536,544</u>

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

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

The net pension liability for LGERS and ROD was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The total pension liability for LEOSSA was measured as of June 30, 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	LEOSSA	ROD	Total
Proportionate share of net pension liability (asset)	\$ 25,993,816	\$ -	\$ (475,890)	\$ 25,517,926
Proportion of the net pension liability (asset)	0.727%	NA	2.08%	-
Total pension liability	-	8,111,539	-	8,111,539
Pension expense	9,058,275	906,182	(17,030)	9,947,427

IREDELL COUNTY, NORTH CAROLINA

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

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

	<u>LGERS</u>	<u>LEOSSA</u>	<u>ROD</u>	<u>Total</u>
Deferred Outflows of Resources:				
Differences between expected and actual experience	\$ 3,282,563	\$ 576,638	\$ -	\$ 3,859,201
Changes of assumptions	1,934,450	1,798,682	-	3,733,132
Net difference between projected and actual earnings on pension plan investments	3,657,933	-	-	3,657,933
Changes in proportion and differences between County contributions and proportionate share of contributions	262,914	-	20,654	283,568
County contributions (LGERS, ROD) and benefit payments and administration costs (LEOSSA) subsequent to the measurement date	<u>5,426,615</u>	<u>203,148</u>	<u>26,273</u>	<u>5,656,036</u>
	<u>\$ 14,564,475</u>	<u>\$ 2,578,468</u>	<u>\$ 46,927</u>	<u>\$ 17,189,870</u>
Deferred Inflows of Resources:				
Differences between expected and actual experience	\$ -	\$ 124,279	\$ 9,697	\$ 133,976
Changes of assumptions	-	107,319	-	107,319
Net difference between projected and actual earnings on pension plan investments	-	-	40,720	40,720
Changes in proportion and differences between County contributions and proportionate share of contributions	<u>19,106</u>	<u>-</u>	<u>32,833</u>	<u>51,939</u>
	<u>\$ 19,106</u>	<u>\$ 231,598</u>	<u>\$ 83,250</u>	<u>\$ 333,954</u>

Other Post-Employment Benefits

Plan Description – According to a County resolution, the County administers a single-employer, defined benefit Healthcare Benefit Plan (the HCB Plan). As of July 1, 2006, this plan provides post-employment healthcare benefits to retirees of the County who participate in the North Carolina Local Government Employees' Retirement System (System) and have 15 consecutive years of creditable service with the County. Employees hired prior to July 1, 2006 must have five years of creditable service with the County. Employees hired after July 1, 2014 are not eligible to participate in the plan. The County pays either the full cost of coverage for these benefits or a prorated amount based upon years of service until they reach age 65 or obtain Medicare coverage, whichever comes first. Also, retirees can purchase coverage for their dependents at the County's group rates. A separate report was not issued for the plan.

IREDELL COUNTY, NORTH CAROLINA

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

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

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

Retirees and dependents receiving benefits	102
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	507
Total	609

Funding Policy – The County will contribute to the cost of retiree insurance premium based on the years of service with Iredell County using the following schedule for employees that were hired before July 1, 2006:

Years of Service at Retirement	Age at Retirement*	County Contribution
30 or more	Any age	100.00%
20 or more	50	100.00%
15-19	50	75.00%
10-14	50	50.00%
5-9	Any age	0.00%

**Age is not considered for employees retiring due to disability.*

The County will contribute to the cost of retiree insurance premium based on the years of service with Iredell County using the following schedule for employees that were hired between July 1, 2006 and before July 1, 2014:

Years of Service at Retirement	Age at Retirement*	County Contribution
30 or more	Any age	100.00%
25-29	55	75.00%
20-24	55	50.00%
15-19	55	25.00%
15 or more	Any age	0.00%

IREDELL COUNTY, NORTH CAROLINA

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

Total OPEB Liability

The County's total OPEB liability of \$30,518,787 was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2019.

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

Inflation	2.50 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 percent
Measurement date	2.21 percent
Healthcare cost trend rates	
Pre-Medicare Medical and	7.00% for 2019 decreasing to an ultimate rate
Healthcare cost trend rates	of 4.50% by 2026
perscription drug	

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2020	\$ 27,136,254
Changes for the year:	
Service cost	792,778
Interest	963,731
Differences between expected and actual experience	(557,667)
Changes of assumptions or other inputs	2,978,299
Benefit payments	(794,608)
Net changes	3,382,533
Balance at June 30, 2021	\$ 30,518,787

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

IREDELL COUNTY, NORTH CAROLINA

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

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

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

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2010 – December 31, 2014, adopted by the LGERS Board.

The remaining actuarial assumptions (e.g., initial per capita costs, healthcare cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2019 valuation were based on a review of recent plan experience done concurrently with the June 30, 2019 valuation.

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

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	<u>\$ 33,061,538</u>	<u>\$ 30,518,787</u>	<u>\$ 28,181,159</u>

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

	1% Decrease	Current	1% Increase
Total OPEB liability	<u>\$ 27,348,576</u>	<u>\$ 30,518,787</u>	<u>\$ 34,190,394</u>

IREDELL COUNTY, NORTH CAROLINA

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

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

For the year ended June 30, 2021, the County recognized OPEB expense of \$1,979,008. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 144,099	\$ 752,188
Changes of assumptions or other inputs	3,153,652	989,462
Benefit payments and plan administrative expense made subsequent to the measurement date	5,033,084	-
Total	<u>\$ 8,330,835</u>	<u>\$ 1,741,650</u>

\$5,033,084 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 and outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Total
2022	\$ 222,499
2023	222,499
2024	222,499
2025	407,670
2026	406,632
Thereafter	74,302
Total	<u>\$ 1,556,101</u>

Other Employment Benefits

Death Benefits – The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, state-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death, are eligible for death benefits. Lump-sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. Because the benefit payments are made by 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.

IREDELL COUNTY, NORTH CAROLINA

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

The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payrolls, based upon rates established annually by the state. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The County considers these contributions to be immaterial.

Closure and Post-Closure Care Costs. Federal and state laws and regulations require the County to place a final cover on its landfill facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The \$10,393,806 reported as landfill closure and post-closure care liability at June 30, 2021 represents a cumulative amount reported to date, based on the use of 51% of the total estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and post-closure care of \$10 million as the remaining estimated capacity is filled. These amounts are based on an estimate of what it would cost to perform all closure and post-closure care in 2021. The County expects to close the Solid Waste Disposal facility in the year 2042. 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 federal and state laws and regulations that help determine if an entity is financially able to meet closure and post-closure care requirements. However, the County has also elected to establish an escrow account to accumulate resources for the payment of closure and post-closure care costs.

Transfers of \$669,203 were budgeted to be made to the landfill closure and post-closure escrow account during the year ended June 30, 2021. These funds, along with investment earnings, are held in investments with a cost of \$8,299,304 (market value \$8,299,304). The County expects that future inflation costs will be paid from the investment earnings on the escrow account. However, if investment earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or by future tax revenues.

Deferred Outflows and Inflows of Resources

The County's deferred outflows of resources are comprised of the following:

<u>Source</u>	<u>Amount</u>
Pension deferrals	\$ 17,189,870
OPEB deferrals	8,330,835
Charge on refunding	2,644,021
Total	<u>\$ 28,164,726</u>

IREDELL COUNTY, NORTH CAROLINA

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

The County's deferred inflows of resources at year-end are comprised of the following:

<u>Source</u>	<u>Amount</u>
Prepaid taxes (General Fund)	\$ 524,405
Prepaid taxes (Special Revenue Fund)	27,789
Taxes receivable, net (General Fund)	257,907
Taxes receivable, net (Special Revenue Fund)	52,398
Ambulance receivables, net	2,168,441
Pension deferrals	333,954
OPEB deferrals	1,741,650
Total	<u>\$ 5,106,544</u>

Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County diversifies its insurance program purchasing coverage through commercial markets and self-funding the Workers' Compensation program.

The County purchases property and liability insurance for general, auto, public official, law enforcement, and employment practices liability coverage up to \$2,000,000 each occurrence, auto physical damage coverage for EMS, ICATS, and Solid Waste Facility owned autos at actual cash value through a self-funded, risk financing pool that is administered by the North Carolina Association of County Commissioners (NCACC). Cyber Liability insurance is provided up to \$1,000,000 each occurrence. The NCACC pool is audited annually by certified public accountants, and the audited financial statements are available to the County upon request. For medical insurance, the County is reinsured through BCBS for individual losses in excess of \$100,000 and aggregate annual losses in excess of 125% of expected claims. The County purchases other specialty liability insurance from commercial markets and carries an additional \$3,000,000 limit in general aggregate for general liability, public official liability, and law enforcement liability.

The County also participates in the NCACC Workers' Compensation Pool. The County self-insures claims up to \$250,000 per occurrence. The NCACC is reinsured by commercial coverage for individual workers' compensation losses in excess of \$250,000.

The County does not carry flood insurance due to the fact that the County does not own any facilities within the 100-year flood plain. The County carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years.

IREDELL COUNTY, NORTH CAROLINA

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

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Finance Officer is bonded for \$100,000; Tax Collector and seven Deputy Tax Collectors are bonded for \$50,000 each; and Sheriff and Register of Deeds are bonded for \$10,000 each.

The County is self-insured for employee healthcare benefits. The estimated liability for claims that have been incurred, but not reported (IBNRs), is recorded in the Internal Service Fund. The liability was calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs, and other economic and social factors.

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

	Employee Healthcare Benefits	Workers' Compensation Benefits	2021	2020
Unpaid claims, beginning	\$ 349,650	\$ -	\$ 349,650	\$ 620,089
Incurred claims	13,036,543	828,747	13,865,290	12,437,792
Claim payments	(12,873,001)	(828,747)	(13,701,748)	(12,708,231)
Unpaid claims, ending	<u>\$ 513,192</u>	<u>\$ -</u>	<u>\$ 513,192</u>	<u>\$ 349,650</u>

The County considers all unpaid claims to be paid in the next fiscal year, therefore, they are classified as a current liability.

Claims and Judgments

At June 30, 2021, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position. Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

IREDELL COUNTY, NORTH CAROLINA

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

Long-Term Obligations

Capital Leases

Service by Governmental Funds

The County has entered into an agreement to lease computer equipment. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been reported at the present value of the future minimum lease payments as of the date of inception.

The agreement was executed on November 27, 2017 to lease computer equipment and require 59 monthly payments of \$15,101, with the first payment due December 31, 2017. Under the terms of the agreement, title passes to the County at the end of the lease term.

The County's outstanding capital leases from direct placements related to governmental activities of \$259,495 is secured by equipment in possession. The note contains provisions that an event of default the equipment is to be delivered to the Lessor.

At June 30, 2021, the County leased computer equipment valued at:

<u>Classes of Property</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Computer equipment	\$ 831,923	\$ 623,942	\$ 207,981

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021 were as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2022	\$ 204,254
2023	60,406
Total minimum lease payments	264,660
Less: amount representing interest	5,165
Present value of the minimum lease payments	<u>\$ 259,495</u>

IREDELL COUNTY, NORTH CAROLINA

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

Installment Purchase Contracts

Serviced by Governmental Funds

\$18,545,000 installment financing agreement dated September 18, 2013, used to refinance COPS, Series 2003 and a 2004 installment purchase agreements, due in annual principal installments ranging from \$75,000 to \$2,080,000 through October 1, 2023; interest due in semi-annual installments at 2.13%	\$ 4,950,000
\$1,300,000 installment payment Energy United loan issued February 10, 2014, used to finance the renovation of the HVAC system at West Iredell High School, due in annual installments of \$130,000 through July, 2023; interest free	390,000
\$24,335,000 Limited Obligation Refunding bonds dated February 1, 2015, used to refinance COPS, Series 2006, due in annual principal installments ranging from \$1,970,000 to \$2,080,000 through June 30, 2027; interest due in semi-annual installments at 5%	11,985,000
\$54,316,800 Limited Obligation Refunding bonds dated December 1, 2016, used to refinance COPS, Series 2008, due in annual principal installments ranging from \$5,485,000 to \$5,800,000 through December 1, 2027; interest due in semi-annual installments at 5%	37,684,800
\$2,050,000 installment financing agreement dated September 25, 2018, used to finance vehicles, due in semi-annual principal installments of \$205,000 through September 1, 2023; interest due in semi-annual installments at 2.81%	1,025,000
\$11,000,000 installment financing agreement dated October 10, 2017, used to finance construction of Public Safety Complex, due in annual principal installments of \$1,100,000 through October 2027; interest due in semi-annual installments at 2.05%	7,700,000
\$1,999,637 installment financing agreement dated December 31, 2019, used to finance purchase of radios, due in annual principal installments ranging from \$383,887 to \$421,840 through November 2024; interest due in annual installments at 2.97%	1,615,750
\$6,547,000 installment financing agreement dated April 20, 2021, used to finance the school LED project, due in annual principal installments of \$1,310,000 through June 2026; interest due in semi-annual installments at 0.89%.	6,547,000
Total	<u>\$ 71,897,550</u>

IREDELL COUNTY, NORTH CAROLINA

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

Serviced by Enterprise Fund

\$2,263,200 Limited Obligation Refunding bonds dated December 1, 2016, used to refinance COPS, Series 2008, due in annual principal installments ranging from \$5,485,000 to \$5,800,000 through December 1, 2027; interest due in semi-annual installments at 5%

\$ 1,570,200

The County's outstanding notes from direct placements related to governmental activities of \$4,950,000 is secured with the sites, buildings, improvements, and fixtures to be located thereon. The note contains provisions that an event of default could result in the lender taking a security interest in the sites, buildings, improvements, and fixtures to be located thereon.

The County's outstanding notes from direct placements related to governmental activities of \$390,000 is secured with the real estate and premises known as West High for which the assets were purchased for. The note contains provisions that an event of default could result in the sole recourse of the lender foreclosing on the secured property.

The County's outstanding notes from direct placements related to governmental activities of \$11,985,000 is secured with the assets purchased. The note contains provisions that an event of default could result in the lender taking a security interest in the assets purchased.

The County's outstanding notes from direct placements related to governmental activities of \$37,684,800 is secured with the assets purchased. The note contains provisions that an event of default could result in the lender taking a security interest in the assets purchased.

The County's outstanding notes from direct placements related to governmental activities of \$1,025,000 is secured with the vehicles purchased. The note contains provisions that an event of default could result in the lender taking a security interest in the vehicles purchased.

The County's outstanding notes from direct placements related to governmental activities of \$7,700,000 is secured with the site, buildings, improvements, and fixtures to be located thereon. The note contains provisions that an event of default could result in the lender taking a security interest in the site, buildings, improvements, and fixtures to be located thereon.

The County's outstanding notes from direct placements related to governmental activities of \$1,615,750 is secured with the assets purchased. The note contains provisions that an event of default could result in the lender taking a security interest in the assets purchased.

The County's outstanding notes from direct placements related to governmental activities of \$6,547,000 is secured with a deed of trust granting a lien on the Career Academy and Technical School in Troutman, NC. The note contains provisions that an event of default could result in the lender taking a security interest in the assets purchased.

IREDELL COUNTY, NORTH CAROLINA

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

The County's outstanding notes from direct placements related to business-type activities of \$1,570,200 is secured with the assets purchased. The note contains provisions that an event of default could result in the lender taking a security interest in the assets purchased and/or the remaining balance become immediately due and payable in the fiscal year of the default.

Annual debt service requirements to maturity for the County's installment purchase contracts are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2022	\$ 12,552,580	\$ 2,709,219
2023	12,455,856	2,244,681
2024	12,158,473	1,780,702
2025	10,225,840	1,344,294
2026	9,755,601	928,775
2027-2029	14,749,200	671,360
Total	<u>\$ 71,897,550</u>	<u>\$ 9,679,031</u>

Year Ending June 30	Business-Type Activities	
	Principal	Interest
2022	\$ 228,800	\$ 72,790
2023	227,000	61,395
2024	225,200	50,090
2025	225,000	38,835
2026	223,400	27,625
2027-2029	440,800	21,990
Total	<u>\$ 1,570,200</u>	<u>\$ 272,725</u>

IREDELL COUNTY, NORTH CAROLINA

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

Promissory Notes Payable

Bonds Payable

\$36,825,000 dated December 22, 2015 to fund schools due in annual principal of \$1,845,000 through April 2036; interest due semi-annually ranging from 3.00% to 5.00%	\$ 27,600,000
\$5,300,000 sold March 25, 2008 to fund community college improvements, due in annual principal payments ranging from \$250,000 to \$525,000 through April, 2027; interest due semi-annually ranging from 3.5% to 5.0%	2,050,000
\$21,915,000 dated March 10, 2015 to refund 2006 GO bonds, due in annual principal payments ranging from \$20,000 to \$2,390,000 through February 2026; interest due semi-annually ranging from 2.00% to 5.00%	10,615,000
\$4,135,000 dated March 10, 2015 to refund 2006 GO bonds, due in annual principal payments ranging from \$5,000 to \$435,000 through February, 2026; interest due semi-annually ranging from 2.00% to 5.00%	1,990,000
\$12,700,000 dated March 10, 2015 to fund schools, due in one principal and interest payment on February 1, 2035; interest rate at 3.90%. The County is making Sinking Fund payments over the life of the issue.	12,210,000
\$17,605,000 dated October 11, 2016 to fund NIHS/SIHS project, due in annual principal payments of \$880,000 through June 2037; interest due semi-annually ranging from 2.00% to 5.00%	14,085,000
\$43,980,000 dated September 18, 2018 to fund Third Creek and Woodland Heights middle schools, due in annual principal payments of \$2,200,000 through October 2038; interest due semi-annually ranging from 3.00% to 5.00%	39,580,000
\$11,460,000 dated May 30, 2018 to fund community college improvements, due in annual principal payments ranging from \$570,000 to \$575,000 through June 2038; interest due annually ranging from 3.00% to 5.00%	<u>9,735,000</u>
Total	<u>\$ 117,865,000</u>

IREDELL COUNTY, NORTH CAROLINA

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

Annual debt service requirements to maturity for the County's General Obligation bonds are as follows:

Year Ending June 30	General Obligation Bonds	
	Principal	Interest
2022	\$ 8,530,000	\$ 4,442,858
2023	8,550,000	4,017,295
2024	8,490,000	3,667,558
2025	8,440,000	3,312,308
2026	7,595,000	2,969,658
2027-2031	28,000,000	10,942,813
2032-2036	39,655,000	5,906,393
2037-2040	8,605,000	436,463
Total	<u>\$ 117,865,000</u>	<u>\$ 35,695,346</u>

Long-Term Obligation Activity

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

	June 30, 2020	Increases	Decreases	June 30, 2021	Due in Less Than One Year
Governmental Activities:					
General obligation bonds	\$ 126,385,000	\$ -	\$ 8,520,000	\$ 117,865,000	\$ 8,530,000
Capital leases	468,374	-	208,879	259,495	204,254
Direct placement installment purchase contracts	76,679,437	6,547,000	11,328,887	71,897,550	12,552,580
Net pension liability (LGRS)	19,001,552	6,104,994	-	25,106,546	-
Total pension liability (LEOSSA)	5,795,911	2,711,004	395,376	8,111,539	-
Total OPEB liability	25,779,442	3,968,284	754,878	28,992,848	-
Compensated absences	3,071,569	2,628,437	2,594,485	3,105,521	2,639,693
Unamortized premiums/discounts	18,127,194	-	2,255,219	15,871,975	2,255,219
Total governmental activities	<u>\$ 275,308,479</u>	<u>\$ 21,959,719</u>	<u>\$ 26,057,724</u>	<u>\$ 271,210,474</u>	<u>\$ 26,181,746</u>

IREDELL COUNTY, NORTH CAROLINA

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

	<u>June 30, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2021</u>	<u>Due in Less Than One Year</u>
Business-Type Activities:					
Solid Waste Fund:					
Direct placement installment					
purchase contracts	\$ 1,800,200	\$ -	\$ 230,000	\$ 1,570,200	\$ 228,800
Accrued landfill closure and					
post-closure costs	13,597,976	-	3,204,170	10,393,806	-
Net pension liability (LGRS)	575,170	62,296	-	637,466	-
Total OPEB liability	1,085,450	167,086	31,784	1,220,752	-
Compensated absences	141,981	112,747	111,780	142,948	121,506
Unamortized premiums/discounts	259,263	-	43,210	216,053	43,210
Total	<u>17,460,040</u>	<u>342,129</u>	<u>3,620,944</u>	<u>14,181,225</u>	<u>393,516</u>
EMS Special Services Fund:					
Net pension liability (LGRS)	187,508	62,296	-	249,804	-
Total OPEB liability	271,362	41,771	7,946	305,187	-
Compensated absences	35,294	15,399	39,337	11,356	9,653
Total	<u>494,164</u>	<u>119,466</u>	<u>47,283</u>	<u>566,347</u>	<u>9,653</u>
Total business-type activities	<u>\$ 17,954,204</u>	<u>\$ 461,595</u>	<u>\$ 3,668,227</u>	<u>\$ 14,747,572</u>	<u>\$ 403,169</u>

Net pension liability, total pension liability, and net OPEB liability for governmental activities are all typically liquidated in the General Fund. Compensated absences typically have been liquidated in the General Fund and are accounted for on an FIFO basis.

At June 30, 2021, Iredell County, North Carolina, had \$134,130,000 in bonds authorized, but unissued, and a legal debt margin of approximately \$1,991,868,000.

Net Investment in Capital Assets

Governmental Capital Assets:

Net capital assets	\$ 431,781,574
Deferred charges	2,527,178
Gross debt	205,894,020
Less:	
Unspent debt proceeds	6,491,637
School debt for assets to which the County does not hold title	<u>11,785,000</u>
Total capital debt	<u>187,617,383</u>
Net investment in capital assets	<u>\$ 246,691,369</u>

IREDELL COUNTY, NORTH CAROLINA

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

Enterprise Capital Assets:

Solid Waste Activities:

Net capital assets	\$ 32,764,133
Deferred charges	116,843

Total capital debt	<u>1,786,253</u>
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Net investment in capital assets	31,094,723
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EMS Special Services Activities:

Net investment in capital assets	<u>59,718</u>
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Total business-type activities	<u>\$ 31,154,441</u>
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Conduit Debt Obligation

Iredell County Industrial Facility and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed, as well as letters of credit, and are payable solely from the payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the state, nor any political subdivision, thereof, is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2021, there were no industrial revenue bonds outstanding.

Advance Refunding

On December 1, 2016, the County issued \$56,580,000 Limited Obligation Refunding bonds, Series 2016 to refund Series 2008 Certificates of Participation. As a result, the refunded debt is considered defeased and the liability has been removed from the governmental activities column of the Statement of Net Position. The net proceeds of \$66,857,444 were deposited with an escrow agent to provide funds for the future debt service payment on the refunded bonds. The reacquisition price exceeded the net carrying amount of the debt by \$10,802,575. The Series 2016 Limited Obligation Refunding bonds, with payment dates of December 1 and June 1, will mature December 1, 2027. The 2016 Limited Obligation Refunding bonds were placed at a true interest cost of 1.86% and an all-in interest cost of 1.952%. The refunding was undertaken to reduce the total debt service payments by \$8,707,189, a net present value savings of 13.84% of the refunded par amount. Deferred charge on this refunding totaled \$2,926,050 at the date of the refunding.

IREDELL COUNTY, NORTH CAROLINA

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

C. Interfund Balances and Activity

Transfers to/from Other Funds

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

	Transfers		Reason
	From	To	
Governmental Funds:			
General Fund	\$ 2,093,143	\$ 2,875,900	
Other nonmajor governmental funds:			
Jail Expansion Project Fund	1,248,990	-	Project funding
Fire District Fund	-	195,103	Debt funding
Juvenile Crime Prevention Grant Fund	-	24,500	Grant matching
Parks Capital Project Fund	-	150,000	Budgeted funding
Facilities Improvement Fund	-	1,723,540	Project funding
Public Safety Complex Capital Project Fund	1,501,910	-	Project funding
Enterprise Funds:			
EMS special services	125,000	-	Project funding
Total	<u>\$ 4,969,043</u>	<u>\$ 4,969,043</u>	

Balances due to/from other funds at June 30, 2021 consist of the following:

Due to the General Fund from Weathers Creek High School for advance on school funding	\$ 253,735
Due to the General Fund from the 2018 ISS GO Middle School for expected sales tax refund	<u>35,897</u>
Total	<u>\$ 289,632</u>

IREDELL COUNTY, NORTH CAROLINA

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

D. Joint Ventures

Mitchell Community College

The County, in conjunction with the State of North Carolina and the Iredell-Statesville Schools Board of Education, participates in a joint venture to operate Mitchell Community College. Each of the three entities appoints four members of the 13-member Board of Trustees of the community college. The president of the community college's student government serves as an ex-officio, non-voting member of the community college's Board of Trustees. The community college is a component unit of the state. The County has the basic responsibility for providing funding for the facilities of the college and also provides some financial support for the college's operation. The County has an ongoing financial responsibility for the college because of statutory responsibilities to provide funding for the college's facilities. The County contributed \$4,240,158 to the college for operating purposes and \$1,709,120 for capital outlay during the year ended June 30, 2021. The participants in the joint venture do not have any equity interest in the college; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2021. Complete financial statements for the community college may be obtained from the college's administrative offices at 500 West Broad Street, Statesville, North Carolina 28677.

Partners Behavioral Health Management

The County, in conjunction with Rutherford County, Surry County, Yadkin County, Burke County, Catawba County, Gaston County, Lincoln County, and Cleveland County participates in a joint venture to operate Partners Behavioral Health Management. The Board of Directors shall consist of 21 voting members and 2 non-voting members for a total of 23 members. Each county is represented through the appointment by the Board of County Commissioners or Commissioner-Designee. The number of appointments for each county will fluctuate each fiscal year based on nominees approved by Partners Board to fill vacancies and submitted for appointments by the respective Board of County Commissioners. The organization's continued existence depends on the participating government's support. The County contributed \$565,875 for operating and capital purposes during the year ended June 30, 2021. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2021. Complete financial statements for the organization may be obtained from Partners Behavioral Health Management, 901 South New Hope Road, Gastonia, North Carolina 28054.

Lake Norman Marine Commission

The County, in conjunction with Catawba County, Mecklenburg County, and Lincoln County, participates in a joint venture to operate the Lake Norman Marine Commission. Catawba County appoints two Board members and all other counties appoint one. Cash contributions in equal amounts from the participating counties comprise the majority of the Commission's revenue. The County contributed \$31,000 to the Commission during the year ended June 30, 2021. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2021. Complete financial statements for the Commission may be obtained from Centralina Council of Governments, P.O. Box 35008, 1 Charlotte Town Center, Charlotte, North Carolina 28235.

IREDELL COUNTY, NORTH CAROLINA

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

E. Jointly Governed Organization

Centralina Council of Governments

The County, in conjunction with eight other counties and 48 municipalities, established the Centralina Council of Governments (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 \$42,895 to the Council during the fiscal year ended June 30, 2021.

F. Summary Disclosure of Significant Contingencies

Federal and State-Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants are required, and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

Coronavirus Disease (COVID-19)

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

G. Subsequent Events

Iredell County was awarded \$35,313,684 from the Federal American Rescue Plan (ARP). Prior to year end the County received \$17,656,842. The remaining amount of \$17,656,842 is expected to be received within the next 12 months.

H. Change in Accounting Principle

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

IREDELL COUNTY, NORTH CAROLINA

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

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 within the guidance. As a result, fund balance and net position were restated as follows:

Governmental Activities Net Position - Increase (Decrease)	Nonmajor Special Revenue Fund Balance - Increase (Decrease)	Fiduciary Net Position - Custodial Fund - Increase (Decrease)	
\$ -	\$ -	\$ 234,708	Cash, taxes receivable 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 Collections Custodial Fund. The portion of liabilities and attributable taxes receivable at the beginning of the year were restated as custodial net position.
-	-	88,988	Cash and liabilities related to receipts collected by the county on behalf of the Cooperative Extension were reclassified out of the Agency Fund into a newly created Cooperative Extension Custodial Fund. The portion of liabilities at the beginning of the year were restated as custodial net position.
158,489	158,489	-	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 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.

IREDELL COUNTY, NORTH CAROLINA

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

Governmental Activities Net Position - Increase (Decrease)	Nonmajor Special Revenue Fund Balance - Increase (Decrease)	Fiduciary Net Position - Custodial Fund - Increase (Decrease)	
6,313	6,313		Cash and receivables from fines and forfeitures net of liabilities owed were reclassified out of the Agency Fund into a newly created Fines and Forfeitures Special Revenue Fund. The portion of liabilities in the Agency Fund representing net cash available at the beginning of the year were restated as fund balance.
9,142	9,142		Cash received from warrants and judgements collected were reclassified out of the Agency Fund into a newly created Sheriff's Special Revenue Fund. The portion of receivables at the beginning of the year were restated as fund balance.
10,914	10,914		Cash received from employee contributions net of liabilities owed were reclassified out of the Agency Fund into a newly created Employee Flex Benefits Special Revenue Fund. The portion of liabilities in the Agency Fund representing cash available at the beginning of the year were restated as fund balance.
6,000	6,000		Cash received from inspection bonds were reclassified out of the Agency Fund into a newly created Inspection Bonds Special Revenue Fund. The portion of liabilities in the Agency Fund representing cash available 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 were reclassified out of the Agency Fund and into a newly created Register of Deeds Special Revenue Fund. The reclassifications did not result in a restatement of fund balance.
\$ 190,858	\$ 190,858	\$ 323,696	

IREDELL COUNTY, NORTH CAROLINA

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

3. Stewardship, Compliance, and Accountability

Deficit in Fund Balance of Individual Funds

At June 30, 2021, the following fund had a deficit fund balance:

Iredell Statesville High School Project	\$507,595
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The County is expected to issue GO bonds in the fall of 2022 for \$110,000,000. Management's issuance of debt will eliminate the deficit fund balance in the subsequent year.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

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

- Law Enforcement Officers' Special Separation Allowance - Schedule of Changes in Total Pension Liability
- Law Enforcement Officers' Special Separation Allowance - Schedule of Total Pension Liability as a Percentage of Covered Payroll
- Notes to the Required Schedules for the Law Enforcement Officers' Special Separation Allowance
- Other Post-Employment Benefits – Schedule of Changes in the Total OPEB Liability and Related Ratios
- Notes to the Required Schedules for Other Post-Employment Benefits
- Schedule of the County's Proportionate Share of the Net Pension Liability - Local Government Employees' Retirement System
- Schedule of Employer Contributions for the Local Government Employees' Retirement System
- Schedule of the County's Proportionate Share of the Register of Deeds' Net Pension Asset - Supplemental Pension Fund
- Schedule of Employer Contributions for Register of Deeds' Supplemental Pension Fund

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IREDELL COUNTY, NORTH CAROLINA
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
LAST FIVE FISCAL YEARS

	Law Enforcement Officers' Special Separation Allowance				
	2021	2020	2019	2018	2017
Beginning balance	\$ 5,795,911	\$ 5,096,275	\$ 5,410,494	\$ 5,187,940	\$ 5,192,501
Service cost	275,782	234,294	221,608	186,847	223,942
Interest on the total pension liability	182,502	178,696	165,519	194,463	180,189
Differences between expected and actual experience in the measurement of the total pension liability	314,172	494,227	(169,763)	(153,905)	-
Changes of assumptions or other inputs	1,938,548	166,524	(186,505)	295,250	(118,302)
Benefit payments	(395,376)	(374,105)	(345,078)	(300,101)	(290,390)
Ending balance of the total pension liability	<u>\$ 8,111,539</u>	<u>\$ 5,795,911</u>	<u>\$ 5,096,275</u>	<u>\$ 5,410,494</u>	<u>\$ 5,187,940</u>

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

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

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

	Law Enforcement Officers' Special Separation Allowance				
	2021	2020	2019	2018	2017
Total pension liability	\$ 8,111,539	\$ 5,795,911	\$ 5,096,275	\$ 5,410,494	\$ 5,187,940
Covered-employee payroll	9,606,475	8,653,333	7,740,389	7,263,662	8,298,639
Total pension liability as a percentage of covered payroll	84.44%	66.98%	65.84%	74.49%	62.52%

Notes to the Schedules:

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

Pension schedules in the required supplementary information are intended to show information for ten years and
that additional years' information will be displayed as it becomes available.

IREDELL COUNTY, NORTH CAROLINA

OTHER POST-EMPLOYMENT BENEFITS

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

LAST FOUR FISCAL YEARS

	Total OPEB Liability			
	2021	2020	2019	2018
Service cost	\$ 792,778	\$ 892,289	\$ 920,061	\$ 990,254
Interest	963,731	987,845	904,954	785,461
Differences between expected and actual experience	(557,667)	(393,330)	251,370	(42,618)
Changes of assumptions or other inputs	2,978,299	969,864	(749,059)	(1,299,411)
Benefit payments	(794,608)	(1,416,238)	(1,291,824)	(929,927)
Net change in total OPEB liability	3,382,533	1,040,430	35,502	(496,241)
Total OPEB liability - beginning	27,136,254	26,095,824	26,060,322	26,556,563
Total OPEB liability - ending	<u>\$ 30,518,787</u>	<u>\$ 27,136,254</u>	<u>\$ 26,095,824</u>	<u>\$ 26,060,322</u>
Covered-employee payroll	\$ 27,825,268	\$ 27,825,268	\$ 30,543,046	\$ 30,543,046
Total OPEB liability as a percentage of covered payroll	109.68%	97.52%	85.44%	85.32%

Notes to the Required Schedules:

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

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

OPEB schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

IREDELL COUNTY, NORTH CAROLINA

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

	Local Government Employees' Retirement System			
	2021	2020	2019	2018
Iredell County's proportion of the net pension liability (asset) (%)	0.72742%	0.72372%	0.71234%	0.67842%
Iredell County's proportion of the net pension liability (asset) (\$)	\$ 25,993,816	\$ 19,764,230	\$ 16,899,142	\$ 10,364,377
Iredell County's covered payroll*	\$ 51,351,859	\$ 48,464,552	\$ 45,702,146	\$ 43,805,776
Iredell County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	50.62%	40.78%	36.98%	23.66%
Plan fiduciary net position as a percentage of the total pension liability**	88.61%	90.86%	91.63%	94.18%

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

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

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

IREDELL COUNTY, NORTH CAROLINA

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

	Local Government Employees' Retirement System			
	2017	2016	2015	2014
Iredell County's proportion of the net pension liability (asset) (%)	0.70015%	0.66900%	0.68700%	0.68700%
Iredell County's proportion of the net pension liability (asset) (\$)	\$ 14,859,529	\$ 3,003,419	\$ (4,053,858)	\$ 8,279,783
Iredell County's covered payroll*	\$ 39,887,847	\$ 38,564,900	\$ 38,666,185	\$ 37,369,049
Iredell County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	37.25%	7.79%	(10.48%)	22.16%
Plan fiduciary net position as a percentage of the total pension liability**	91.47%	98.09%	102.64%	94.35%

IREDELL COUNTY, NORTH CAROLINA

**IREDELL COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS**

Local Government Employees' Retirement System				
	2021	2020	2019	2018
Contractually required contribution	\$ 5,426,615	\$ 4,669,764	\$ 3,818,662	\$ 3,490,078
Contributions in relation to the contractually required contribution	<u>5,426,615</u>	<u>4,669,764</u>	<u>3,818,662</u>	<u>3,490,078</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Iredell County's covered payroll	\$ 52,800,859	\$ 51,351,859	\$ 48,464,552	\$ 45,702,146
Contributions as a percentage of covered payroll	10.28%	9.09%	7.88%	7.64%

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

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

Local Government Employees' Retirement System				
	2017	2016	2015	2014
Contractually required contribution	\$ 3,240,257	\$ 2,717,145	\$ 2,751,911	\$ 2,753,863
Contributions in relation to the contractually required contribution	<u>3,240,257</u>	<u>2,717,145</u>	<u>2,751,911</u>	<u>2,753,863</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Iredell County's covered payroll	\$ 43,805,776	\$ 39,887,847	\$ 38,564,900	\$ 38,666,185
Contributions as a percentage of covered payroll	7.40%	6.81%	7.14%	7.12%

IREDELL COUNTY, NORTH CAROLINA

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

	Register of Deeds' Supplemental Pension Fund			
	2021	2020	2019	2018
Iredell County's proportion of the net pension liability (asset) (%)	2.08%	1.82%	2.03%	2.03%
Iredell County's proportion of the net pension liability (asset) (\$)	\$ (475,890)	\$ (358,748)	\$ (336,300)	\$ (347,218)
Iredell County's covered payroll*	\$ 80,996	\$ 77,095	\$ 68,529	\$ 60,565
Iredell County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-587.55%	-465.33%	-490.74%	-573.30%
Plan fiduciary net position as a percentage of the total pension liability**	173.62%	164.11%	153.31%	153.77%

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

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

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

IREDELL COUNTY, NORTH CAROLINA

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

	Register of Deeds' Supplemental Pension Fund			
	2017	2016	2015	2014
Iredell County's proportion of the net pension liability (asset) (%)	2.06%	1.95%	1.87%	1.90%
Iredell County's proportion of the net pension liability (asset) (\$)	\$ (384,709)	\$ (451,233)	\$ (424,135)	\$ (404,954)
Iredell County's covered payroll*	\$ 67,732	\$ 64,567	\$ 62,635	\$ 61,111
Iredell County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-567.99%	-698.86%	-677.15%	-662.65%
Plan fiduciary net position as a percentage of the total pension liability**	160.17%	197.29%	193.88%	190.50%

IREDELL COUNTY, NORTH CAROLINA

**IREDELL COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS**

Registers of Deeds' Supplemental Pension Fund				
	2021	2020	2019	2018
Contractually required contribution	\$ 26,273	\$ 19,882	\$ 17,272	\$ 5,181
Contributions in relation to the contractually required contribution	<u>26,273</u>	<u>19,882</u>	<u>17,272</u>	<u>5,181</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Iredell County's covered payroll	\$ 66,700	\$ 80,996	\$ 77,095	\$ 68,529
Contributions as a percentage of covered payroll	39.39%	24.55%	22.40%	7.56%

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

IREDELL COUNTY, NORTH CAROLINA

**IREDELL COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS**

Registers of Deeds' Supplemental Pension Fund				
	2017	2016	2015	2014
Contractually required contribution	\$ 4,439	\$ 4,572	\$ 15,581	\$ 15,278
Contributions in relation to the contractually required contribution	<u>4,439</u>	<u>4,572</u>	<u>15,581</u>	<u>15,278</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Iredell County's covered payroll	\$ 60,565	\$ 67,732	\$ 64,567	\$ 62,635
Contributions as a percentage of covered payroll	7.33%	6.75%	24.13%	24.39%

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MAJOR GOVERNMENTAL FUNDS

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THE GENERAL FUND

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

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IREDELL COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad Valorem Taxes:				
Taxes	\$ 143,213,815	\$ 147,211,482	\$ 3,997,667	\$ 137,629,092
Penalties and interest	612,000	627,820	15,820	615,841
Total	143,825,815	147,839,302	4,013,487	138,244,933
Other Taxes and Licenses:				
Local option sales taxes	41,359,007	53,002,792	11,643,785	45,077,607
Medicaid hold harmless	2,250,000	2,912,435	662,435	2,782,867
Revenue stamps	1,800,000	3,016,607	1,216,607	1,946,984
Franchise taxes	475,000	426,491	(48,509)	438,058
Beer and wine licenses	6,000	6,559	559	10,548
Rental vehicle tax	265,000	287,150	22,150	272,414
City hold harmless	(3,181,543)	(3,827,213)	(645,670)	(3,289,574)
Total	42,973,464	55,824,821	12,851,357	47,238,904
Unrestricted Intergovernmental Revenues:				
Beer and wine excise tax	450,000	452,229	2,229	462,512
Returns of IV-D collections	230,000	339,222	109,222	242,974
IV-D law enforcement reimbursement	145,000	169,459	24,459	162,838
IV-D incentive and other IV-D	5,000	1,225	(3,775)	1,425
Total	830,000	962,135	132,135	869,749
Restricted Intergovernmental Revenues:				
Federal and state grants	17,319,172	13,851,238	(3,467,934)	13,099,651
Court facility fees	258,000	258,524	524	242,692
ABC 5 cent bottle tax	55,000	71,635	16,635	64,466
Controlled substance tax	35,000	74,473	39,473	33,638
Seized fund - other	-	17,690	17,690	3,733
Jail fees - Clerk of Court	43,000	41,822	(1,178)	47,694
Interest rebate	460,000	454,322	(5,678)	456,329
Lottery proceeds	4,874,045	4,874,045	-	-
Total	23,044,217	19,643,749	(3,400,468)	13,948,203
Permits and Fees:				
Building permits	5,702,864	5,454,929	(247,935)	5,038,087
Register of Deeds	915,000	1,347,831	432,831	1,028,129
Other permits and fees	1,115,010	1,424,499	309,489	1,160,630
Total	7,732,874	8,227,259	494,385	7,226,846

IREDELL COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020**

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
Sales and Services:				
Health service fees	2,446,810	2,335,250	(111,560)	2,811,338
Rents	429,150	432,703	3,553	431,804
Jail fees and programs	293,500	460,604	167,104	550,899
Municipal tax collection fees	1,228,500	1,157,372	(71,128)	1,095,258
Recreation fees and programs	625,332	148,738	(476,594)	362,238
Ambulance fees	4,480,000	4,165,354	(314,646)	4,562,990
ROD - tech. and preser.	126,750	151,870	25,120	112,503
Officer's fees	300,500	234,767	(65,733)	294,426
School resource officer reimbursement	1,000,175	1,000,058	(117)	-
Animal control	103,800	110,296	6,496	88,250
Planning department	145,500	192,946	47,446	151,476
Library	34,500	11,865	(22,635)	27,430
Health building costs reimbursement	-	41,378	41,378	51,797
Fire marshal	4,400	6,784	2,384	2,376
Other	169,350	359,207	189,857	211,238
Total	<u>11,388,267</u>	<u>10,809,192</u>	<u>(579,075)</u>	<u>10,754,023</u>
Investment Earnings	<u>765,500</u>	<u>45,108</u>	<u>(720,392)</u>	<u>1,563,641</u>
Miscellaneous:				
Sale of property	30,000	206,998	176,998	142,661
Private donations and grants	206,906	178,037	(28,869)	201,079
Municipal reimbursements	5,000	5,357	357	5,235
Insurance claims	50,000	80,216	30,216	18,991
Mooreville ABC profits	225,000	275,000	50,000	250,000
Tax overpayments	30,000	(1,175)	(31,175)	(26,367)
Other	171,525	189,350	17,825	318,850
Total	<u>718,431</u>	<u>933,783</u>	<u>215,352</u>	<u>910,449</u>
Total Revenues	<u>231,278,568</u>	<u>244,285,349</u>	<u>13,006,781</u>	<u>220,756,748</u>
Expenditures:				
General Government:				
Governing Body:				
Salaries and employee benefits	138,837	136,812		135,409
Operating expenditures	84,733	80,570		57,940
Total	<u>223,570</u>	<u>217,382</u>	<u>6,188</u>	<u>193,349</u>

IREDELL COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020**

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
Administration:				
Salaries and employee benefits	609,115	611,078		577,183
Operating expenditures	69,196	41,895		38,080
Total	678,311	652,973	25,338	615,263
Human Resources:				
Salaries and employee benefits	557,352	547,303		503,905
Operating expenditures	124,253	105,982		65,110
Capital outlay	6,810	-		-
Total	688,415	653,285	35,130	569,015
Elections:				
Salaries and employee benefits	657,448	611,176		403,043
Operating expenditures	603,819	416,026		200,807
Capital outlay	163,438	31,025		-
Total	1,424,705	1,058,227	366,478	603,850
Finance:				
Salaries and employee benefits	737,800	705,951		742,533
Operating expenditures	313,789	269,615		271,087
Total	1,051,589	975,566	76,023	1,013,620
Tax Administration and Land Records:				
Salaries and employee benefits	2,978,253	2,873,732		2,836,065
Operating expenditures	933,130	597,851		470,826
Capital outlay	49,924	36,379		5,284
Total	3,961,307	3,507,962	453,345	3,312,175
Information Systems Management:				
Salaries and employee benefits	1,089,440	1,097,857		1,017,993
Operating expenditures	1,000,360	766,739		754,845
Capital outlay	48,069	34,091		199,670
Total	2,137,869	1,898,687	239,182	1,972,508
Legal:				
Professional services	115,500	107,220		111,345
Total	115,500	107,220	8,280	111,345
Courts:				
Operating expenditures	54,275	19,732		72,464
Total	54,275	19,732	34,543	72,464

IREDELL COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
Register of Deeds:				
Salaries and employee benefits	647,257	645,122		631,399
Operating expenditures	255,613	119,501		134,954
Total	902,870	764,623	138,247	766,353
Facility Services:				
Salaries and employee benefits	1,586,902	1,462,784		1,653,623
Operating expenditures	327,266	247,028		337,983
Capital outlay	182,732	143,431		110,923
Total	2,096,900	1,853,243	243,657	2,102,529
Vehicle Services:				
Salaries and employee benefits	337,566	336,157		323,629
Operating expenditures	47,382	22,150		19,066
Capital outlay	18,000	17,000		-
Total	402,948	375,307	27,641	342,695
General Government Buildings:				
Operating expenditures	1,982,826	1,629,907		1,798,383
Capital outlay	290,860	239,168		485,905
Total	2,273,686	1,869,075	404,611	2,284,288
Economic Development:				
Charlotte Regional Partnership	33,900	33,889		33,370
CCOG - Economic Development Commission	6,840	6,840		6,840
Greater Statesville Development Corporation	300,610	300,610		270,610
NC Commerce - One NC Passthru	-	-		250,000
Project development	627,359	20,700		110,700
Economic incentives	2,882,125	991,672		1,244,023
MeckUnion Metro Planning Org	18,170	13,755		11,565
Lake Norman Regional Trans Comm	18,000	15,752		15,860
Statesville Airport - other	173,984	21,108		22,192
Road project	50,000	-		-
Total	4,110,988	1,404,326	2,706,662	1,965,160
General Government:				
Salaries and employee benefits	2,698,592	21,985		(2,842)
Operating expenditures	965,314	621,566		531,220
Capital outlay	1,070,324	1,017,304		-
Total	4,734,230	1,660,855	3,073,375	528,378

IREDELL COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
Special Appropriations:				
5th Street Shelter Ministry	25,000	25,000		25,000
Civil Air Patrol	2,500	2,500		2,500
Fort Dobbs Alliance	15,000	15,000		15,000
Beaver Management Program	6,000	6,000		4,000
Centralina Council of Government	42,895	42,895		42,295
Drug-Alcohol Coalition Iredell	40,000	40,000		40,000
Domiciliary Board Expense	400	-		96
Historical Society	-	315		668
ICATS	124,800	124,800		125,000
Institute of Government	24,020	23,807		22,875
Iredell Council On Aging	63,250	63,250		61,950
Iredell Museums, Inc.	10,000	10,000		10,000
Iredell Soil and Water	162,365	162,365		168,705
Lake Norman Marine Commission	31,000	31,000		31,000
Mooresville Health Assistance	18,000	18,000		15,000
National Association of Counties	2,600	2,571		2,571
NC Association of County Commissioners	15,854	13,904		15,331
NC Forestry Service	84,481	67,285		68,432
Centralina Aging Program	20,000	20,907		19,995
Nursing Home Residents Rights	2,000	2,000		2,000
SCAN	15,000	15,000		15,000
Third Creek Watershed	22,852	22,852		22,852
TWC Mapping Project	8,000	-		-
Total	<u>736,017</u>	<u>709,451</u>	<u>26,566</u>	<u>710,270</u>
Total general government	<u>25,593,180</u>	<u>17,727,914</u>	<u>7,865,266</u>	<u>17,163,262</u>
Public Safety:				
Sheriff:				
Salaries and employee benefits	13,506,910	13,076,530		12,044,228
Operating expenditures	4,684,971	3,609,500		2,919,522
Capital outlay	<u>3,179,015</u>	<u>1,991,646</u>		<u>530,125</u>
Total	<u>21,370,896</u>	<u>18,677,676</u>	<u>2,693,220</u>	<u>15,493,875</u>

IREDELL COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020**

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
Safety and Security:				
Salaries and employee benefits	-	-		715,677
Operating expenditures	2,254,495	1,490,422		1,508,702
Capital outlay	-	-		100,000
Total	<u>2,254,495</u>	<u>1,490,422</u>	<u>764,073</u>	<u>2,324,379</u>
Salaries and employee benefits	7,932,019	6,890,957		6,677,877
Operating expenditures	4,303,332	3,229,443		3,873,781
Capital outlay	235,565	102,096		264,176
Total	<u>12,470,916</u>	<u>10,222,496</u>	<u>2,248,420</u>	<u>10,815,834</u>
Office of Emergency Management:				
Salaries and employee benefits	215,658	216,298		222,126
Operating expenditures	117,025	105,075		2,119,411
Capital outlay	39,300	14,642		121
Total	<u>371,983</u>	<u>336,015</u>	<u>35,968</u>	<u>2,341,658</u>
Fire Marshal:				
Salaries and employee benefits	330,635	288,245		332,811
Operating expenditures	74,623	61,542		61,677
Capital outlay	17,598	17,525		33,554
Total	<u>422,856</u>	<u>367,312</u>	<u>55,544</u>	<u>428,042</u>
Emergency Medical Service:				
Salaries and employee benefits	8,248,287	8,038,115		7,794,461
Operating expenditures	2,134,427	1,616,876		1,483,081
Capital outlay	851,386	797,664		459,916
Total	<u>11,234,100</u>	<u>10,452,655</u>	<u>781,445</u>	<u>9,737,458</u>
Emergency Communications:				
Salaries and employee benefits	2,946,705	2,785,303		2,648,637
Operating expenditures	431,033	293,430		372,251
Capital outlay	213,544	209,727		409,544
Total	<u>3,591,282</u>	<u>3,288,460</u>	<u>302,822</u>	<u>3,430,432</u>
Animal Services:				
Salaries and employee benefits	1,215,073	1,066,138		1,004,731
Operating expenditures	461,360	375,257		425,445
Capital outlay	145,906	37,995		64,810
Total	<u>1,822,339</u>	<u>1,479,390</u>	<u>342,949</u>	<u>1,494,986</u>

IREDELL COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
Public Safety Buildings:				
Operating expenditures	498,244	336,487		346,519
Capital outlay	-	-		6,341
Total	498,244	336,487	161,757	352,860
Special Appropriations:				
South Iredell Fire & Rescue	14,449	14,449		14,229
Lake Norman Fire & Rescue	33,688	33,688		33,613
Mt. Mourne Fire & Rescue	21,589	21,589		21,543
Shepherds Fire & Rescue	33,420	33,420		33,347
Mooreville Fire & Rescue	101,986	101,986		83,049
Iredell Rescue - Reserve	-	-		32,214
Lake Norman Fire & Rescue - Reserve	31,806	-		-
Mooreville Fire & Rescue - Reserve	1	-		21,984
Mt. Mourne Fire & Rescue - Reserve	8,163	-		-
N. Iredell Rescue - Reserve	66,436	-		-
Shepherds Fire & Rescue - Reserve	31,575	-		-
South Ired Fire & Rescue - Reserve	-	-		5,986
Troutman Rescue - Reserve	23,525	-		-
Iredell County Rescue Squad	627,960	627,960		610,954
North Iredell Rescue Squad	329,942	329,942		250,556
Troutman Rescue Squad	77,925	77,925		77,013
FEMA disbursement	-	-		868
Contracted services - other	2,414	2,776		2,414
Capital outlay	50,000	-		-
Total	1,454,879	1,243,735	211,144	1,187,770
Total public safety	55,491,990	47,894,648	7,597,342	47,607,294
Economic and Physical Development:				
Planning and Enforcement:				
Salaries and employee benefits	3,073,036	3,024,162		2,974,864
Operating expenditures	741,777	392,121		193,409
Capital outlay	449,794	114,857		212,853
Total	4,264,607	3,531,140	733,467	3,381,126
Central Permitting:				
Salaries and employee benefits	336,700	323,438		331,933
Operating expenditures	161,767	153,953		178,759
Total	498,467	477,391	21,076	510,692

IREDELL COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020**

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
Cooperative Extension Service:				
Salaries and employee benefits	114,638	68,534		108,421
Operating expenditures	301,194	275,981		272,997
Contracted services	6,027	-		-
Total	<u>421,859</u>	<u>344,515</u>	<u>77,344</u>	<u>381,418</u>
Economic Development Buildings:				
Operating expenditures	<u>231,361</u>	<u>181,345</u>		<u>166,929</u>
Total	<u>231,361</u>	<u>181,345</u>	<u>50,016</u>	<u>166,929</u>
Total economic and physical development	<u>5,416,294</u>	<u>4,534,391</u>	<u>881,903</u>	<u>4,440,165</u>
Human Services:				
Health Department:				
Salaries and employee benefits	7,793,006	7,184,264		7,168,925
Operating expenditures	3,569,090	1,969,885		1,690,615
Capital outlay	<u>742,857</u>	<u>104,031</u>		<u>183,085</u>
Total	<u>12,104,953</u>	<u>9,258,180</u>	<u>2,846,773</u>	<u>9,042,625</u>
Social Services Administration:				
Salaries and employee benefits	16,951,760	15,297,750		15,060,793
Medicaid	45,000	-		-
Child daycare	8,000	3,358		2,864
Adult special assistance	1,100,000	601,539		649,287
Foster care	1,541,025	822,860		1,414,410
Adoption assistance	444,050	332,628		348,883
TANF	120,000	119,460		115,837
Crisis intervention	409,155	408,554		447,364
Other programs	1,685,448	928,984		895,359
Operating expenditures	1,853,708	1,277,378		1,313,655
Capital outlay	<u>927,720</u>	<u>907,170</u>		<u>743,243</u>
Total	<u>25,085,866</u>	<u>20,699,681</u>	<u>4,386,185</u>	<u>20,991,695</u>
Veteran Services:				
Salaries and employee benefits	196,175	185,129		192,785
Operating expenditures	<u>13,509</u>	<u>6,676</u>		<u>9,007</u>
Total	<u>209,684</u>	<u>191,805</u>	<u>17,879</u>	<u>201,792</u>
Human Services Building Facility:				
Operating expenditures	<u>204,257</u>	<u>185,813</u>		<u>218,403</u>
Total	<u>204,257</u>	<u>185,813</u>	<u>18,444</u>	<u>218,403</u>

IREDELL COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
Contracted Human Services:				
Crossroads Behavioral Health	565,875	565,875		565,875
Total	565,875	565,875	-	565,875
Total human services	38,170,635	30,901,354	7,269,281	31,020,390
Cultural and Recreational:				
Public Library:				
Salaries and employee benefits	1,861,009	1,859,961		1,775,515
Operating expenditures	1,870,238	1,822,721		1,839,927
Total	3,731,247	3,682,682	48,565	3,615,442
Parks and Recreation:				
Salaries and employee benefits	1,218,647	1,043,893		835,447
Operating expenditures	457,104	189,169		286,884
Capital outlay	101,339	90,160		181,774
Total	1,777,090	1,323,222	453,868	1,304,105
Cultural and Recreational Buildings:				
Operating expenditures	688,199	537,468		757,767
Total	688,199	537,468	150,731	757,767
Total cultural and recreational	6,196,536	5,543,372	653,164	5,677,314
Education:				
Public schools - current	58,490,937	58,489,060		49,685,525
Public schools - capital outlay	38,459,085	26,849,086		14,251,420
Community college - current	4,240,158	4,240,158		3,600,364
Community college - capital outlay	3,709,252	1,709,120		948,950
Total	104,899,432	91,287,424	13,612,008	68,486,259
Total education	104,899,432	91,287,424	13,612,008	68,486,259
Debt Service:				
Principal retirement	20,342,300	20,337,003		23,368,365
Interest and fees	8,621,070	7,939,293		8,946,158
Total	28,963,370	28,276,296	687,074	32,314,523
Total expenditures	264,731,437	226,165,399	38,566,038	206,709,207

IREDELL COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
Revenues over (under) expenditures	<u>(33,452,869)</u>	<u>18,119,950</u>	<u>51,572,819</u>	<u>14,047,541</u>
Other Financing Sources (Uses):				
Fund balance appropriated	45,296,562	-	(45,296,562)	-
Direct placement installment purchase	-	-	-	1,999,637
Transfers in (out):				
From EMS Enterprise Fund	125,000	125,000	-	-
From capital project funds	2,390,340	2,750,900	360,560	-
(To) capital project funds	(14,139,430)	(1,873,540)	12,265,890	(431,943)
(To) special revenue funds	<u>(219,603)</u>	<u>(219,603)</u>	<u>-</u>	<u>(24,500)</u>
Total other financing sources (uses)	<u>33,452,869</u>	<u>782,757</u>	<u>(32,670,112)</u>	<u>1,543,194</u>
Net change in fund balance	<u>\$ -</u>	<u>18,902,707</u>	<u>\$ 18,902,707</u>	<u>15,590,735</u>
Fund Balance:				
Beginning of year, July 1		128,635,099		112,557,952
Reconciliation from Budgetary Basis to Modified Accrual Basis:				
Current year loan receivable repayments		(94,265)		(97,945)
Debt service payment to Sinking Fund		<u>605,614</u>		<u>584,357</u>
End of year, June 30		<u>\$ 148,049,155</u>		<u>\$ 128,635,099</u>

AMERICAN RESCUE PLAN ACT FUND

The American Rescue Plan Act Fund accounts for all the revenues received under the American Rescue Plan which are restricted for necessary expenditures incurred due to the public health emergency with respect to the coronavirus disease.

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IREDELL COUNTY, NORTH CAROLINA

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

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Restricted Intergovernmental:					
American Rescue Plan	\$ 35,313,684	\$ -	\$ -	\$ -	\$ (35,313,684)
Investment earnings	-	-	198	198	198
Total revenues	<u>35,313,684</u>	<u>-</u>	<u>198</u>	<u>198</u>	<u>(35,313,486)</u>
Expenditures:					
Project Development	34,366,684	-	-	-	34,366,684
Capital outlay	<u>947,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>947,000</u>
Total expenditures	<u>35,313,684</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,313,684</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>198</u>	<u>\$ 198</u>	<u>\$ 198</u>
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			<u>\$ 198</u>		

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COMBINING STATEMENTS FOR NONMAJOR FUNDS

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IREDELL COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total
Assets:			
Cash and cash equivalents	\$ 4,329,249	\$ 3,430,719	\$ 7,759,968
Taxes receivable, net	52,398	-	52,398
Receivables, net	1,566,542	42,807	1,609,349
Restricted cash and cash equivalents	<u>1,684,190</u>	<u>11,635,346</u>	<u>13,319,536</u>
Total assets	<u>\$ 7,632,379</u>	<u>\$ 15,108,872</u>	<u>\$ 22,741,251</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	\$ 132,544	\$ 2,511,219	\$ 2,643,763
Advance from grantor - payable from restricted assets	1,680,138	-	1,680,138
Due to other funds	<u>-</u>	<u>289,632</u>	<u>289,632</u>
Total liabilities	<u>1,812,682</u>	<u>2,800,851</u>	<u>4,613,533</u>
Deferred Inflows of Resources:			
Prepaid property taxes	27,789	-	27,789
Unavailable revenues - property taxes	<u>52,398</u>	<u>-</u>	<u>52,398</u>
Total deferred inflows of resources	<u>80,187</u>	<u>-</u>	<u>80,187</u>
Fund Balances:			
Restricted:			
Stabilization by state statute	2,628,464	1,585,281	4,213,745
Restricted for public safety	2,604,254	-	2,604,254
Restricted for school capital	-	9,794,198	9,794,198
Restricted for human services	199,197	-	199,197
Committed	-	1,472,034	1,472,034
Assigned	307,595	-	307,595
Unassigned	<u>-</u>	<u>(543,492)</u>	<u>(543,492)</u>
Total fund balances (deficits)	<u>5,739,510</u>	<u>12,308,021</u>	<u>18,047,531</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 7,632,379</u>	<u>\$ 15,108,872</u>	<u>\$ 22,741,251</u>

IREDELL COUNTY, NORTH CAROLINA

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total
Revenues:			
Ad valorem taxes	\$ 14,134,775	\$ -	\$ 14,134,775
Restricted intergovernmental	9,109,949	425,000	9,534,949
Contributions	-	6,217,264	6,217,264
Sales and service	1,017,185	-	1,017,185
Investment earnings	1,050	1,012	2,062
Property sales	-	6,500	6,500
Miscellaneous	2,867,030	24,809	2,891,839
Total revenues	<u>27,129,989</u>	<u>6,674,585</u>	<u>33,804,574</u>
Expenditures:			
Current:			
Public safety	20,919,053	209,354	21,128,407
Transportation	2,255,566	-	2,255,566
General government	392,248	700,044	1,092,292
Cultural and recreational	519,125	83,511	602,636
Intergovernmental:			
Education	1,025,990	5,978,091	7,004,081
Capital outlay	-	11,800	11,800
Total expenditures	<u>25,218,545</u>	<u>6,982,800</u>	<u>32,201,345</u>
Revenues over (under) expenditures	<u>1,911,444</u>	<u>(308,215)</u>	<u>1,603,229</u>
Other Financing Sources (Uses):			
Transfers in	219,603	1,873,540	2,093,143
Transfers (out)	-	(2,750,900)	(2,750,900)
Installment purchase obligations issued	-	6,547,000	6,547,000
Total other financing sources (uses)	<u>219,603</u>	<u>5,669,640</u>	<u>5,889,243</u>
Net change in fund balances	<u>2,131,047</u>	<u>5,361,425</u>	<u>7,492,472</u>
Fund Balances:			
Fund balance - beginning, as previously reported	3,417,605	6,946,596	10,364,201
Prior period adjustment - change in accounting principle	190,858	-	190,858
Fund balance - beginning, as restated	<u>3,608,463</u>	<u>6,946,596</u>	<u>10,555,059</u>
End of year - June 30	<u>\$ 5,739,510</u>	<u>\$ 12,308,021</u>	<u>\$ 18,047,531</u>

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of special revenue sources that are legally restricted to expenditures for specific purposes.

Individual Fund Descriptions:

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

Transportation Services Fund *accounts for the operations of the transportation services of the County.*

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

Juvenile Crime Prevention Grant Fund *accounts for the revenues provided from the North Carolina Department of Correction Division of Community Corrections for the Criminal Justice Partnership Program.*

CARES Act Fund *accounts for North Carolina Coronavirus Relief Fund to spend directly on related expenditures incurred to address the COVID-19 pandemic.*

NCHFA Loan Pool Fund *accounts for the NCHFA grants to be used for housing rehabilitation located within Iredell County.*

Fines and Forfeitures Fund *accounts for monies collected by the Clerk of Court for the benefit of the Boards of Education located within Iredell County.*

Sheriff's Fund *accounts for monies collected for tax warrants and judgments.*

Employee Flex Benefits Fund *accounts for monies withheld and remitted on behalf of employees.*

Representative Payee Fund *accounts for monies deposited with the County's Social Services Department for the benefit of certain individuals.*

Inspection Bonds Fund *accounts for monies collected from developers for work to be performed as required by the Inspections Department.*

Register of Deeds Fund *accounts for \$6.20 of each fee collected by the register of deeds for registering or filing a deed of trust or mortgage.*

IREDELL COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021

	Emergency Telephone System Fund	Transportation Services Fund	Fire District Fund	Juvenile Crime Prevention Grant Fund	CARES Act Fund	NCHFA Fund
Assets:						
Cash and cash equivalents	\$ 584,339	\$ 919,747	\$ 2,434,773	\$ 113,635	\$ -	\$ -
Taxes receivable, net	-	-	52,398	-	-	-
Receivables, net	59,599	1,392,532	114,411	-	-	-
Restricted cash and cash equivalents	-	-	-	-	1,684,190	-
Total assets	<u>\$ 643,938</u>	<u>\$ 2,312,279</u>	<u>\$ 2,601,582</u>	<u>\$ 113,635</u>	<u>\$ 1,684,190</u>	<u>\$ -</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:						
Liabilities:						
Accounts payable	\$ 52,963	\$ 14,994	\$ 20,318	\$ 22,179	\$ 4,052	\$ -
Advance from grantor - payable from restricted assets	-	-	-	-	1,680,138	-
Total liabilities	<u>52,963</u>	<u>14,994</u>	<u>20,318</u>	<u>22,179</u>	<u>1,684,190</u>	<u>-</u>
Deferred Inflows of Resources:						
Prepaid property taxes	-	-	27,789	-	-	-
Unavailable revenues - property taxes	-	-	52,398	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>80,187</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:						
Restricted:						
Stabilization by state statute	59,599	2,049,210	519,655	-	-	-
Restricted, other	531,376	-	1,981,422	91,456	-	-
Assigned	-	248,075	-	-	-	-
Total fund balances	<u>590,975</u>	<u>2,297,285</u>	<u>2,501,077</u>	<u>91,456</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 643,938</u>	<u>\$ 2,312,279</u>	<u>\$ 2,601,582</u>	<u>\$ 113,635</u>	<u>\$ 1,684,190</u>	<u>\$ -</u>

IREDELL COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021

	Fines and Forfeitures Fund	Sheriff's Fund	Employee Flex Benefits Fund	Representative Payee Fund	Inspection Bonds Fund	Register of Deeds Fund	Total Nonmajor Special Revenue
Assets:							
Cash and cash equivalents	\$ -	\$ 53,520	\$ -	\$ 199,881	\$ 6,000	\$ 17,354	\$ 4,329,249
Taxes receivable, net	-	-	-	-	-	-	52,398
Receivables, net	-	-	-	-	-	-	1,566,542
Restricted cash and cash equivalents	-	-	-	-	-	-	1,684,190
Total assets	<u>\$ -</u>	<u>\$ 53,520</u>	<u>\$ -</u>	<u>\$ 199,881</u>	<u>\$ 6,000</u>	<u>\$ 17,354</u>	<u>\$ 7,632,379</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ 684	\$ -	\$ 17,354	\$ 132,544
Advance from grantor - payable from restricted assets	-	-	-	-	-	-	1,680,138
Total liabilities	-	-	-	684	-	17,354	1,812,682
Deferred Inflows of Resources:							
Prepaid property taxes	-	-	-	-	-	-	27,789
Unavailable revenues - property taxes	-	-	-	-	-	-	52,398
Total deferred inflows of resources	-	-	-	-	-	-	80,187
Fund Balances:							
Restricted:							
Stabilization by state statute	-	-	-	-	-	-	2,628,464
Restricted, other	-	-	-	199,197	-	-	2,803,451
Assigned	-	53,520	-	-	6,000	-	307,595
Total fund balances	-	53,520	-	199,197	6,000	-	5,739,510
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ 53,520</u>	<u>\$ -</u>	<u>\$ 199,881</u>	<u>\$ 6,000</u>	<u>\$ 17,354</u>	<u>\$ 7,632,379</u>

IREDELL COUNTY, NORTH CAROLINA

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

	Emergency Telephone System Fund	Transportation Services Fund	Fire District Fund	Juvenile Crime Prevention Grant Fund	CARES Act Fund	NCHFA Loan Pool Fund
Revenues:						
Ad valorem taxes	\$ -	\$ -	\$ 14,134,775	\$ -	\$ -	\$ -
Restricted intergovernmental	715,192	2,675,457	-	1,122,886	4,489,851	106,563
Sales and services	-	1,017,185	-	-	-	-
Investment earnings	121	68	861	-	-	-
Miscellaneous	-	112,429	-	-	-	-
Total revenues	<u>715,313</u>	<u>3,805,139</u>	<u>14,135,636</u>	<u>1,122,886</u>	<u>4,489,851</u>	<u>106,563</u>
Expenditures:						
Current:						
Public safety	490,784	-	14,071,573	1,117,466	4,489,851	-
Transportation	-	2,255,566	-	-	-	-
Economic and physical development	-	-	-	-	-	106,563
General government	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Intergovernmental:						
Education	-	-	-	-	-	-
Total expenditures	<u>490,784</u>	<u>2,255,566</u>	<u>14,071,573</u>	<u>1,117,466</u>	<u>4,489,851</u>	<u>106,563</u>
Revenues over (under) expenditures	224,529	1,549,573	64,063	5,420	-	-
Other Financing Sources (Uses):						
Transfers in	-	-	195,103	24,500	-	-
Net change in fund balances	<u>224,529</u>	<u>1,549,573</u>	<u>259,166</u>	<u>29,920</u>	<u>-</u>	<u>-</u>
Fund Balances:						
Fund balance - beginning, as previously reported	366,446	747,712	2,241,911	61,536	-	-
Prior period adjustment - change in accounting principle	-	-	-	-	-	-
Fund balance - beginning, as restated	<u>366,446</u>	<u>747,712</u>	<u>2,241,911</u>	<u>61,536</u>	<u>-</u>	<u>-</u>
End of year - June 30	<u>\$ 590,975</u>	<u>\$ 2,297,285</u>	<u>\$ 2,501,077</u>	<u>\$ 91,456</u>	<u>\$ -</u>	<u>\$ -</u>

IREDELL COUNTY, NORTH CAROLINA

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

	Fines and Forfeitures Fund	Sheriff's Fund	Employee Flex Benefits Fund	Representative Payee Fund	Inspection Bonds Fund	Register of Deeds Fund	Total Nonmajor Special Revenue
Revenues:							
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,134,775
Restricted intergovernmental	-	-	-	-	-	-	9,109,949
Sales and services	-	-	-	-	-	-	1,017,185
Investment earnings	-	-	-	-	-	-	1,050
Miscellaneous	1,019,677	793,757	182,736	559,833	-	198,598	2,867,030
Total revenues	1,019,677	793,757	182,736	559,833	-	198,598	27,129,989
Expenditures:							
Current:							
Public safety	-	749,379	-	-	-	-	20,919,053
Transportation	-	-	-	-	-	-	2,255,566
Economic and physical development	-	-	-	-	-	-	106,563
General government	-	-	193,650	-	-	198,598	392,248
Human services	-	-	-	519,125	-	-	519,125
Intergovernmental:							
Education	1,025,990	-	-	-	-	-	1,025,990
Total expenditures	1,025,990	749,379	193,650	519,125	-	198,598	25,218,545
Revenues over (under) expenditures	(6,313)	44,378	(10,914)	40,708	-	-	1,911,444
Other Financing Sources (Uses):							
Transfers in	-	-	-	-	-	-	219,603
Net change in fund balances	(6,313)	44,378	(10,914)	40,708	-	-	2,131,047
Fund Balances:							
Fund balance - beginning, as previously reported	-	-	-	-	-	-	3,417,605
Prior period adjustment - change in accounting principle	6,313	9,142	10,914	158,489	6,000	-	190,858
Fund balance - beginning, as restated	6,313	9,142	10,914	158,489	6,000	-	3,608,463
End of year - June 30	\$ -	\$ 53,520	\$ -	\$ 199,197	\$ 6,000	\$ -	\$ 5,739,510

IREDELL COUNTY, NORTH CAROLINA

EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Other taxes and licenses:				
Restricted Intergovernmental:				
Wireless 911 funds	\$ 658,685	\$ 658,685	\$ -	\$ 607,556
Mooreville PSAP allotment	18,733	18,733	-	11,822
Statesville PSAP allotment	37,774	37,774	-	42,408
E-911 Grant	-	-	-	274,297
Investment earnings	-	121	121	1,034
Total revenues	<u>715,192</u>	<u>715,313</u>	<u>121</u>	<u>937,117</u>
Expenditures:				
Public Safety:				
Wireless E911				
Capital outlay	119,055	118,096	959	-
Telephone	73,205	64,561	8,644	212,700
Furniture/Equipment	24,700	21,690	3,010	4,360
Software and software maintenance	149,140	37,301	111,839	43,380
Hardware and hardware maintenance	113,905	65,099	48,806	24,709
Training	35,920	32,210	3,710	15,235
Implemental function	147,350	95,320	52,030	54,350
Mooreville PSAP allotment	18,733	18,733	-	11,822
Statesville PSAP allotment	37,774	37,774	-	42,408
Others (Grant)	1,330	-	1,330	211,562
Total expenditures	<u>721,112</u>	<u>490,784</u>	<u>230,328</u>	<u>620,526</u>
Revenues over (under) expenditures	(5,920)	224,529	230,449	316,591
Other Financing Sources (Uses):				
Appropriated fund balance	5,920	-	(5,920)	-
Net change in fund balance	<u>\$ -</u>	<u>224,529</u>	<u>\$ 224,529</u>	<u>316,591</u>
Fund Balance:				
Beginning of year - July 1		366,446		49,855
End of year - June 30		<u>\$ 590,975</u>		<u>\$ 366,446</u>

PSAP RECONCILIATION
JUNE 30, 2021

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

Net change in fund balance, reported budget to actual	\$ 224,529
Cumulative current and prior period revenues and expenditures not reported in the fund (difference in beginning fund balance - budget to actual vs. PSAP report)	<u>5,315</u>
Beginning balance, PSAP revenue-expenditure report	<u>366,446</u>
Ending balance, PSAP revenue-expenditure report	<u>\$ 596,290</u>

IREDELL COUNTY, NORTH CAROLINA

TRANSPORTATION SERVICES FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted Intergovernmental:				
NC Department of Transportation				
Community Transportation	\$ 1,035,316	\$ 2,675,457	\$ 1,640,141	\$ 187,747
Job Access Reverse Commute grant	-	-	-	18,344
Rural Operating Assistance Program grant:				
EDTAP	-	-	-	118,624
NCDOT WorkFirst	-	-	-	43,136
Rural general public	-	-	-	107,840
Sales and service:				
Urban 5307	300,000	-	(300,000)	130,959
Transportation fees	1,549,800	996,948	(552,852)	2,261,740
ED-5310 urban	175,000	-	(175,000)	-
Other passenger fares	60,000	20,237	(39,763)	46,822
Investment earnings	5,000	68	(4,932)	2,087
Miscellaneous	50,000	112,429	62,429	27,028
Total revenues	<u>3,175,116</u>	<u>3,805,139</u>	<u>630,023</u>	<u>2,944,327</u>
Expenditures:				
Iredell County Area Transportation System:				
Salaries and employee benefits	2,051,110	1,483,254	567,856	1,528,963
Operating expenditures	510,488	389,914	120,574	485,283
Contracted services	71,371	48,587	22,784	51,623
Vehicles & licensed trailers	684,672	301,965	382,707	806,386
Capital outlay	206,661	31,846	174,815	-
Total expenditures	<u>3,524,302</u>	<u>2,255,566</u>	<u>1,268,736</u>	<u>2,872,255</u>
Revenues over (under) expenditures	(349,186)	1,549,573	1,898,759	72,072
Other Financing Sources (Uses):				
Appropriated fund balance	<u>349,186</u>	<u>-</u>	<u>(349,186)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>1,549,573</u>	<u>\$ 1,549,573</u>	<u>72,072</u>
Fund Balance:				
Beginning of year - July 1		<u>747,712</u>		<u>675,640</u>
End of year - June 30		<u>\$ 2,297,285</u>		<u>\$ 747,712</u>

IREDELL COUNTY, NORTH CAROLINA

FIRE DISTRICT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad valorem taxes:				
Taxes	\$ 13,583,902	\$ 14,081,914	\$ 498,012	\$ 12,392,561
Penalties and interest	-	52,861	52,861	47,223
Restricted Intergovernmental:				
NC Department of Transportation	-	-	-	10,600
Investment earnings	2,650	861	(1,789)	36,662
Total revenues	<u>13,586,552</u>	<u>14,135,636</u>	<u>549,084</u>	<u>12,487,046</u>
Expenditures:				
Public safety:				
Insurance and bonds	636,000	635,634	366	576,261
Contracted services	10,986,721	10,578,196	408,525	9,187,587
Operating expenditures	3,054,762	2,857,743	197,019	2,280,500
Water/sewer fire hydrants	250,000	-	250,000	-
Total expenditures	<u>14,927,483</u>	<u>14,071,573</u>	<u>855,910</u>	<u>12,044,348</u>
Revenues over (under) expenditures	<u>(1,340,931)</u>	<u>64,063</u>	<u>1,404,994</u>	<u>442,698</u>
Other Financing Sources (Uses):				
Appropriated fund balance	1,145,826	-	(1,145,826)	-
Transfer from General Fund	195,105	195,103	(2)	195,103
Total other financing sources (uses)	<u>1,340,931</u>	<u>195,103</u>	<u>(1,145,828)</u>	<u>195,103</u>
Net change in fund balance	<u>\$ -</u>	<u>259,166</u>	<u>\$ 259,166</u>	<u>637,801</u>
Fund Balance:				
Beginning of year - July 1		<u>2,241,911</u>		<u>1,604,110</u>
End of year - June 30		<u>\$ 2,501,077</u>		<u>\$ 2,241,911</u>

IREDELL COUNTY, NORTH CAROLINA

JUVENILE CRIME PREVENTION GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	<u>2021</u>			<u>2020</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Restricted Intergovernmental:				
Juvenile Crime Prevention grant	\$ 1,124,078	\$ 1,122,886	\$ (1,192)	\$ 592,346
Expenditures:				
Grants to other agencies	1,148,078	1,108,088	39,990	588,365
Salaries and employee benefits	8,630	8,630	-	7,656
Administration and training	6,870	748	6,122	4,265
Total expenditures	<u>1,163,578</u>	<u>1,117,466</u>	<u>46,112</u>	<u>600,286</u>
Revenues over (under) expenditures	<u>(39,500)</u>	<u>5,420</u>	<u>44,920</u>	<u>(7,940)</u>
Other Financing Sources (Uses):				
Transfer from other funds	24,500	24,500	-	24,500
Appropriated fund balance	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>39,500</u>	<u>24,500</u>	<u>(15,000)</u>	<u>24,500</u>
Net change in fund balance	<u>\$ -</u>	<u>29,920</u>	<u>\$ 29,920</u>	<u>16,560</u>
Fund Balance:				
Beginning of year - July 1		<u>61,536</u>		<u>44,976</u>
End of year - June 30		<u>\$ 91,456</u>		<u>\$ 61,536</u>

IREDELL COUNTY, NORTH CAROLINA

CARES ACT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Restricted Intergovernmental:					
CARES Act	\$ 6,770,524	\$ 600,536	\$ 4,489,851	\$ 5,090,387	\$ (1,680,137)
Expenditures:					
Municipality subrecipients	1,684,131	230,851	1,453,280	1,684,131	-
Grants to other agencies	493,959	114,446	355,155	469,601	24,358
Salaries and employee benefits	2,180,265	150,637	910,146	1,060,783	1,119,482
Operating expenditures	1,584,769	104,602	1,178,844	1,283,446	301,323
Capital outlay	827,400	-	592,426	592,426	234,974
Total expenditures	<u>6,770,524</u>	<u>600,536</u>	<u>4,489,851</u>	<u>5,090,387</u>	<u>1,680,137</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			<u>\$ -</u>		

IREDELL COUNTY, NORTH CAROLINA

NCHFA LOAN POOL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Restricted Intergovernmental:					
NCHFA grants	\$ 458,680	\$ -	\$ 106,563	\$ 106,563	\$ (352,117)
Expenditures:					
Administration services	109,200	-	30,825	30,825	78,375
Housing Rehabilitation	349,480	-	75,738	75,738	273,742
Total expenditures	458,680	-	106,563	106,563	352,117
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ -		

IREDELL COUNTY, NORTH CAROLINA

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Fines and forfeitures	\$ 1,150,000	\$ 1,019,677	\$ (130,323)
Expenditures:			
Payments to Board of Education	1,150,000	1,025,990	124,010
Net change in fund balance	<u>\$ -</u>	<u>(6,313)</u>	<u>\$ (6,313)</u>
Fund Balance:			
Fund balance - beginning, as previously reported		-	
Prior period adjustment - change in accounting principle		6,313	
Fund balance - beginning, as restated		<u>6,313</u>	
End of year - June 30		<u>\$ -</u>	

IREDELL COUNTY, NORTH CAROLINA

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Warrants and judgements collections	\$ 850,000	\$ 793,757	\$ (56,243)
Expenditures:			
Warrants and judgements distributions	850,000	749,379	100,621
Net change in fund balance	<u>\$ -</u>	<u>44,378</u>	<u>\$ 44,378</u>
Fund balance - beginning, as previously reported		-	
Prior period adjustment - change in accounting principle		9,142	
Fund balance - beginning, as restated		<u>9,142</u>	
End of year - June 30		<u>\$ 53,520</u>	

IREDELL COUNTY, NORTH CAROLINA

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Contributions from employees	\$ 400,000	\$ 182,736	\$ (217,264)
Expenditures:			
Employee flex benefits	400,000	193,650	206,350
Net change in fund balance	<u>\$ -</u>	<u>(10,914)</u>	<u>\$ (10,914)</u>
Fund Balance:			
Fund balance - beginning, as previously reported		-	
Prior period adjustment - change in accounting principle		10,914	
Fund balance - beginning, as restated		<u>10,914</u>	
End of year - June 30		<u>\$ -</u>	

IREDELL COUNTY, NORTH CAROLINA

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Guardianship deposits	\$ 900,000	\$ 559,833	\$ (340,167)
Expenditures:			
Guardianship disbursements	900,000	519,125	380,875
Net change in fund balance	<u>\$ -</u>	<u>40,708</u>	<u>\$ 40,708</u>
Fund Balance:			
Fund balance - beginning, as previously reported		-	
Prior period adjustment - change in accounting principle		158,489	
Fund balance - beginning, as restated		<u>158,489</u>	
End of year - June 30		<u>\$ 199,197</u>	

IREDELL COUNTY, NORTH CAROLINA

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Inspection bonds	\$ 500,000	\$ -	\$ (500,000)
Expenditures:			
Inspection bond payments	500,000	-	500,000
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance:			
Fund balance - beginning, as previously reported		-	
Prior period adjustment - change in accounting principle		6,000	
Fund balance - beginning, as restated		<u>6,000</u>	
End of year - June 30		<u>\$ 6,000</u>	

IREDELL COUNTY, NORTH CAROLINA

REGISTER OF DEEDS FUND

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Fees collected	<u>\$ 350,000</u>	<u>\$ 198,598</u>	<u>\$ (151,402)</u>
Expenditures:			
Payments to Dept of State Treasurer	<u>350,000</u>	<u>198,598</u>	<u>151,402</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance:			
Beginning of year - July 1		<u>-</u>	
End of year - June 30		<u><u>\$ -</u></u>	

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CAPITAL PROJECT FUNDS

Capital Project Funds account for funds to be used for the acquisition or construction of major capital facilities.

Individual Fund Descriptions:

Parks Capital Project Fund *accounts for funds to be used in future park expansion projects in the County.*

Facilities and Improvement Fund *accounts for the funds to be used for facility improvements to County buildings and grounds.*

Public Safety Complex Capital Project Fund *accounts for funds used in the construction of the County's public safety complex.*

Jennings Park Project Fund *accounts for the construction of Jennings Park in the northern part of the County.*

2016 GO Bonds NIHS/SIHS Project Fund *accounts for the renovations at two area High Schools.*

Jail Expansion Project *accounts for funds used in the renovation/construction of the jail.*

Mooreville High School Project *accounts for funds used in the renovation/construction of a local high school.*

2018 GO Bonds MCC Project Fund *accounts for the renovations at Mitchell Community College.*

2018 ISS GO Middle School Project Fund *accounts for the funds used in the construction of two local middle schools.*

ISS School LED Project Fund *accounts for the renovations and improvements for Iredell-Statesville Schools.*

MGSD Selma Burke Middle School Project Fund *accounts for the construction and renovations at MGSD Selma Burke Middle School.*

Weathers Creek High School Project Fund *accounts for the renovations at Weathers Creek High School.*

IREDELL COUNTY, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021

	Parks Capital Project Fund	Facilities Improvement Fund	Public Safety Complex Capital Project Fund	Jennings Park Project	2016 GO Bonds NIHS/SIHS Project	Jail Expansion Project
Assets:						
Cash and cash equivalents	\$ 183,265	\$ 1,766,459	\$ -	\$ 750,740	\$ 202,547	\$ 451,828
Receivables (net)	-	-	-	-	6,910	-
Restricted cash and cash equivalents	-	-	-	-	-	-
Total assets	<u>\$ 183,265</u>	<u>\$ 1,766,459</u>	<u>\$ -</u>	<u>\$ 750,740</u>	<u>\$ 209,457</u>	<u>\$ 451,828</u>
Liabilities and Fund Balances:						
Liabilities:						
Accounts payable	\$ -	\$ 62,498	\$ -	\$ 420	\$ 26,308	\$ 326,857
Due to other funds	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>62,498</u>	<u>-</u>	<u>420</u>	<u>26,308</u>	<u>326,857</u>
Fund Balances:						
Restricted:						
Stabilization by state statute	-	1,040,264	-	377,239	6,910	124,971
Restricted for school capital	-	-	-	-	-	-
Committed	183,265	663,697	-	373,081	176,239	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>183,265</u>	<u>1,703,961</u>	<u>-</u>	<u>750,320</u>	<u>183,149</u>	<u>124,971</u>
Total liabilities and fund balances	<u>\$ 183,265</u>	<u>\$ 1,766,459</u>	<u>\$ -</u>	<u>\$ 750,740</u>	<u>\$ 209,457</u>	<u>\$ 451,828</u>

IREDELL COUNTY, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021

	Mooresville High School Project	2018 GO Bonds MCC Project	2018 ISS GO Middle School Project	ISS School LED Project	MGSD Selma Burke Middle School Project	Weathers Creek High School Project	Nonmajor Capital Project Totals
Assets:							
Cash and cash equivalents	\$ -	\$ 75,752	\$ -	\$ 128	\$ -	\$ -	\$ 3,430,719
Receivables (net)	-	-	35,897	-	-	-	42,807
Restricted cash and cash equivalents	-	-	-	6,491,637	5,143,709	-	11,635,346
Total assets	<u>\$ -</u>	<u>\$ 75,752</u>	<u>\$ 35,897</u>	<u>\$ 6,491,765</u>	<u>\$ 5,143,709</u>	<u>\$ -</u>	<u>\$ 15,108,872</u>
Liabilities and Fund Balances:							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ 1,841,276	\$ -	\$ 253,860	\$ 2,511,219
Due to other funds	-	-	35,897	-	-	253,735	289,632
Total liabilities	<u>-</u>	<u>-</u>	<u>35,897</u>	<u>1,841,276</u>	<u>-</u>	<u>507,595</u>	<u>2,800,851</u>
Fund Balances:							
Restricted:							
Stabilization by state statute	-	-	35,897	-	-	-	1,585,281
Restricted for school capital	-	-	-	4,650,489	5,143,709	-	9,794,198
Committed	-	75,752	-	-	-	-	1,472,034
Unassigned	-	-	(35,897)	-	-	(507,595)	(543,492)
Total fund balances	<u>-</u>	<u>75,752</u>	<u>-</u>	<u>4,650,489</u>	<u>5,143,709</u>	<u>(507,595)</u>	<u>12,308,021</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 75,752</u>	<u>\$ 35,897</u>	<u>\$ 6,491,765</u>	<u>\$ 5,143,709</u>	<u>\$ -</u>	<u>\$ 15,108,872</u>

IREDELL COUNTY, NORTH CAROLINA

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

	Parks Capital Project Fund	Facilities Improvement Fund	Public Safety Complex Capital Project Fund	Jennings Park Project	2016 GO Bonds NIHS/SIHS Project	Jail Expansion Project
Revenues:						
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ 425,000	\$ -	\$ -
Contributions	-	-	-	-	-	-
Investment earnings	7	-	-	103	-	528
Property sales	-	-	-	6,500	-	-
Miscellaneous	11,439	-	-	-	2,303	-
Total revenues	<u>11,446</u>	<u>-</u>	<u>-</u>	<u>431,603</u>	<u>2,303</u>	<u>528</u>
Expenditures:						
Current:						
General government	-	700,044	-	-	-	-
Culture and recreation	-	54,950	-	28,561	-	-
Public safety	-	-	174,111	-	-	35,243
Education	-	-	-	-	391,016	-
Capital outlay	-	11,800	-	-	-	-
Total expenditures	<u>-</u>	<u>766,794</u>	<u>174,111</u>	<u>28,561</u>	<u>391,016</u>	<u>35,243</u>
Revenues over (under) expenditures	<u>11,446</u>	<u>(766,794)</u>	<u>(174,111)</u>	<u>403,042</u>	<u>(388,713)</u>	<u>(34,715)</u>
Other Financing Sources (Uses):						
Transfers from other funds	150,000	1,723,540	-	-	-	-
Transfers to other funds	-	-	(1,501,910)	-	-	(1,248,990)
Installment purchase obligations issued	-	-	-	-	-	-
Total other financing sources (uses)	<u>150,000</u>	<u>1,723,540</u>	<u>(1,501,910)</u>	<u>-</u>	<u>-</u>	<u>(1,248,990)</u>
Net change in fund balances	161,446	956,746	(1,676,021)	403,042	(388,713)	(1,283,705)
Fund Balances:						
Beginning of year - July 1	<u>21,819</u>	<u>747,215</u>	<u>1,676,021</u>	<u>347,278</u>	<u>571,862</u>	<u>1,408,676</u>
End of year - June 30	<u>\$ 183,265</u>	<u>\$ 1,703,961</u>	<u>\$ -</u>	<u>\$ 750,320</u>	<u>\$ 183,149</u>	<u>\$ 124,971</u>

IREDELL COUNTY, NORTH CAROLINA

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

	<u>Mooreville High School Project</u>	<u>2018 GO Bonds MCC Project</u>	<u>2018 ISS GO Middle School Project</u>	<u>ISS School LED Project</u>	<u>MGSD Selma Burke Middle School Project</u>	<u>Weathers Creek High School Project</u>	<u>Nonmajor Capital Project Totals</u>
Revenues:							
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 425,000
Contributions	-	-	-	-	6,217,264	-	6,217,264
Investment earnings	-	246	-	128	-	-	1,012
Property sales	-	-	-	-	-	-	6,500
Miscellaneous	-	-	11,067	-	-	-	24,809
Total revenues	<u>-</u>	<u>246</u>	<u>11,067</u>	<u>128</u>	<u>6,217,264</u>	<u>-</u>	<u>6,674,585</u>
Expenditures:							
Current:							
General government	-	-	-	-	-	-	700,044
Cultural and recreational	-	-	-	-	-	-	83,511
Public safety	-	-	-	-	-	-	209,354
Education	3,188	1,476,960	629,138	\$ 1,896,639	\$ 1,073,555	\$ 507,595	5,978,091
Capital outlay	-	-	-	-	-	-	11,800
Total expenditures	<u>3,188</u>	<u>1,476,960</u>	<u>629,138</u>	<u>1,896,639</u>	<u>1,073,555</u>	<u>507,595</u>	<u>6,982,800</u>
Revenues over (under) expenditures	<u>(3,188)</u>	<u>(1,476,714)</u>	<u>(618,071)</u>	<u>(1,896,511)</u>	<u>5,143,709</u>	<u>(507,595)</u>	<u>(308,215)</u>
Other Financing Sources (Uses):							
Transfers from other funds	-	-	-	-	-	-	1,873,540
Transfers to other funds	-	-	-	-	-	-	(2,750,900)
Installment purchase obligations issued	-	-	-	6,547,000	-	-	6,547,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,547,000</u>	<u>-</u>	<u>-</u>	<u>5,669,640</u>
Net change in fund balances	<u>(3,188)</u>	<u>(1,476,714)</u>	<u>(618,071)</u>	<u>4,650,489</u>	<u>5,143,709</u>	<u>(507,595)</u>	<u>5,361,425</u>
Fund Balances:							
Beginning of year - July 1	<u>3,188</u>	<u>1,552,466</u>	<u>618,071</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,946,596</u>
End of year - June 30	<u>\$ -</u>	<u>\$ 75,752</u>	<u>\$ -</u>	<u>\$ 4,650,489</u>	<u>\$ 5,143,709</u>	<u>\$ (507,595)</u>	<u>\$ 12,308,021</u>

IREDELL COUNTY, NORTH CAROLINA

PARKS CAPITAL PROJECT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Rec-Stumpy Creek launch fee	\$ 40,400	\$ 65,234	\$ 11,439	\$ 76,673	\$ 36,273
Miscellaneous	-	100	-	100	100
Investment earnings	6,000	7,364	7	7,371	1,371
Total revenues	<u>46,400</u>	<u>72,698</u>	<u>11,446</u>	<u>84,144</u>	<u>37,744</u>
Expenditures:					
Professional services, other	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300,000</u>
Revenues over (under) expenditures	<u>(253,600)</u>	<u>72,698</u>	<u>11,446</u>	<u>84,144</u>	<u>337,744</u>
Other Financing Sources (Uses):					
Transfers (to) General Fund	(670,410)	(649,890)	-	(649,890)	20,520
Transfers (to) Scotts Rosenwald Park Fund	(127,650)	(127,650)	-	(127,650)	-
Transfers (to) from General Fund	<u>1,051,660</u>	<u>726,661</u>	<u>150,000</u>	<u>876,661</u>	<u>(174,999)</u>
Total other financing sources (uses)	<u>253,600</u>	<u>(50,879)</u>	<u>150,000</u>	<u>99,121</u>	<u>(154,479)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 21,819</u>	<u>161,446</u>	<u>\$ 183,265</u>	<u>\$ 183,265</u>
Fund Balance:					
Beginning of year - July 1			<u>21,819</u>		
End of year - June 30			<u>\$ 183,265</u>		

IREDELL COUNTY, NORTH CAROLINA

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

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted Intergovernmental:					
Sales tax refund	\$ -	\$ 19,976	\$ -	\$ 19,976	\$ 19,976
Expenditures:					
Parking projects	496,559	224,745	100,414	325,159	171,400
Roofing projects	1,321,773	1,179,136	-	1,179,136	142,637
Painting projects	487,600	405,323	-	405,323	82,277
Carpet projects	487,488	387,277	82,885	470,162	17,326
Indoor facility repairs	1,192,057	723,313	270,692	994,005	198,052
Outdoor facility repairs	484,914	160,598	119,280	279,878	205,036
New construction	30,854	30,849	-	30,849	5
Property improvements	2,477,348	1,358,231	89,716	1,447,947	1,029,401
Asbestos removal	20,000	12,175	-	12,175	7,825
Elevator repair	167,019	75,012	92,007	167,019	-
Assets purchased	109,583	97,778	11,800	109,578	5
Professional services	40,000	39,979	-	39,979	21
Total expenditures	7,315,195	4,694,416	766,794	5,461,210	1,853,985
Revenues over (under) expenditures	(7,315,195)	(4,674,440)	(766,794)	(5,441,234)	1,873,961
Other Financing Sources (Uses):					
Transfers from other funds	7,407,740	5,514,200	1,723,540	7,237,740	(170,000)
Transfers (to) other funds	(92,545)	(92,545)	-	(92,545)	-
Total other financing sources (uses)	7,315,195	5,421,655	1,723,540	7,145,195	(170,000)
Net change in fund balance	\$ -	\$ 747,215	956,746	\$ 1,703,961	\$ 1,703,961
Fund Balance:					
Beginning of year - July 1			747,215		
End of year - June 30			\$ 1,703,961		

IREDELL COUNTY, NORTH CAROLINA

PUBLIC SAFETY COMPLEX CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted Intergovernmental:					
Sales tax refund	\$ 307,792	\$ 307,793	\$ -	\$ 307,793	\$ 1
Investment earnings	246,148	246,147	-	246,147	(1)
Miscellaneous	18,195	18,195	-	18,195	-
Total revenues	<u>572,135</u>	<u>572,135</u>	<u>-</u>	<u>572,135</u>	<u>-</u>
Expenditures:					
Professional services	514,676	433,417	81,260	514,677	(1)
Design and construction	14,384,142	14,384,142	-	14,384,142	-
Construction costs - other	20,441	20,440	-	20,440	1
Land & land improvements	325,869	325,868	-	325,868	1
Salaries and benefits	136,377	136,374	-	136,374	3
Other costs	1,122,746	1,029,900	92,851	1,122,751	(5)
Debt service:					
Interest and fees	47,613	47,612	-	47,612	1
Total expenditures	<u>16,551,864</u>	<u>16,377,753</u>	<u>174,111</u>	<u>16,551,864</u>	<u>-</u>
Revenues over (under) expenditures	<u>(15,979,729)</u>	<u>(15,805,618)</u>	<u>(174,111)</u>	<u>(15,979,729)</u>	<u>-</u>
Other Financing Sources (Uses):					
Transfers from other funds	9,955,464	9,955,464	-	9,955,464	-
Transfers to other funds	(4,975,735)	(3,473,825)	(1,501,910)	(4,975,735)	-
Debt obligation issued	11,000,000	11,000,000	-	11,000,000	-
Total other financing sources (uses)	<u>15,979,729</u>	<u>17,481,639</u>	<u>(1,501,910)</u>	<u>15,979,729</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,676,021</u>	<u>(1,676,021)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			<u>1,676,021</u>		
End of year - June 30			<u>\$ -</u>		

IREDELL COUNTY, NORTH CAROLINA

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

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted Intergovernmental:					
DENR PARTF grant	\$ 844,718	\$ 410,098	\$ 425,000	\$ 835,098	\$ (9,620)
Donations	388,800	388,800	-	388,800	-
Property sales	427,701	436,351	6,500	442,851	15,150
Investment earnings	3,548	3,508	103	3,611	63
Total revenues	<u>1,664,767</u>	<u>1,238,757</u>	<u>431,603</u>	<u>1,670,360</u>	<u>5,593</u>
Expenditures:					
Professional services, other	494,166	81,415	28,561	109,976	384,190
Land and land improvements	797,699	798,254	-	798,254	(555)
Park	407,882	46,790	-	46,790	361,092
Total expenditures	<u>1,699,747</u>	<u>926,459</u>	<u>28,561</u>	<u>955,020</u>	<u>744,727</u>
Revenues over (under) expenditures	(34,980)	312,298	403,042	715,340	750,320
Other Financing Sources (Uses):					
Transfers from Parks Reserve Fund	<u>34,980</u>	<u>34,980</u>	<u>-</u>	<u>34,980</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 347,278</u>	403,042	<u>\$ 750,320</u>	<u>\$ 750,320</u>
Fund Balance:					
Beginning of year - July 1			<u>347,278</u>		
End of year - June 30			<u>\$ 750,320</u>		

IREDELL COUNTY, NORTH CAROLINA

2016 GO BOND NIHS/SIHS PROJECT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted Intergovernmental:					
Investment earnings	\$ 184,071	\$ 184,071	\$ -	\$ 184,071	\$ -
Sales tax refund	407,095	405,344	2,303	407,647	552
Lottery proceeds	184,901	184,901	-	184,901	-
Total revenues	<u>776,067</u>	<u>774,316</u>	<u>2,303</u>	<u>776,619</u>	<u>552</u>
Expenditures:					
Professional services	1,201,984	1,201,984	-	1,201,984	-
Design and construction	18,347,674	17,795,064	370,016	18,165,080	182,594
Construction costs - other	154,343	154,342	-	154,342	1
Furniture and equipment	784,102	763,101	21,000	784,101	1
Debt service:					
Interest and fees	150,351	150,350	-	150,350	1
Total expenditures	<u>20,638,454</u>	<u>20,064,841</u>	<u>391,016</u>	<u>20,455,857</u>	<u>182,597</u>
Revenues over (under) expenditures	<u>(19,862,387)</u>	<u>(19,290,525)</u>	<u>(388,713)</u>	<u>(19,679,238)</u>	<u>183,149</u>
Other Financing Sources (Uses):					
Transfers from other funds	705,085	705,085	-	705,085	-
General obligation bonds premium	1,552,302	1,552,302	-	1,552,302	-
General obligation bonds issued	17,605,000	17,605,000	-	17,605,000	-
Total other financing sources (uses)	<u>19,862,387</u>	<u>19,862,387</u>	<u>-</u>	<u>19,862,387</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 571,862</u>	<u>(388,713)</u>	<u>\$ 183,149</u>	<u>\$ 183,149</u>
Fund Balance:					
Beginning of year - July 1			<u>571,862</u>		
End of year - June 30			<u>\$ 183,149</u>		

IREDELL COUNTY, NORTH CAROLINA

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

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted Intergovernmental:					
Sales tax refund	\$ 507,522	\$ 509,697	\$ -	\$ 509,697	\$ 2,175
Investment earnings	692,835	696,867	528	697,395	4,560
Total revenues	<u>1,200,357</u>	<u>1,206,564</u>	<u>528</u>	<u>1,207,092</u>	<u>6,735</u>
Expenditures:					
Interest expense	-	501	-	501	(501)
Professional services	1,842,642	1,789,576	12,187	1,801,763	40,879
Design and construction	26,234,923	26,226,249	-	26,226,249	8,674
Construction costs, other	376,094	340,246	3,862	344,108	31,986
Salaries and benefits	217,533	217,531	-	217,531	2
Furniture & equipment	435,949	379,559	19,194	398,753	37,196
Total expenditures	<u>29,107,141</u>	<u>28,953,662</u>	<u>35,243</u>	<u>28,988,905</u>	<u>118,236</u>
Revenues over (under) expenditures	<u>(27,906,784)</u>	<u>(27,747,098)</u>	<u>(34,715)</u>	<u>(27,781,813)</u>	<u>124,971</u>
Other Financing Sources (Uses):					
Transfers to other funds	(1,248,990)	-	(1,248,990)	(1,248,990)	-
Transfers from other funds	29,155,774	29,155,774	-	29,155,774	-
Total other financing sources (uses)	<u>27,906,784</u>	<u>29,155,774</u>	<u>(1,248,990)</u>	<u>27,906,784</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,408,676</u>	<u>(1,283,705)</u>	<u>\$ 124,971</u>	<u>\$ 124,971</u>
Fund Balance:					
Beginning of year - July 1			<u>1,408,676</u>		
End of year - June 30			<u>\$ 124,971</u>		

IREDELL COUNTY, NORTH CAROLINA

MOORESVILLE HIGH SCHOOL PROJECT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted Intergovernmental:					
Public school building capital funds	\$ 344,000	\$ 344,000	\$ -	\$ 344,000	\$ -
Lottery proceeds	2,161,171	2,161,171	-	2,161,171	-
Contributions	2,890,950	2,890,950	-	2,890,950	-
Sales tax refunds	629,273	629,273	-	629,273	-
Investment earnings	118,773	118,774	-	118,774	1
Total revenues	<u>6,144,167</u>	<u>6,144,168</u>	<u>-</u>	<u>6,144,168</u>	<u>1</u>
Expenditures:					
Professional services	2,329,863	2,329,864	-	2,329,864	(1)
Construction costs	42,795,451	42,795,451	-	42,795,451	-
Other costs	1,217,879	1,214,691	3,188	1,217,879	-
Total expenditures	<u>46,343,193</u>	<u>46,340,006</u>	<u>3,188</u>	<u>46,343,194</u>	<u>(1)</u>
Revenues over (under) expenditures	<u>(40,199,026)</u>	<u>(40,195,838)</u>	<u>(3,188)</u>	<u>(40,199,026)</u>	<u>-</u>
Other Financing Sources (Uses):					
General obligation bonds issued	40,199,026	36,825,000	-	36,825,000	(3,374,026)
General obligation bonds premium	-	3,374,026	-	3,374,026	3,374,026
Total other financing sources (uses)	<u>40,199,026</u>	<u>40,199,026</u>	<u>-</u>	<u>40,199,026</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 3,188</u>	<u>(3,188)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			<u>3,188</u>		
End of year - June 30			<u>\$ -</u>		

IREDELL COUNTY, NORTH CAROLINA

2018 GO BOND MCC PROJECT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted Intergovernmental:					
Investment earnings	\$ 289,541	\$ 289,435	\$ 246	\$ 289,681	\$ 140
Expenditures:					
Professional services	994,350	970,590	23,760	994,350	-
Design and construction	8,356,527	8,347,767	8,760	8,356,527	-
Construction costs - other	142,134	142,134	-	142,134	-
Furniture and equipment	2,276,530	763,192	1,444,440	2,207,632	68,898
Debt service:					
Interest and fees	203,549	196,835	-	196,835	6,714
Total expenditures	11,973,090	10,420,518	1,476,960	11,897,478	75,612
Revenues over (under) expenditures	(11,683,549)	(10,131,083)	(1,476,714)	(11,607,797)	75,752
Other Financing Sources (Uses):					
Transfers to other funds	(520,000)	(520,000)	-	(520,000)	-
General obligation bonds premium	743,549	743,549	-	743,549	-
General obligation bonds issued	11,460,000	11,460,000	-	11,460,000	-
Total other financing sources (uses)	11,683,549	11,683,549	-	11,683,549	-
Net change in fund balance	\$ -	\$ 1,552,466	(1,476,714)	\$ 75,752	\$ 75,752
Fund Balance:					
Beginning of year - July 1			1,552,466		
End of year - June 30			\$ 75,752		

IREDELL COUNTY, NORTH CAROLINA

2018 ISS GO MIDDLE SCHOOL PROJECT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted Intergovernmental:					
Investment earnings	\$ 992,054	\$ 992,054	\$ -	\$ 992,054	\$ -
Sales tax refund	1,022,461	1,011,393	11,067	1,022,460	(1)
Total revenues	<u>2,014,515</u>	<u>2,003,447</u>	<u>11,067</u>	<u>2,014,514</u>	<u>(1)</u>
Expenditures:					
Professional services	2,671,230	2,614,808	56,422	2,671,230	-
General construction	43,902,956	43,835,684	67,271	43,902,955	1
Construction costs - other	1,004,657	909,836	94,821	1,004,657	-
Furniture, fixtures and equipment	1,443,966	1,033,342	410,624	1,443,966	-
Debt service:					
Interest and fees	220,706	220,706	-	220,706	-
Total expenditures	<u>49,243,515</u>	<u>48,614,376</u>	<u>629,138</u>	<u>49,243,514</u>	<u>1</u>
Revenues over (under) expenditures	<u>(47,229,000)</u>	<u>(46,610,929)</u>	<u>(618,071)</u>	<u>(47,229,000)</u>	<u>-</u>
Other Financing Sources (Uses):					
General obligation bonds premium	3,249,000	3,249,000	-	3,249,000	-
General obligation bonds issued	43,980,000	43,980,000	-	43,980,000	-
Total other financing sources (uses)	<u>47,229,000</u>	<u>47,229,000</u>	<u>-</u>	<u>47,229,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 618,071</u>	<u>(618,071)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			<u>618,071</u>		
End of year - June 30			<u>\$ -</u>		

IREDELL COUNTY, NORTH CAROLINA

IREDELL STATESVILLE SCHOOL LED PROJECT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted Intergovernmental:					
Investment earnings	\$ -	\$ -	\$ 128	\$ 128	\$ 128
Expenditures:					
Improvements and upgrades	6,491,262	-	1,841,276	1,841,276	4,649,986
Other costs	55,738	-	55,363	55,363	375
Total expenditures	6,547,000	-	1,896,639	1,896,639	4,650,361
Revenues over (under) expenditures	(6,547,000)	-	(1,896,511)	(1,896,511)	4,650,489
Other Financing Sources (Uses):					
General obligation bonds issued	6,547,000	-	6,547,000	6,547,000	-
Net change in fund balance	\$ -	\$ -	4,650,489	\$ 4,650,489	\$ 4,650,489
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ 4,650,489		

IREDELL COUNTY, NORTH CAROLINA

MGSD SELMA BURKE MIDDLE SCHOOL PROJECT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted Intergovernmental:					
Lottery proceeds	\$ 2,000,000	\$ -	\$ -	\$ -	\$ (2,000,000)
Contributions	6,217,264	-	6,217,264	6,217,264	-
Total revenues	8,217,264	-	6,217,264	6,217,264	(2,000,000)
Expenditures:					
Professional services	4,949,860	-	882,826	882,826	4,067,034
Construction costs	36,050,140	-	190,729	190,729	35,859,411
Other costs	2,217,264	-	-	-	2,217,264
Total expenditures	43,217,264	-	1,073,555	1,073,555	42,143,709
Revenues over (under) expenditures	(35,000,000)	-	5,143,709	5,143,709	40,143,709
Other Financing Sources (Uses):					
General obligation bonds issued	35,000,000	-	-	-	(35,000,000)
Net change in fund balance	\$ -	\$ -	5,143,709	\$ 5,143,709	\$ 5,143,709
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ 5,143,709		

IREDELL COUNTY, NORTH CAROLINA

WEATHERS CREEK HIGH SCHOOL PROJECT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Expenditures:					
Professional services	\$ 6,500,000	\$ -	\$ 507,595	\$ 507,595	\$ 5,992,405
Other Financing Sources (Uses):					
General obligation bonds issued	6,500,000	-	-	-	(6,500,000)
Net change in fund balance	\$ -	\$ -	(507,595)	\$ (507,595)	\$ (507,595)
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ (507,595)		

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ENTERPRISE FUNDS

Enterprise Funds 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 of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

Individual Fund Descriptions:

The Solid Waste Disposal Facility Fund *is used to account for the County's operation, maintenance, and development of various landfills and disposal sites.*

The EMS Special Services Fund *is used to account for the County's operation of convalescent transports for Emergency Medical Services.*

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IREDELL COUNTY, NORTH CAROLINA

ENTERPRISE FUND - SOLID WASTE DISPOSAL FACILITY
SCHEDULE OF REVENUES AND EXPENDITURES, AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Operating revenues:				
Tipping fees	\$ 5,214,720	\$ 5,777,736	\$ 563,016	\$ 5,340,102
Availability fees	4,381,608	4,399,227	17,619	4,310,631
Tire disposal fees and reimbursements	242,084	304,167	62,083	265,903
Mooreville transportation fees	179,980	212,450	32,470	174,061
Recycling sales	7,600	18,199	10,599	54,215
Landfill gas	270,000	266,953	(3,047)	260,838
NC disposal tax	82,880	103,205	20,325	102,363
White goods sales	101,620	159,367	57,747	125,785
Scrap metal sales	98,100	216,108	118,008	134,813
Miscellaneous	58,700	80,444	21,744	64,718
Total operating revenues	10,637,292	11,537,856	900,564	10,833,429
Non-operating revenues:				
Federal and state grants	10,500	10,961	461	110,810
Interest on investments	300,000	9,037	(290,963)	422,667
Non-operating miscellaneous	-	130,672	130,672	177,381
Total non-operating revenues	310,500	150,670	(159,830)	710,858
Total revenues	10,947,792	11,688,526	740,734	11,544,287
Expenditures:				
Operating expenditures:				
Salaries and employee benefits	3,356,893	3,263,332	93,561	3,173,240
Professional services	1,814,749	1,142,011	672,738	987,469
Maintenance and repairs	1,859,319	1,076,791	782,528	1,171,407
Operating expenses	2,556,208	1,006,836	1,549,372	939,170
Capital outlay	5,976,439	1,862,133	4,114,306	1,163,402
Total operating expenditures	15,563,608	8,351,103	7,212,505	7,434,688
Non-operating expenditures:				
Debt principal payment	230,000	230,000	-	231,000
Debt interest payment	84,260	127,470	(43,210)	95,785
Total non-operating expenditures	314,260	357,470	(43,210)	326,785
Total expenditures	15,877,868	8,708,573	7,169,295	7,761,473

IREDELL COUNTY, NORTH CAROLINA

**ENTERPRISE FUND - SOLID WASTE DISPOSAL FACILITY
SCHEDULE OF REVENUES AND EXPENDITURES, AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020**

	<u>2021</u>			<u>2020</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues over (under) expenditures	<u>(4,930,076)</u>	<u>2,979,953</u>	<u>7,910,029</u>	<u>3,782,814</u>
Other Financing Sources (Uses):				
Intrafund transfer	-	-	-	(8,030,441)
Appropriated fund balance	<u>4,930,076</u>	<u>-</u>	<u>(4,930,076)</u>	<u>-</u>
Total other financing sources (uses)	<u>4,930,076</u>	<u>-</u>	<u>(4,930,076)</u>	<u>(8,030,441)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 2,979,953</u>	<u>\$ 2,979,953</u>	<u>\$ (4,247,627)</u>

**Reconciliation from Budgetary Basis
(Modified Accrual) to Full Accrual Basis:**

Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 2,979,953</u>
--	---------------------

Reconciling Items:

Capital outlay	1,862,133
Principal retirement	230,000
Depreciation	(1,824,279)
Change in deferred outflows - pension	25,789
Change in net pension liability	(62,296)
Change in deferred inflows - pension	191
Pension expense	36,316
Remaining book value of disposed assets	(32,184)
Change in deferred outflows - OPEB	248,716
Change in total OPEB liability	(135,302)
Change in deferred inflows - OPEB	(4,262)
Change in compensated absences	(967)
Change in accrued interest payable	958
Change in closure and post-closure costs accrued	3,204,170
Deferred charges amortization	(16,692)
Bond premium amortization	43,210
Capital contribution	3,694
Total reconciling items	<u>3,579,195</u>

Change in net position	<u>\$ 6,559,148</u>
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IREDELL COUNTY, NORTH CAROLINA

PHASE VI CONSTRUCTION AND LAND PURCHASE
 SCHEDULE OF REVENUES AND EXPENDITURES, AND OTHER FINANCING
 SOURCES (USES) - 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	Variance Over/Under
Revenues:					
Miscellaneous	\$ 11,601	\$ 11,601	\$ 3,694	\$ 15,295	\$ 3,694
Investment earnings	64,232	66,101	-	66,101	1,869
Total revenues	<u>75,833</u>	<u>77,702</u>	<u>3,694</u>	<u>81,396</u>	<u>5,563</u>
Expenditures:					
Capital Projects:					
Professional services	914,414	914,415	-	914,415	(1)
Financing costs	42,152	44,021	-	44,021	(1,869)
Project costs - other	7,222	7,222	-	7,222	-
General construction	14,352,744	11,929,412	2,423,330	14,352,742	2
Land purchase	2,853,547	2,853,547	-	2,853,547	-
Contingency	321,125	-	-	-	321,125
Total expenditures	<u>18,491,204</u>	<u>15,748,617</u>	<u>2,423,330</u>	<u>18,171,947</u>	<u>319,257</u>
Revenues over (under) expenditures	<u>(18,415,371)</u>	<u>(15,670,915)</u>	<u>(2,419,636)</u>	<u>(18,090,551)</u>	<u>324,820</u>
Other Financing Sources (Uses):					
Transfers from other funds	14,604,721	13,915,371	-	13,915,371	(689,350)
Transfers to other funds	(689,350)	-	-	-	689,350
Special obligation bonds issued	4,500,000	4,500,000	-	4,500,000	-
Total other financing sources (uses)	<u>18,415,371</u>	<u>18,415,371</u>	<u>-</u>	<u>18,415,371</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 2,744,456</u>	<u>\$ (2,419,636)</u>	<u>\$ 324,820</u>	<u>\$ 324,820</u>

IREDELL COUNTY, NORTH CAROLINA

ENTERPRISE FUND - EMS SPECIAL SERVICES FUND
SCHEDULE OF REVENUES AND EXPENDITURES, AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Operating revenues:				
Convalescent transport fees	\$ 1,425,606	\$ 1,627,659	\$ 202,053	\$ 1,202,897
Non-operating revenues:				
Interest on investments	-	509	509	19,873
Non-operating miscellaneous	500	1,439	939	-
Total non-operating revenues	500	1,948	1,448	19,873
Total revenues	1,426,106	1,629,607	203,501	1,222,770
Expenditures:				
Operating expenditures:				
Salaries and employee benefits	960,192	901,880	58,312	878,424
Professional services	122,168	121,641	527	100,611
Maintenance and repairs	42,625	22,143	20,482	26,743
Operating expenses	280,166	213,347	66,819	197,222
Capital outlay	76,605	-	76,605	-
Total expenditures	1,481,756	1,259,011	222,745	1,203,000
Revenues over (under) expenditures	(55,650)	370,596	426,246	19,770
Other Financing Sources (Uses)				
Transfer to General Fund	(125,000)	(125,000)	-	(125,000)
Appropriated fund balance	180,650	-	(180,650)	-
Total other financing sources (uses)	55,650	(125,000)	(180,650)	(125,000)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 245,596	\$ 245,596	\$ (105,230)

IREDELL COUNTY, NORTH CAROLINA

ENTERPRISE FUND - EMS SPECIAL SERVICES FUND
SCHEDULE OF REVENUES AND EXPENDITURES, AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020

	<u>2021</u>			<u>2020</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 245,596		
Reconciling Items:				
Depreciation		(49,074)		
Change in deferred outflows - pension		25,789		
Change in net pension liability		(62,296)		
Change in deferred inflows - pension		191		
Pension expense		36,316		
Change in deferred outflows - OPEB		62,180		
Change in total OPEB liability		(33,825)		
Change in deferred inflows - OPEB		(1,067)		
Change in compensated absences		23,938		
Total reconciling items		<u>2,152</u>		
Change in net position		\$ <u>247,748</u>		

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INTERNAL SERVICE FUNDS

Internal Service Funds account for the financing of goods and services to other County funds and departments on a cost-reimbursement basis. The County maintains three internal service funds as follows:

Individual Fund Descriptions:

The Employee Healthcare Benefits Fund *is used to account for the revenues and expenses of the County's group health plan.*

The Workers' Compensation Benefits Fund *is used to account for the revenues and expenses of the County's self-insured worker's compensation program that includes administration, stop loss insurance, and benefits paid.*

The Property & Liability Fund *is used to account for the revenues and expenses of the County's property and liability insurance.*

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IREDELL COUNTY, NORTH CAROLINA**COMBINING STATEMENT OF NET POSITION
ALL INTERNAL SERVICE FUNDS
JUNE 30, 2021**

	<u>Employee Healthcare Benefits Fund</u>	<u>Workers' Compensation Benefits Fund</u>	<u>Property and Liability Insurance Fund</u>	<u>Total</u>
Assets:				
Current assets:				
Cash, cash equivalents and investments	\$ <u>4,435,999</u>	\$ <u>1,057,589</u>	\$ <u>605,834</u>	\$ <u>6,099,422</u>
Liabilities and Net Position:				
Liabilities:				
Current liabilities:				
Accounts payable and accrued expenses	<u>557,068</u>	<u>15,011</u>	<u>4,224</u>	<u>576,303</u>
Net Position:				
Net position - unrestricted	<u>\$ 3,878,931</u>	<u>\$ 1,042,578</u>	<u>\$ 601,610</u>	<u>\$ 5,523,119</u>

IREDELL COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

	Employee Healthcare Benefits Fund	Workers' Compensation Benefits Fund	Property and Liability Insurance Fund	Total
Operating Revenues:				
Contributions from employer	\$ 9,457,008	\$ 855,650	\$ 1,030,985	\$ 11,343,643
Contributions from employees	2,459,707	-	-	2,459,707
Stop/loss claims payments	721,718	-	-	721,718
Non-employee charges	24,543	-	-	24,543
Total operating revenues	<u>12,662,976</u>	<u>855,650</u>	<u>1,030,985</u>	<u>14,549,611</u>
Operating Expenses:				
Health insurance claims paid	10,437,723	-	-	10,437,723
Claims administration expenses	733,724	-	-	733,724
Property and liability insurance premiums	-	-	873,871	873,871
Stop/loss insurance premium	1,173,932	-	-	1,173,932
Employee life insurance premiums	216,197	-	-	216,197
Wellness incentives	311,427	-	-	311,427
Funded reserve	-	-	132,674	132,674
Workers' compensation claims	-	828,747	-	828,747
Miscellaneous	-	-	64	64
Total operating expenses	<u>12,873,003</u>	<u>828,747</u>	<u>1,006,609</u>	<u>14,708,359</u>
Operating income (loss)	<u>(210,027)</u>	<u>26,903</u>	<u>24,376</u>	<u>(158,748)</u>
Non-Operating Revenues:				
Investment earnings	<u>1,251</u>	<u>250</u>	<u>26</u>	<u>1,527</u>
Change in net position	(208,776)	27,153	24,402	(157,221)
Net Position:				
Beginning of year - July 1	<u>4,087,707</u>	<u>1,015,425</u>	<u>577,208</u>	<u>5,680,340</u>
End of year - June 30	<u>\$ 3,878,931</u>	<u>\$ 1,042,578</u>	<u>\$ 601,610</u>	<u>\$ 5,523,119</u>

IREDELL COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	Employee Healthcare Benefits Fund	Workers' Compensation Benefits Fund	Property and Liability Insurance Fund	Total
Cash Flows from Operating Activities:				
Cash received from interfund services	\$ 12,663,379	\$ 855,650	\$ 1,030,985	\$ 14,550,014
Cash paid for goods and services	<u>(12,719,953)</u>	<u>(813,736)</u>	<u>(1,002,385)</u>	<u>(14,536,074)</u>
Net cash provided (used) by operating activities	<u>(56,574)</u>	<u>41,914</u>	<u>28,600</u>	<u>13,940</u>
Cash Flows from Investing Activities:				
Investment earnings	<u>1,251</u>	<u>250</u>	<u>26</u>	<u>1,527</u>
Net increase (decrease) in cash and cash equivalents	(55,323)	42,164	28,626	15,467
Cash and Cash Equivalents:				
Beginning of year - July 1	<u>4,491,322</u>	<u>1,015,425</u>	<u>577,208</u>	<u>6,083,955</u>
End of year - June 30	<u><u>\$ 4,435,999</u></u>	<u><u>\$ 1,057,589</u></u>	<u><u>\$ 605,834</u></u>	<u><u>\$ 6,099,422</u></u>
Reconciliation of Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Net operating income (loss)	<u>\$ (210,027)</u>	<u>\$ 26,903</u>	<u>\$ 24,376</u>	<u>\$ (158,748)</u>
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating activities:				
(Increase) decrease in operating accounts receivable	403	-	-	403
Increase (decrease) in operating accounts payable and accrued liabilities	<u>153,050</u>	<u>15,011</u>	<u>4,224</u>	<u>172,285</u>
Total adjustments	<u>153,453</u>	<u>15,011</u>	<u>4,224</u>	<u>172,688</u>
Net cash provided (used) by operating activities	<u><u>\$ (56,574)</u></u>	<u><u>\$ 41,914</u></u>	<u><u>\$ 28,600</u></u>	<u><u>\$ 13,940</u></u>

IREDELL COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUND
EMPLOYEE HEALTHCARE BENEFITS
SCHEDULE OF REVENUES AND EXPENDITURES -
FINANCIAL PLAN AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2021

	Financial Plan	Actual	Variance Over/Under
Operating Revenues:			
Contributions from employer	\$ 9,300,620	\$ 9,457,008	\$ 156,388
Contributions from employees	2,417,464	2,459,707	42,243
Stop/loss claims payments	719,000	721,718	2,718
Non-employee charges	18,500	24,543	6,043
Total operating revenues	<u>12,455,584</u>	<u>12,662,976</u>	<u>207,392</u>
Operating Expenditures:			
Health insurance claims paid	10,160,164	10,284,673	(124,509)
Claims administration	727,472	733,724	(6,252)
Stop/loss insurance premium	1,145,000	1,173,932	(28,932)
Employee life insurance premiums	220,000	216,197	3,803
Wellness program	699,393	311,427	387,966
Total operating expenditures	<u>12,952,029</u>	<u>12,719,953</u>	<u>232,076</u>
Operating income (loss)	<u>(496,445)</u>	<u>(56,977)</u>	<u>439,468</u>
Non-Operating Revenues:			
Investment earnings	15,000	1,251	(13,749)
Other Financing Sources (Uses):			
Appropriated fund balance	<u>481,445</u>	<u>-</u>	<u>(481,445)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>(55,726)</u>	<u>\$ (55,726)</u>
Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
(Increase) decrease in estimated benefits incurred but not reported		<u>(153,050)</u>	
Change in net position		<u>\$ (208,776)</u>	

Note: Prepared on the budgetary basis, which is modified accrual.

IREDELL COUNTY, NORTH CAROLINA**INTERNAL SERVICE FUND****WORKERS' COMPENSATION BENEFITS****SCHEDULE OF REVENUES AND EXPENDITURES -****FINANCIAL PLAN AND ACTUAL (NON-GAAP)****FOR THE YEAR ENDED JUNE 30, 2021**

	Financial Plan	Actual	Variance Over/Under
Operating Revenues:			
Contributions from employer	\$ 855,650	\$ 855,650	\$ -
Operating Expenditures:			
Workers' compensation claims	758,150	813,736	(55,586)
Indemnity payments	100,000	-	100,000
Other operating expenditures	500	-	500
Total operating expenditures	858,650	813,736	44,914
Operating income (loss)	(3,000)	41,914	44,914
Non-Operating Revenues:			
Investment earnings	3,000	250	(2,750)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	42,164	\$ 42,164
Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
(Increase) decrease in estimated benefits incurred but not reported		(15,011)	
Change in net position		\$ 27,153	

Note: Prepared on the budgetary basis, which is modified accrual.

IREDELL COUNTY, NORTH CAROLINA**INTERNAL SERVICE FUND****PROPERTY AND LIABILITY INSURANCE FUND****SCHEDULE OF REVENUES AND EXPENDITURES -****FINANCIAL PLAN AND ACTUAL (NON-GAAP)****FOR THE YEAR ENDED JUNE 30, 2021**

	Financial Plan	Actual	Variance Over/Under
Operating Revenues:			
Contributions from employer	\$ 1,030,505	\$ 1,030,985	\$ 480
Operating Expenditures:			
Property and liability insurance premiums	898,270	873,871	24,399
Funded reserve	122,735	132,674	(9,939)
Miscellaneous	10,000	64	9,936
Total operating expenditures	1,031,005	1,006,609	24,396
Operating income (loss)	(500)	24,376	24,876
Non-Operating Revenues:			
Investment earnings	500	26	(474)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	24,402	\$ 24,402
Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
None		-	
Change in net position		\$ 24,402	

Note: Prepared on the budgetary basis, which is modified accrual.

FIDUCIARY 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.

Individual Fund Descriptions:

Custodial Funds

Cooperative Extension Agency Fund *accounts for monies held by the County on behalf of the Cooperative Extension.*

Municipal Tax Collections Fund *accounts for monies collected from ad valorem taxes for the benefit of municipalities located in the County.*

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IREDELL COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF FIDUCIARY NET POSITION

CUSTODIAL FUNDS

JUNE 30, 2021

	<u>Cooperative Extension</u>	<u>Municipal Tax Collections</u>	<u>Total Custodial Funds</u>
Assets:			
Cash and cash equivalents	\$ 92,939	\$ 246,335	\$ 339,274
Receivables, net	-	883,403	883,403
Total assets	<u>92,939</u>	<u>1,129,738</u>	<u>1,222,677</u>
Liabilities:			
Accounts payable and accrued liabilities	<u>80</u>	<u>560,607</u>	<u>560,687</u>
Net Position:			
Restricted for:			
Individuals, organizations and other governments	<u>92,859</u>	<u>569,131</u>	<u>661,990</u>
Total net position	<u>\$ 92,859</u>	<u>\$ 569,131</u>	<u>\$ 661,990</u>

IREDELL COUNTY, NORTH CAROLINA
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021**

	Cooperative Extension	Municipal Tax Collections	Total Custodial Funds
Additions:			
Ad valorem taxes for other governments	\$ -	\$ 82,780,444	\$ 82,780,444
Cooperative extension receipts	18,091	-	18,091
Investment earnings	26	-	26
Total additions	<u>18,117</u>	<u>82,780,444</u>	<u>82,798,561</u>
Deductions:			
Tax distributions to other governments	-	82,446,021	82,446,021
Distributions to programs	<u>14,246</u>	<u>-</u>	<u>14,246</u>
Total deductions	<u>14,246</u>	<u>82,446,021</u>	<u>82,460,267</u>
Net increase (decrease) in fiduciary net position	<u>3,871</u>	<u>334,423</u>	<u>338,294</u>
Net Position:			
Net position - beginning, as previously reported	-	-	-
Prior period adjustment - change in accounting principle	<u>88,988</u>	<u>234,708</u>	<u>323,696</u>
Net position - beginning, as restated	<u>88,988</u>	<u>234,708</u>	<u>323,696</u>
Net position - ending	<u>\$ 92,859</u>	<u>\$ 569,131</u>	<u>\$ 661,990</u>

ADDITIONAL FINANCIAL DATA

This section contains additional information on taxes receivable and the tax levy, as of and for the year ended June 30, 2021.

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IREDELL COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF AD VALOREM TAXES RECEIVABLE

JUNE 30, 2021

Fiscal Year	Uncollected Balance June 30, 2020	Additions	Collections and Credits	Uncollected Balance June 30, 2021
2020-2021	\$ -	\$ 146,747,473	\$ 145,888,327	\$ 859,146
2019-2020	1,103,040	-	792,569	310,471
2018-2019	433,057	-	216,921	216,136
2017-2018	264,245	-	100,606	163,639
2016-2017	229,170	-	71,247	157,923
2015-2016	259,195	-	35,097	224,098
2014-2015	157,427	-	31,621	125,806
2013-2014	220,369	-	27,744	192,625
2012-2013	288,917	-	27,343	261,574
2011-2012	300,240	-	24,885	275,355
2010-2011	250,963	-	250,963	-
Total	<u>\$ 3,506,623</u>	<u>\$ 146,747,473</u>	<u>\$ 147,467,323</u>	<u>2,786,773</u>
Less: Allowance for uncollectible accounts				
General Fund				<u>2,528,866</u>
Ad valorem taxes receivable - net				
General Fund				<u>\$ 257,907</u>
Reconciliation with Revenues:				
Ad valorem taxes - General Fund				\$ 147,839,302
Reconciling items:				
Amounts written off per statute of limitations				250,963
Penalties and interest collected				(627,820)
Prior years taxes released				12,519
Collections of taxes previously written off				<u>(7,641)</u>
Total collections and credits				<u>\$ 147,467,323</u>

IREDELL COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT YEAR LEVY
FOR THE YEAR ENDED JUNE 30, 2021

	County-Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$27,210,652,362	\$ 0.5375	\$ 146,242,028	\$ 133,439,580	\$ 12,802,448
Penalties	-		169,090	169,090	-
Total	<u>27,210,652,362</u>		<u>146,411,118</u>	<u>133,608,670</u>	<u>12,802,448</u>
Discoveries:					
Current year taxes	126,050,249	0.5375	674,184	674,184	-
Penalties	-		30,538	30,538	-
Total	<u>126,050,249</u>		<u>704,722</u>	<u>704,722</u>	<u>-</u>
Releases	<u>(79,212,333)</u>		<u>(368,367)</u>	<u>(368,367)</u>	<u>-</u>
Total property valuation	<u>\$27,257,490,278</u>				
Net Levy			146,747,473	133,945,025	12,802,448
Uncollected taxes at June 30, 2021			<u>859,146</u>	<u>859,146</u>	<u>-</u>
Current Year's Taxes Collected			<u>\$ 145,888,327</u>	<u>\$ 133,085,879</u>	<u>\$ 12,802,448</u>
Current Levy Collection Percentage			<u>99.41%</u>	<u>99.36%</u>	<u>100.00%</u>

IREDELL COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT YEAR LEVY FOR THE YEAR ENDED JUNE 30, 2021

Secondary Market Disclosures:

Assessed Valuation:

Assessment ratio ⁽¹⁾	<u>100.0%</u>
---------------------------------	---------------

Real property	\$ 21,826,748,520
---------------	-------------------

Personal property	4,944,350,772
-------------------	---------------

Public service companies ⁽²⁾	<u>486,390,986</u>
---	--------------------

Total assessed valuation	\$ 27,257,490,278
--------------------------	-------------------

Tax rate per \$100	<u>0.5375</u>
--------------------	---------------

Levy (includes discoveries, releases and abatements) ⁽³⁾	<u>\$ 146,747,473</u>
---	-----------------------

In addition to the County-wide rate, the following table lists the levies by the County on behalf of fire protection districts for the fiscal year ended June 30:

County-Wide Fire Protection District	\$ 13,919,802
--------------------------------------	---------------

Special Fire Protection Districts	<u>104,303</u>
-----------------------------------	----------------

Total	<u>\$ 14,024,105</u>
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(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 penalties, but not interest.

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Statistical Section

This part of the Iredell County's Annual Comprehensive Financial Report presents detailed information as a context for understanding how the information in the financial statements, note disclosures, and required supplementary information depicts the government's overall financial health.

Contents

Financial Trends	Pages
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	170
Revenue Capacity	
These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	175
Debt Capacity	
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	179
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.	183
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.	186

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Schedule 1
Iredell County
Net Position by Component,
Last Ten Fiscal Years
(accural basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 127,715,157	\$ 131,079,691	\$ 137,484,059	\$ 134,715,130	\$ 155,401,145	\$ 160,451,587	\$ 190,105,841	\$ 224,240,983	\$ 228,675,519	\$ 246,691,369
Restricted	21,895,343	21,193,157	24,591,780	25,588,314	28,193,088	36,676,060	36,456,038	47,105,284	72,260,545	75,122,151
Unrestricted	30,143,922	32,469,758	37,354,150	53,873,486	59,185,981	72,910,969	51,098,422	30,223,214	23,220,508	36,878,868
Total governmental activities net position	\$ 179,754,422	\$ 184,742,606	\$ 199,429,989	\$ 214,176,930	\$ 242,780,214	\$ 270,038,616	\$ 277,660,301	\$ 301,569,481	\$ 324,156,572	\$ 358,692,388
Business-type activities										
Net investment in capital assets	\$ 19,605,339	\$ 20,202,425	\$ 23,556,393	\$ 23,904,066	\$ 23,645,526	\$ 23,858,596	\$ 23,103,132	\$ 23,112,212	\$ 28,250,928	\$ 31,154,441
Unrestricted	11,771,936	13,077,977	11,947,651	14,455,266	18,115,637	21,546,096	24,962,198	28,323,304	21,181,960	25,085,343
Total business-type activities	\$ 31,377,275	\$ 33,280,402	\$ 35,504,044	\$ 38,359,332	\$ 41,761,163	\$ 45,404,692	\$ 48,065,330	\$ 51,435,516	\$ 49,432,888	\$ 56,239,784
Primary government										
Net investment in capital assets	\$ 147,320,496	\$ 151,282,116	\$ 161,040,452	\$ 158,619,196	\$ 179,046,671	\$ 184,310,183	\$ 213,208,973	\$ 247,353,195	\$ 256,926,447	\$ 277,845,810
Restricted	21,895,343	21,193,157	24,591,780	25,588,314	28,193,088	36,676,060	36,456,038	47,105,284	72,260,545	75,122,151
Unrestricted	41,915,858	45,547,735	49,301,801	68,328,752	77,301,618	94,457,065	76,060,620	58,546,518	44,402,468	61,964,211
Total primary government net position	\$ 211,131,697	\$ 218,023,008	\$ 234,934,033	\$ 252,536,262	\$ 284,541,377	\$ 315,443,308	\$ 325,725,631	\$ 353,004,997	\$ 373,589,460	\$ 414,932,172

Schedule 2
Iredell County
Changes in Net Position,
Last Ten Fiscal Years
(accural basis of accounting)

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Expenses										
Governmental activities:										
General government	\$ 12,934,187	\$ 24,324,079	\$ 14,557,125	\$ 12,216,932	\$ 13,653,086	\$ 16,266,130	\$ 11,647,951	\$ 18,363,599	\$ 23,307,424	\$ 20,235,338
Public safety	38,424,718	35,211,907	41,430,018	41,164,761	44,381,737	43,652,163	59,121,107	52,218,067	64,731,381	67,513,297
Transportation	1,665,429	1,558,068	1,640,960	3,229,897	2,985,249	3,049,791	2,242,871	2,349,225	2,305,670	2,519,451
Economic and physical development	3,134,736	2,661,733	3,195,626	3,205,913	3,551,043	3,849,832	4,237,604	4,151,261	4,414,318	4,751,373
Human services	33,954,843	28,311,426	31,810,282	31,678,932	31,897,620	32,770,074	29,231,744	29,648,195	30,323,743	29,187,856
Cultural and recreation	4,875,727	4,421,413	4,789,828	4,791,044	4,782,028	4,953,830	4,968,009	5,523,424	5,846,897	6,225,688
Education	54,740,228	55,521,664	56,572,241	58,803,011	63,950,155	64,738,084	76,076,168	80,331,610	79,421,865	106,418,154
Interest on long-term debt	11,206,620	10,586,568	10,813,865	8,305,707	7,902,798	8,760,884	6,394,205	7,588,695	7,122,405	5,599,420
Total governmental activities	<u>160,936,488</u>	<u>162,596,858</u>	<u>164,809,945</u>	<u>163,396,197</u>	<u>173,103,716</u>	<u>178,040,788</u>	<u>193,919,659</u>	<u>200,174,076</u>	<u>217,473,703</u>	<u>242,450,577</u>
Business-type activities:										
Solid waste disposal facility	5,529,329	6,188,373	6,154,126	5,948,436	6,181,270	6,272,855	7,005,143	7,837,592	13,309,045	5,133,072
EMS Special Services	424,209	786,550	957,477	935,032	1,043,585	1,103,960	1,112,188	1,283,219	1,325,906	1,266,859
Total business-type activities	<u>5,953,538</u>	<u>6,974,923</u>	<u>7,111,603</u>	<u>6,883,468</u>	<u>7,224,855</u>	<u>7,376,815</u>	<u>8,117,331</u>	<u>9,120,811</u>	<u>14,634,951</u>	<u>6,389,931</u>
Total primary government expenses	<u>\$ 166,890,026</u>	<u>\$ 169,571,781</u>	<u>\$ 171,921,548</u>	<u>\$ 170,279,665</u>	<u>\$ 180,328,571</u>	<u>\$ 185,417,603</u>	<u>\$ 202,036,990</u>	<u>\$ 209,294,887</u>	<u>\$ 232,108,654</u>	<u>\$ 248,840,508</u>
Program Revenues										
Governmental activities										
Charges for services:										
General government	\$ 2,510,266	\$ 3,430,947	\$ 2,012,356	\$ 2,073,401	\$ 2,196,513	\$ 2,177,425	\$ 2,284,481	\$ 2,403,450	\$ 2,714,779	\$ 3,094,137
Public safety	5,136,556	5,944,838	5,909,674	5,555,870	5,690,442	5,789,411	5,993,449	6,218,106	6,014,898	6,679,296
Transportation	676,139	665,416	858,852	1,004,096	1,004,096	1,205,313	1,455,039	1,450,085	2,439,521	1,017,185
Economic and physical development	2,476,128	2,740,428	3,573,813	4,146,155	5,249,862	5,082,162	5,367,542	6,102,504	5,189,563	5,647,875
Human services	3,452,572	1,923,462	4,141,693	2,687,975	3,916,536	3,649,323	3,618,315	4,327,951	3,678,983	3,461,818
Cultural and recreation	435,181	439,179	407,655	411,186	423,792	404,817	364,082	512,462	389,974	160,653
Operating grants and contributions:										
General government	582,783	316,260	419,519	369,528	857,242	1,051,513	814,991	765,225	763,487	1,168,920
Public safety	2,073,646	1,277,389	1,672,189	1,463,093	1,324,437	1,492,385	1,290,961	3,603,645	2,673,710	6,890,544
Transportation	780,155	757,539	1,144,768	604,839	757,109	860,749	758,199	517,151	475,691	2,675,457
Economic and physical development	105,536	60,783	69,694	70,464	76,605	160,519	43,353	-	250,000	214,652
Human services	16,536,746	15,319,210	14,631,310	16,013,884	15,993,059	16,895,182	11,618,945	11,954,713	12,236,834	12,759,686
Cultural and recreation	148,468	152,155	141,689	145,309	161,900	159,079	240,939	160,899	573,835	595,394
Education	110,809	-	-	-	-	-	-	-	-	-
Capital grants and contributions:										
Cultural and recreation	15,167	-	174,286	-	-	-	-	-	-	-
Education	2,191,448	2,369,834	1,952,821	1,407,169	1,750,857	2,073,146	3,597,333	1,829,230	-	11,091,309
Total governmental activities program revenues	<u>37,231,600</u>	<u>35,397,440</u>	<u>37,110,319</u>	<u>35,952,969</u>	<u>39,402,450</u>	<u>41,001,024</u>	<u>37,447,629</u>	<u>39,845,421</u>	<u>37,401,275</u>	<u>55,456,926</u>

Schedule 2
Iredell County
Changes in Net Position,
Last Ten Fiscal Years
(accural basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-type activities:										
Charge for services	8,755,192	8,917,454	9,677,831	10,001,488	10,584,096	10,703,538	10,896,539	11,745,393	12,036,326	13,165,515
Operating grants and contributions	19,189	35,746	24,983	35,817	74,049	18,493	20,399	19,070	110,810	10,961
Capital grants and contributions	-	294	8,223	78	-	-	-	-	-	3,694
Total business-type activities program revenues	8,774,381	8,953,494	9,711,037	10,037,383	10,658,145	10,722,031	10,916,938	11,764,463	12,147,136	13,180,170
Total primary government program revenues	\$ 46,005,981	\$ 44,350,934	\$ 46,821,356	\$ 45,990,352	\$ 50,060,595	\$ 51,723,055	\$ 48,364,567	\$ 51,609,894	\$ 49,548,411	\$ 68,637,096
Net (Expense)/Revenue										
Governmental activities	\$ (123,704,888)	\$ (127,199,418)	\$ (127,699,626)	\$ (127,443,228)	\$ (133,701,266)	\$ (137,039,764)	\$ (156,472,030)	\$ (160,328,655)	\$ (180,072,428)	\$ (186,993,651)
Business-type activities	2,820,843	1,978,571	2,599,434	3,153,915	3,433,290	3,345,216	2,799,807	2,643,652	(2,487,815)	6,790,239
Total primary government net (expense)/revenue	\$ (120,884,045)	\$ (125,220,847)	\$ (125,100,192)	\$ (124,289,313)	\$ (130,267,976)	\$ (133,694,548)	\$ (153,672,423)	\$ (157,685,003)	\$ (182,560,243)	\$ (180,203,412)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 106,045,996	\$ 107,964,857	\$ 112,229,995	\$ 111,802,717	\$ 123,614,718	\$ 126,358,223	\$ 130,405,434	\$ 134,653,880	\$ 150,627,655	\$ 160,639,901
Local option sales tax	25,803,971	26,958,071	28,470,566	31,171,466	32,596,642	34,153,581	35,644,068	38,369,142	41,788,033	49,175,579
Other taxes and licenses	1,416,596	1,666,272	2,057,674	2,465,703	3,134,588	4,268,559	3,934,141	5,013,052	5,450,871	6,649,242
Grants and contributions not restricted	740,092	681,008	802,234	1,046,864	863,737	921,929	812,637	822,087	869,749	962,135
Investment earnings	46,531	53,997	49,291	48,971	348,068	875,668	2,031,127	3,762,778	2,074,546	48,895
Miscellaneous	439,714	242,677	432,164	444,565	1,629,120	941,666	1,377,164	1,493,043	1,723,665	3,737,857
Special item, loss on disposal of asset	(490,105)	(2,739,686)	-	-	-	-	-	-	-	-
Transfers	100,000	100,000	400,000	(2,170)	122,830	122,830	122,707	123,853	125,000	125,000
Total governmental activities:	134,002,795	134,927,196	144,441,924	146,978,116	162,309,703	167,642,456	174,327,278	184,237,835	202,659,519	221,338,609
Business-type activities:										
Investment earnings	11,141	19,484	13,008	14,435	69,215	172,343	436,932	709,911	442,540	9,546
Miscellaneous	11,668	5,072	11,200	2,508	22,156	248,800	6,627	140,476	167,647	132,111
Transfers	490,105	(100,000)	(400,000)	2,170	(122,830)	(122,830)	(122,707)	(123,853)	(125,000)	(125,000)
Total business-type activities	512,914	(75,444)	(375,792)	19,113	(31,459)	298,313	320,852	726,534	485,187	16,657
Total primary government	\$ 134,515,709	\$ 134,851,752	\$ 144,066,132	\$ 146,997,229	\$ 162,278,244	\$ 167,940,769	\$ 174,648,130	\$ 184,964,369	\$ 203,144,706	\$ 221,355,266
Change in Net Position										
Governmental activities	\$ 10,297,907	\$ 7,727,778	\$ 16,742,298	\$ 19,534,888	\$ 28,419,904	\$ 30,602,692	\$ 17,855,248	\$ 23,909,180	\$ 22,587,091	\$ 34,344,958
Business-type activities	3,333,757	1,903,127	2,223,642	3,173,028	3,401,831	3,643,529	3,120,459	3,370,186	(2,002,628)	6,806,896
Total primary government	\$ 13,631,664	\$ 9,630,905	\$ 18,965,940	\$ 22,707,916	\$ 31,821,735	\$ 34,246,221	\$ 20,975,707	\$ 27,279,366	\$ 20,584,463	\$ 41,151,854

Schedule 3
Iredell County
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Non-spendable	\$ 242,863	\$ 223,209	\$ 302,638	\$ 961,934	\$ 926,666	\$ 771,559	\$ 745,972	\$ 698,483	\$ 631,189	\$ 487,653
State statute	15,207,399	15,536,781	17,045,175	17,603,160	19,849,456	24,737,299	25,476,787	27,321,916	55,193,614	53,325,762
Restricted, all others	3,827,929	3,410,299	4,559,397	4,773,694	5,474,054	6,330,383	7,661,586	9,972,060	10,756,656	11,036,867
Committed	-	-	-	-	-	-	-	-	6,000,000	6,000,000
Assigned	773,355	795,355	866,652	3,911,474	13,464,851	21,281,915	25,890,684	25,720,152	2,896,008	7,549,658
Unassigned	35,266,742	37,809,732	42,931,268	38,277,766	40,914,401	39,703,563	38,840,438	48,845,341	53,157,632	69,649,215
Total General Fund	\$ 55,318,288	\$ 57,775,376	\$ 65,705,130	\$ 65,528,028	\$ 80,629,428	\$ 92,824,719	\$ 98,615,467	\$ 112,557,952	\$ 128,635,099	\$ 148,049,155
All Other Governmental Funds										
Non-spendable	\$ 2,153	\$ 2,153	\$ 1,435	\$ 5,749	\$ 128,793	\$ 288	\$ 58	\$ -	\$ -	\$ -
State statute	520,721	231,864	643,597	352,108	964,717	1,452,260	1,719,243	7,844,736	3,751,041	4,213,943
Restricted, all others	2,339,294	2,014,213	3,640,602	16,627,226	33,637,995	18,387,914	13,120,105	45,410,528	4,686,052	12,597,649
Committed	2,953,633	6,848,634	7,385,603	20,319,593	9,190,767	29,913,274	25,353,378	2,637,673	3,671,080	1,472,034
Assigned	195,194	257,341	240,106	446,298	378,472	209,665	-	-	-	307,595
Unassigned	(217,467)	-	(173,643)	(1,159,069)	(6,946,911)	(61,528)	-	(11,261,520)	(1,743,972)	(543,492)
Total all other governmental funds	\$ 5,793,528	\$ 9,354,205	\$ 11,737,700	\$ 36,591,905	\$ 37,353,833	\$ 49,901,873	\$ 40,192,784	\$ 44,631,417	\$ 10,364,201	\$ 18,047,729

Schedule 4
Iredell County
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues										
Taxes:										
Property	\$ 105,561,214	\$ 108,104,434	\$ 112,467,013	\$ 113,137,438	\$ 123,656,624	\$ 127,938,055	\$ 130,077,296	\$ 134,488,084	\$ 150,684,717	\$ 161,974,077
Sales	25,803,971	26,958,071	30,528,240	33,552,572	35,212,352	36,986,147	38,716,096	41,643,992	45,077,607	49,175,579
Other	1,416,596	1,666,272	802,234	84,597	518,878	1,435,993	862,113	1,738,202	2,161,297	6,649,242
Total taxes	132,781,781	136,728,777	143,797,487	146,774,607	159,387,854	166,358,195	169,655,505	177,870,278	197,923,621	217,798,898
Intergovernmental	23,171,017	20,934,178	20,206,276	20,971,150	21,784,946	23,614,502	17,080,923	18,858,230	17,843,306	30,140,833
Permits and fees	3,634,521	4,124,008	4,237,967	5,594,412	6,966,543	6,880,985	7,120,366	7,226,846	8,227,259	8,217,264
Contributions							2,096,435	794,515	-	6,217,264
Sales and services	11,052,321	10,488,609	11,538,723	10,439,778	11,507,370	11,420,138	11,955,214	13,178,209	13,193,544	11,826,377
Investment earnings	46,531	51,547	47,586	46,838	340,134	854,174	1,978,486	3,669,434	2,016,627	47,368
Miscellaneous	482,529	242,677	432,164	596,565	1,629,120	941,666	1,377,164	1,493,043	1,723,665	3,737,857
Total revenues	171,168,700	172,569,796	180,260,203	184,423,350	201,615,967	210,069,660	211,264,093	223,692,935	239,927,609	277,995,856
Expenditures										
General government	11,872,050	12,735,513	13,577,071	13,816,580	14,473,676	15,953,848	16,756,826	16,415,809	15,797,215	16,405,869
Public safety	36,470,511	37,200,250	39,304,706	39,934,679	42,376,249	39,580,968	51,949,550	50,169,938	59,708,921	62,484,256
Transportation	1,334,517	1,290,491	1,406,838	1,612,165	1,499,427	2,019,415	1,967,053	2,124,629	2,872,255	1,953,601
Economic and physical development	2,865,438	2,958,937	2,990,637	3,068,357	3,397,155	3,730,382	3,810,916	3,986,867	4,262,318	4,500,706
Human services	32,704,090	30,875,472	30,883,098	31,277,215	31,831,444	32,754,662	28,738,237	29,467,340	29,922,704	30,580,960
Culture and recreation	4,594,955	4,636,236	4,527,028	4,591,136	4,870,850	4,729,081	4,761,506	5,294,558	5,510,530	5,997,797
Education	41,305,154	46,106,110	42,645,031	44,465,306	53,848,243	53,533,251	64,229,383	67,817,718	68,486,260	95,791,201
Capital outlay	5,746,916	3,241,032	6,980,988	8,786,283	31,770,427	39,433,620	38,647,807	49,502,987	41,845,106	12,376,058
Debt service:										
Principal	14,661,784	17,503,761	17,577,024	17,774,010	17,988,118	19,597,417	20,003,138	21,145,676	22,784,008	19,731,389
Interest and other charges	11,287,727	10,667,675	9,763,837	9,074,246	8,333,510	9,463,339	8,476,197	8,896,993	8,946,158	7,939,293
Total Expenditures	162,843,142	167,215,477	169,656,258	174,399,977	210,389,099	220,795,983	239,340,613	254,822,515	260,135,475	257,761,130
Excess of revenues over (under) expenditures	8,325,558	5,354,319	10,603,945	10,023,373	(8,773,132)	(10,726,323)	(28,076,520)	(31,129,580)	(20,207,866)	20,234,726
Other Financing Sources (Uses)										
Transfers in	2,598,596	4,601,068	1,845,467	13,443,305	5,737,663	11,373,897	6,490,433	1,394,197	474,603	4,969,043
Transfers out	(3,088,701)	(4,501,068)	(1,445,467)	(13,445,475)	(5,614,833)	(11,251,067)	(6,367,726)	(1,270,344)	(456,443)	(4,844,043)
Issuance of debt		563,446	1,364,219	13,982,900	40,199,026	19,661,428	24,035,472	49,386,845	1,999,637	6,547,000
Total other financing sources (uses)	(490,105)	663,446	1,764,219	13,980,730	40,321,856	19,784,258	24,158,179	49,510,698	2,017,797	6,672,000
Net change in fund balances	\$ 7,835,453	\$ 6,017,765	\$ 12,368,164	\$ 24,004,103	\$ 31,548,724	\$ 9,057,935	\$ (3,918,341)	\$ 18,381,118	\$ (18,190,069)	\$ 26,906,726
Debt service as a percentage of non-capital expenditures	16.52%	17.18%	16.81%	16.21%	14.74%	16.02%	14.19%	14.63%	14.54%	11.28%

Schedule 5
Iredell County
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property				Present-use Value (1)	Personal Property	Public Service Companies (2)	Total Taxable Assessed Value	Total Direct Tax Rate (3)	Estimated Actual Market Value (4)
	Residential Property	Commercial Property	Industrial Property							
2012 (5)	\$ 12,646,864,692	\$ 2,910,176,952	\$ 989,480,594	\$	309,467,410	\$ 3,133,469,694	\$ 334,091,772	\$ 20,323,551,114	\$ 0.4850	\$ 20,995,404,043
2013	13,236,436,909	2,470,841,682	1,194,781,366		318,811,920	3,017,855,047	343,634,341	20,582,361,265	0.4850	21,620,127,379
2014	13,370,967,763	2,474,891,959	1,199,925,105		324,433,700	3,489,835,216	349,581,804	21,209,635,547	0.4850	21,209,635,547
2015	13,548,402,536	2,557,624,054	1,197,454,607		327,866,840	3,248,687,518	354,732,855	21,234,768,410	0.4850	21,569,089,294
2016 (5)	13,525,329,439	2,699,700,861	1,255,192,395		322,443,830	3,422,707,985	391,978,739	21,617,353,249	0.5275	22,527,462,744
2017	13,855,486,532	2,703,252,231	1,257,179,205		327,214,000	3,687,372,481	408,713,398	22,239,217,847	0.5275	23,633,600,262
2018	13,914,290,679	2,778,854,761	1,278,031,365		338,925,870	3,966,081,340	415,081,222	22,691,265,237	0.5275	25,582,035,216
2019	14,321,146,194	2,793,631,961	1,315,596,135		340,227,180	4,259,145,350	433,118,799	23,462,865,619	0.5275	23,800,837,512
2020 (5)	16,671,503,464	3,073,944,623	1,409,509,215		363,228,700	4,056,894,003	448,998,935	26,024,078,940	0.5275	27,278,908,742
2021	17,240,705,032	3,105,826,323	1,480,217,165		368,070,150	4,576,280,622	486,390,986	27,257,490,278	0.5375	31,080,376,600

Source: Annual County Report of Valuation and Property Tax Levies

Notes:

- (1) Present use value property is agricultural, horticultural and forestland for which the owner has applied for the property to be taxed at its present use. The difference in taxes on the present use basis and the taxes that would have been payable are a lien on the property and are deferred. The taxes become due if the property ceases to qualify for present use value. The preceding three fiscal years taxes are then required to be paid.
- (2) Public service companies valuations are provided to the County by the North Carolina Department of Revenue. These amounts include both real and personal property.
- (3) Per \$100 of value.
- (4) The estimated market value is calculated by dividing the assessed value by an assessment-to-sales ratio determined by the State Department of Revenue. The ratio is based on actual property sales which took place during the fiscal year.
- (5) Property in Iredell County is reassessed every four years. The last reassessment was on January 1, 2019 and was the basis for fiscal 2020 taxes.

Schedule 6
Iredell County
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years

		Year Taxes Are Payable									
		2012(1)	2013	2014	2015	2016(1)	2017	2018	2019	2020(1)	2021
County Direct Rates											
Iredell County	\$	0.4850	\$ 0.4850	\$ 0.4850	\$ 0.4850	\$ 0.5275	\$ 0.5275	\$ 0.5275	\$ 0.5275	\$ 0.5275	\$ 0.5375
<u>Municipality Rates:</u>											
City of Statesville		0.3800	0.4100	0.4100	0.4100	0.4600	0.4600	0.4811	0.5478	0.5478	0.5478
Statesville Downtown		0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Town of Harmony		0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Town of Love Valley		0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500
Town of Mooresville		0.5800	0.5800	0.5800	0.5800	0.5800	0.5800	0.5800	0.5800	0.5800	0.5800
Mooresville Downtown		0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600
Mooresville Schools		0.1350	0.1850	0.1850	0.1850	0.1850	0.1850	0.1850	0.1850	0.1850	0.1850
Town of Troutman		0.4400	0.4400	0.4400	0.4700	0.5200	0.5200	0.5200	0.5200	0.5200	0.5200
Town of Davidson		0.3500	0.3500	0.3500	0.3500	0.3500	0.3500	0.3500	0.2900	0.2900	0.2900
<u>Fire Districts:</u>											
All County		0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0900
County-Wide		0.0650	0.0650	0.0700	0.0700	0.0700	0.0700	0.0700	0.0900	0.0900	0.0000
East Alexander		0.0500	0.0600	0.0600	0.0600	0.0700	0.0700	0.0700	0.0700	0.0700	0.0000
Shepherds		0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0000
Mt. Mourne		0.0350	0.0400	0.0400	0.0450	0.0600	0.0600	0.0600	0.0700	0.0700	0.0000
Barringer & Fallstown		0.0500	0.0650	0.0650	0.0650	0.0700	0.0700	0.0700	0.0750	0.0750	0.0000

(1) Revaluation years.

(2) The rates are shown per \$100 of taxable value. All taxable property is subject to the county-wide tax. Real property is reappraised at 100% of fair market value every four years. Personal property is reappraised annually at 100% of fair market value.

Schedule 7
Iredell County
Principal Property Tax Payers,
Current Year and Nine Years Ago

	Taxpayer	Type of Business	Fiscal Year 2021			Fiscal Year 2012		
			Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
	Lowes Home Centers, LLC	Hardware/Lumber retailer	\$ 552,571,996	1	2.03%	\$ 726,076,044	1	3.49%
	NGK Ceramics USA, Inc.	Ceramic substrates mfg	184,731,045	2	0.68%	104,029,414	3	0.50%
	Denso Manufacturing (formally ASMO)	Electric motor manufacturer	117,709,475	3	0.43%	59,118,279	7	0.28%
	PACTIV LLC	Plastic food packaging	87,573,662	4	0.32%	46,088,624	9	
	Bestco Inc	Healthcare products	79,982,621	5	0.29%			
	Mooreville Hospital Mgr. Assoc.	Hospital	74,018,608	6	0.27%	68,821,703	4	0.33%
	Cardinal IG Company	Flat glass manufacturer	69,266,107	7	0.25%	46,667,215	8	0.22%
	FNA Polymer Corporation	Synthetic materials production	66,570,483	8	0.24%			
	Langtree Development Company	Real estate developer	65,139,520	9	0.24%			
	Niagra Bottlings LLC	Water bottler	61,474,072	10	0.23%			
	Providencia USA, Inc.	Spunmelt nonwoven fabrics				67,874,276	5	
	Duke Energy Corp.	Electric utility				123,445,692	2	0.59%
	Energy United EMC	Electric membership co-op				65,992,716	6	0.32%
	Buffalo Mooresville LLC	Real estate development				43,605,080	10	0.21%
	Totals		\$ 1,359,037,589		4.99%	\$ 1,351,719,043		6.50%

Schedule 8
Iredell County
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the		Collections in Subsequent Years	Total Collections to Date	
		Fiscal Year of the Levy	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2012	\$ 98,488,490	\$ 95,303,581	96.77%	2,909,554	\$ 98,213,135	99.72%
2013	99,963,476	97,021,176	97.06%	2,680,726	99,701,902	99.74%
2014	102,937,730	100,609,994	97.74%	2,135,111	102,745,105	99.81%
2015	103,188,921	101,725,111	98.58%	1,338,004	103,063,115	99.88%
2016	114,250,046	112,587,274	98.54%	1,438,674	114,025,948	99.80%
2017	117,613,788	116,265,186	98.85%	1,190,679	117,455,865	99.87%
2018	120,126,638	118,820,264	98.91%	1,142,735	119,962,999	99.86%
2019	124,005,452	122,867,481	99.08%	921,835	123,789,316	99.83%
2020	137,506,107	136,403,067	99.20%	792,569	137,195,636	99.77%
2021	146,747,472	145,888,327	99.41%	0	145,888,327	99.41%

Source: Iredell County Tax Department

Schedule 9
Iredell County
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year	Governmental Activities										Business-Type Activities						
	General Obligation Bonds	Premiums/ Discounts	Certificates of Participation	Limited Obligation Bonds	Installment Payment Revenue Refunding Bonds		Installment Revenue Bonds		Capital Lease	Special Obligation Bonds	Certificates of Participation	Limited Obligation Bonds	Premium/ Discounts	Installment Loans	Total Primary Government	Per Capita (1)	Percentage of Personal Income (1)
					Loans	Bonds	Bonds	Bonds									
2012	\$ 44,510	\$ 3,244	152,350	\$ -	\$ 5,312	\$ 17,110	\$ 8,252	\$ -	\$ 450	3,995	-	-	-	\$ 235,223	1.44	0.00%	
2013	41,310	3,010	142,145	-	4,555	16,845	5,262	476	-	3,745	-	-	-	217,348	1.32	0.00%	
2014	38,110	2,417	131,965	-	5,098	14,390	4,452	367	-	3,495	-	-	-	200,294	1.20	0.00%	
2015	46,625	8,382	94,790	24,335	4,206	11,950	3,643	253	-	3,245	-	-	-	197,429	1.16	0.00%	
2016	79,810	10,793	86,760	22,255	3,316	9,530	2,834	135	-	2,995	-	-	-	218,428	1.26	0.00%	
2017	92,095	20,638	18,580	74,502	2,430	7,130	2,024	12	-	-	2,263	389	-	220,063	1.25	0.00%	
2018	97,270	19,303	10,420	72,437	12,495	4,750	1,214	739	-	-	2,263	346	-	221,237	1.24	0.00%	
2019	134,915	20,315	8,510	64,814	12,634	2,370	404	670	-	-	2,031	303	-	246,966	1.36	0.00%	
2020	126,385	18,128	6,700	57,225	12,755	-	-	468	-	-	1,800	259	-	223,720	1.22	0.00%	
2021	117,865	15,872	4,950	49,670	17,278	-	-	260	-	-	1,570	216	-	207,681	1.12	*	

* Information not yet available

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

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

Schedule 10
Iredell County
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds		Premiums/ Discounts	Fund Balance		Total General Obligation Debt	Percentage of Personal Income(1)	Percentage of Actual Taxable Value of Property(2)	Per Capita(1)		
				Restricted for Debt Repayment							
2012	\$	44,510,000	\$	3,243,697	\$	148	\$	47,753,549	0.76%	0.23%	293
2013		41,310,000		3,009,649		73		44,319,576	0.69%	0.22%	269
2014		38,110,000		2,416,758		-		40,526,758	0.60%	0.19%	242
2015		46,625,000		8,382,232		230,017		54,777,215	0.77%	0.26%	322
2016		79,810,000		10,792,881		13,007		90,589,874	1.26%	0.42%	522
2017		92,095,000		20,637,598		330,666		112,401,932	1.49%	0.51%	638
2018		97,270,000		19,303,099		852,971		115,720,128	1.49%	0.51%	647
2019		134,915,000		20,315,036		1,584,380		153,645,656	1.93%	0.65%	849
2020		126,385,000		18,127,194		2,247,963		142,264,231	1.45%	0.55%	773
2021		117,865,000		15,871,975		2,861,364		130,875,611	*	0.48%	707

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

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

(2) See schedule 5 for property value data.

Schedule 11
Iredell County
Legal Debt Margin Information,
Last Ten Fiscal Years
(dollars in thousands)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Assessed value of ropery	\$ 20,323,551	\$ 20,582,361	\$ 21,209,636	\$ 22,465,841	\$ 21,617,353	\$ 22,239,218	\$ 22,691,265,237	\$ 23,462,865,619	\$ 26,024,078,940	\$ 27,257,490,278
Debt limit, 8% of assessed value (statutory limitation)	1,625,884	1,646,589	1,696,771	1,797,267	1,729,388	1,779,137	1,815,301	1,877,029	2,081,926	2,180,599
Amount of dbt applicable to limit										
Gross debt	227,184	210,594	197,876	189,047	207,634	199,036	200,741	226,348	205,333	191,593
Less: assets available in debt service funds	-	-	-	231	13	331	853	1,584	2,248	2,861
Total net debt applicable to limit	227,184	210,594	197,876	189,278	207,621	198,705	199,888	224,764	203,085	188,732
Legal debt margin	\$ 1,398,699	\$ 1,435,995	\$ 1,498,895	\$ 1,608,220	\$ 1,521,767	\$ 1,580,432	\$ 1,615,413	\$ 1,652,265	\$ 1,878,841	\$ 1,991,868

Total net debt applicable to the limit as a percentage of debt limit

	13.97%	12.79%	11.66%	10.53%	12.01%	11.17%	11.01%	11.97%	9.75%	8.66%
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Note: NC Statute GS159-55 limits the County's outstanding debt to 8% of the appraised value of property subject to taxation.

Schedule 12
Iredell County
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Special Obligation Bonds									
	Undesig									
	Ambulance Fees	Inspection Fees	Beer & Wine Tax Reimburse	Register of Deeds Fees	Municipal Tax Collections	Inventory Tax Reimburse	Total Available Revenue	Debt Service		Coverage
								Principal	Interest	
2012	\$ 3,380,755	\$ 2,212,670	\$ 428,467	\$ 800,924	\$ 709,839	\$ -	\$ 7,532,655	\$ 900,000	\$ 40,162	8.02%
2013	3,908,416	2,485,673	403,389	990,645	769,459	-	8,557,582	450,000	8,033	5.36%
2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Schedule 13
Iredell County
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population(1)	Personal Income (2) (thousands of dollars)	Per Capita Personal Income (2)	Median Age (3)	Public School Enrollment(4)	Unemployment Rate(5)
2012	163,013	\$ 6,300,479	\$ 39,755	39.4	26,629	9.80%
2013	165,050	6,408,050	40,346	39.6	26,789	9.20%
2014	167,235	6,791,534	42,941	39.6	26,569	6.10%
2015	170,202	7,117,528	45,170	39.9	26,808	5.80%
2016	173,391	7,188,703	45,817	40.8	26,800	4.90%
2017	176,229	7,540,949	48,606	40.0	26,837	3.90%
2018	178,730	7,744,555	50,065	40.4	26,510	3.90%
2019	181,071	7,976,892	52,423	38.7	26,025	4.10%
2020	184,023	9,782,398	*	40.3	26,256	7.60%
2021	185,011	*	*	*	25,842	4.60%

* Information not yet available.

Notes:

- (1) Population estimates from NC Office of State Budget and Management/NC Sales Tax Distribution.
- (2) Bureau of Economic Analysis, U. S. Department of Commerce. Figures are for the prior calendar year.
- (3) Information provided by NC State Data Center.
- (4) Information provided by North Carolina Department of Public Instruction.
- (5) N. C. Employment Security Commission

Schedule 14
Iredell County
Principal Employers,
Current Year and Nine Years Ago

	Fiscal Year 2021				Fiscal Year 2012		
	Employer	Employees	Rank	Percentage of Total County Employees	Employees	Rank	Total County Employees
				88,854			70,375
	Lowe's Companies, Inc.	4,000	1	4.71%	3,000	1	4.26%
	Iredell-Statesville Schools	2,233	2	2.63%	2,720	2	3.87%
	Iredell Memorial Hospital	1,600	3	1.89%	1,585	3	2.25%
	Iredell County Government	1,434	4	1.69%	1,134	5	1.61%
	NGK Ceramics USA, Inc.	900	5	1.06%			
	Lake Norman Regional Hospital	900	6	1.06%	930	6	1.32%
	Mooresville Graded School District	715	7	0.84%			
	Davis Regional Medical Center	500	8	0.59%			
	Kewaunee Scientific Corporation	500	9	0.59%			
	Doosan Infracore Portable Power	500	10	0.59%			
	Ingersoll-Rand				1,200	4	1.71%
	Lowe's Home Centers, Inc.				823	7	1.17%
	Piedmont Healthcare				720	8	1.02%
	J.C. Penny Distribution				620	9	0.88%
	Wal-Mart Supercenter				500	10	0.71%
	Totals	13,282		14.95%	13,232		18.80%

Schedule 15
Iredell County
Full-time Equivalent County Government Employees by Function,
Last Ten Fiscal Years

Function/Program	Full-time Equivalent Employees as of June 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government	97	98	104	106	108	108	114	117	120	118
Public safety	352	352	357	359	364	375	392	435	449	460
Transportation	20	17	18	20	23	23	28	39	39	37
Economic and physical development	36	37	37	38	39	39	41	42	43	43
Human services	331	334	336	336	345	351	354	354	361	360
Cultural and recreation	41	42	37	37	37	37	36	36	39	43
EMS special services	10	10	12	12	13	13	13	13	14	14
Solid waste disposal facility	39	39	41	43	43	44	45	45	46	47
Total	926	929	942	951	972	990	1023	1081	1111	1122

Source: Iredell County Finance Office

Schedule 16
Iredell County
Operating Indicators by Function/Program,
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government										
(1) Register of Deeds	26,821	31,377	32,609	27,954	30,435	31,625	30,526	30,518	35,398	48,265
Real estate instruments	6,151	4,319	4,552	4,559	4,662	4,837	4,735	4,752	4,772	5,625
Vital records instruments										
Public safety										
(1) Sheriff										
Civil/criminal papers processed	23,970	22,746	21,865	19,428	19,484	19,627	12,468	15,499	13,711	12,183
Investigations	7,106	6,817	6,149	5,627	6,513	7,247	6,894	5,936	5,520	5,163
Arrests	6,721	5,632	5,449	4,119	4,576	6,118	8,913	8,447	7,473	6,553
Fire marshal										
Inspections	1,290	818	564	1,490	1,375	787	1,082	710	523	539
Investigations	80	75	47	45	55	44	50	55	54	44
(1) Emergency medical service										
Call volume	17,783	21,444	22,491	22,803	33,365	34,059	29,962	31,305	31,244	34,490
Transports	11,593	16,913	15,937	13,052	18,977	17,049	17,006	17,159	16,461	16,954
(1) Emergency communications										
Incident totals	103,187	105,319	109,020	120,826	144,296	128,773	185,059	192,765	225,699	244,184
Phone calls	304,527	308,453	304,052	305,563	301,187	269,104	316,791	267,204	248,662	245,787
Transportation										
Total service miles	737,865	640,123	720,257	785,144	792,388	768,072	770,916	791,488	676,493	576,133
Total passenger trips	100,010	79,013	44,134	82,509	79,619	117,606	127,396	132,434	124,142	108,757
Economic and physical development										
(1) Inspections performed	32,517	46,846	47,477	49,633	60,396	67,081	72,032	75,887	78,950	79,241
Human services										
Health department										
WIC participation	49,314	47,068	44,810	43,299	41,804	41,670	40,662	36,855	38,400	41,886
(2) Total patient visits	16,438	9,833	10,344	27,446	26,396	23,069	21,167	14,487	19,875	13,962
Culture and recreation										
Library										
Volumes in collection	241,880	253,881	230,408	211,730	232,297	236,170	219,927	216,463	206,897	215,277
Circulation	548,470	450,709	435,125	421,419	390,422	378,849	357,105	351,712	363,497	333,714
Parks and recreation										
(2) Ropes course/outdoor education participants	1,607	1,626	1,994	1,404	1,210	1,417	736	271	*	75
(2) Camp Iredell participation	673	589	731	767	799	775	771	889	*	791
Rec center members									1,071	1,042
Program participation (all combined)									5,703	2,311
Facility reservations									447	863
Total documented facility users									107,844	83,315
Solid waste disposal facility										
Tons of refuse collected	159,198	157,221	184,351	189,416	189,861	193,062	194,480	213,192	215,122	232,268
Tons of recyclables collected	13,421	14,869	18,461	19,343	28,718	42,663	22,047	24,772	25,616	25,997

Source: Various county departments. Information is reported for the years that the information was available.

(1) Figures are based on prior calendar year.

(2) This includes all subprograms that were being used at the time these statistics were reported. Over the years, some programs have ended.

Schedule 17
Iredell County
Capital Asset Statistics by Function/Program,
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General government										
County government buildings	23	23	23	23	23	23	21	24	24	24
Public safety										
Sheriff	7	7	7	7	7	7	7	7	7	7
Centers										
Emergency medical service										
Quick response vehicles	5	5	5	5	6	6	6	6	6	6
Advanced life support vehicles	12	13	13	13	19	21	15	16	17	17
Stations	5	7	7	7	7	7	8	8	8	8
Transportation										
Passenger vans	29	28	28	28	28	30	29	29	30	32
Economic and physical development										
Vehicles	28	28	28	28	28	24	23	23	25	29
Human services										
Health department										
Locations	2	2	2	2	2	2	2	3	3	3
Culture and recreation										
Acreage	187	187	187	187	304	304	312	432	453	453
Solid waste disposal facility										
Collection sites	5	5	5	5	5	5	5	5	5	5

Source: various county departments.

COMPLIANCE SECTION

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

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

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To the Board of Commissioners
Iredell County
Statesville, North Carolina

We have audited, in accordance with the 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, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Iredell County, North Carolina, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Iredell County's basic financial statements, and have issued our report thereon dated November 9, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Iredell County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Iredell County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Iredell County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 9, 2021

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

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

Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; Required by the Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Iredell County
Statesville, North Carolina

Report on Compliance for Each Major Federal Program

We have audited the compliance of Iredell County, North Carolina, with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on each of Iredell County's major federal programs for the year ended June 30, 2021. Iredell County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Iredell County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Iredell County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Iredell County's compliance.

Opinion on Each Major Federal Program

In our opinion, Iredell County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Iredell County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Iredell County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Iredell County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying Schedule of Findings, Responses and Questioned Costs as item 2021-001, that we consider to be a significant deficiency.

Iredell County's response to the internal control over compliance finding identified in our audit is described in the accompanying Corrective Action Plan. Iredell County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 9, 2021

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MARTIN STARNES & ASSOCIATES, CPAs, P.A.

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

Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; Required by the Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Iredell County
Statesville, North Carolina

Report on Compliance for Each Major State Program

We have audited the compliance of Iredell County, North Carolina, with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on each of Iredell County's major state programs for the year ended June 30, 2021. Iredell County's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Iredell County's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; applicable sections of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Iredell County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Iredell County's compliance.

Opinion on Each Major State Program

In our opinion, Iredell County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Iredell County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Iredell County's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program in order to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Iredell County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material non-compliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying Schedule of Findings, Responses and Questioned Costs as item 2021-001, that we consider to be a significant deficiency.

Iredell County's response to the internal control over compliance finding identified in our audit is described in the accompanying Corrective Action Plan. Iredell County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 9, 2021

IREDELL COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2021

1. Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(s) identified? None reported

Non-compliance material to financial statements noted No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant deficiency(s) identified? Yes

Type of auditor's report issued on compliance for major federal programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)?

Yes

Identification of major federal programs:

<u>Federal Program</u>	<u>AL Number</u>
Medicaid Cluster	93.778
Supplemental Nutrition Assistance Program Cluster	10.561
Temporary Assistance for Needy Families	93.558
Low-Income Home Energy Assistance	93.568
COVID-19 Coronavirus Relief Fund	21.019
Federal Transit Formula Grants	20.507
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323

IREDELL COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2021

1. Summary of Auditor's Results (continued)

Dollar threshold used to distinguish between Type A and Type B programs	<u>\$750,000</u>
--	------------------

Auditee qualified as low-risk auditee?	Yes
--	-----

State Awards

Internal control over major state programs:

- | | |
|---|-----|
| • Material weakness(es) identified? | No |
| • Significant deficiency(s) identified? | Yes |

Type of auditor's report issued on compliance for major state programs	Unmodified
---	------------

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?	Yes
---	-----

Identification of major state programs:

Medicaid Cluster
Public School Building Capital Fund

IREDELL COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2021

2. Financial Statement Findings

None reported

3. Federal Award Findings and Questioned Costs

U.S. Department of Health and Human Services
Passed through the N.C. Department of Health and Human Services
Program Name: Medical Assistance Program (Medicaid; Title XIX)
AL #: 93.778
Grant Number: XIX-MAP20

U.S. Department of Health and Human Services
Passed through the N.C. Department of Health and Human Services
Program Name: Low-Income Home Energy Assistance Program
AL #: 93.568
Grant Number: G20BINCLIEA

U.S. Department of Health and Human Services
Passed through the N.C. Department of Health and Human Services
Program Name: Supplemental Nutrition Assistance Program
AL #: 10.551
Grant Number: 12-3505-0-1-605

U.S. Department of Health and Human Services
Passed through the N.C. Department of Health and Human Services
Program Name: Temporary Assistance for Needy Families
AL #: 93.558
Grant Number: 75-1552-0-1-609

Finding: 2021-001

Significant Deficiency

Criteria: In accordance with 2 CFR 200, management must have an adequate system of internal control procedures in place to adequately safeguard confidential information from unauthorized use in compliance with applicable laws and regulations. In accordance with the Division of Social Services Fiscal Manual, DSS employees should control physical access to the state network terminals or personal computers that are connected to the state mainframe.

Condition: Upon surprise inspection, one workstation of a DSS employee was unlocked and logged onto the state network without anyone attending to the workstation.

Context: During a surprise walkthrough, we examined 103 workstations and determined that one (1%) workstation was not properly secured. The workstation was unattended and logged onto the state system.

IREDELL COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2021

3. Federal Award Findings and Questioned Costs (continued)

Effect: Unauthorized access to the state system could be obtained due to the unattended logon to the system throughout the DSS building.

Cause: Lapse of internal controls over data security.

Questioned Costs: The finding represents an internal control issue; therefore, no questioned costs are applicable.

Recommendation: Require the County to implement procedures to require logout of workstations where access to the state DSS system is granted. The control procedures should include random verification of logout in instances where offices are unattended.

Views of Responsible Officials and Planned Corrective Actions: Management accepts this finding. Please refer to the Corrective Action Plan.

4. State Award Findings and Questioned Costs

U.S. Department of Health and Human Services
Passed through the N.C. Department of Health and Human Services
Program Name: Medical Assistance Program (Medicaid; Title XIX)
AL #: 93.778
Grant Number: XIX-MAP20

Finding 2021-001 – Management should have an adequate system of internal control procedures in place to adequately safeguard confidential information from unauthorized use in compliance with applicable laws and regulations. See more details at Finding 2021-001 in Section 3 – Federal Award Findings and Questioned Costs.



IREDELL COUNTY

P.O. Box 788
Statesville, North Carolina 28687-0788

CORRECTIVE ACTION PLAN FOR THE YEAR ENDED JUNE 30, 2021

Finding 2021-001

Name of Contact Person: Yvette Smith, Social Services Director

Corrective Action/Management Response: Management concurs with the condition, context, and recommendations. The County has implemented the following process:

All state computer system workstations will be properly secured when a DSS worker is not physically at the workstation. IT sent out a staff e-mail demonstrating the two options to lock a workstation on November 3, 2021. Orientation is conducted with every new hire to provide them with instructions on computer security and how to lock workstations. DSS security officer will complete random computer checks monthly to ensure workstations are locked in an absence of a worker at the workstation.

Proposed Completion Date: Management and the Board will implement the above procedures immediately.

IREDELL COUNTY, NORTH CAROLINA
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021

None reported.

IREDELL COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2021

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>AL#</u>	<u>State/</u> <u>Pass-through</u> <u>Grantor's</u> <u>Number</u>	<u>Federal</u> <u>(Direct &</u> <u>Pass-through)</u> <u>Expenditures</u>	<u>State</u> <u>Expenditures</u>	<u>Provided</u> <u>to</u> <u>Subrecipients</u>
Federal Awards:					
<u>U.S. Dept. of Agriculture</u>					
Passed-through the N.C. Dept. of Health and Human Services: Division of Social Services: Administration:					
Supplemental Nutrition Assistance Program Cluster					
State Administrative Matching Grants for the					
Supplemental Nutrition Assistance Program	10.561	12-3505-0-1-605	\$ 785,635	\$ -	\$ -
Total Federal Supplemental Nutrition Assistance Program Cluster			<u>785,635</u>	<u>-</u>	<u>-</u>
Passed-through the N.C. Dept. of Health and Human Services: Division of Public Health: Administration:					
WIC Special Supplemental Nutrition Program for Women, Infants, & Children	10.557	12-3510-0-1-605	675,988	-	-
Total U.S. Department of Agriculture			<u>1,461,623</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Housing and Urban Development</u>					
Passed-through the N.C. Housing Finance Agency: Home Investment Partnerships Program	14.239	86-0205-0-1-604	106,563	-	-
Total U.S. Dept. of Housing and Urban Development			<u>106,563</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Justice</u>					
Direct Program:					
Equitable Sharing Program	16.922		6,299	-	-
Passed-through the N.C. Dept. of Public Safety:					
Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-0349	5,245	-	-
		2016-DJ-BX-1038;			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0715	13,349	-	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0052	23,485	-	-
Total U.S. Dept. of Justice			<u>48,378</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Transportation</u>					
Passed-through the N.C. Department of Transportation:					
Federal Transit Cluster					
Federal Transit Formula Grants	20.507	69-1129-0-1-401	948,039	-	-
Total Federal Transit Cluster			<u>948,039</u>	<u>-</u>	<u>-</u>
Formula Grants for Rural Areas and Tribal Transit Program	20.509	69-8350-0-1-401	1,426,095	233,823	-
Total U.S. Dept. of Transportation			<u>2,374,134</u>	<u>233,823</u>	<u>-</u>
<u>U.S. Dept. of Treasury</u>					
Direct Program:					
Equitable Sharing	21.016		176,744	-	-
Passed-through the Office of State Budget and Management:					
NC Pandemic Recovery Office					
Covid-19-Coronavirus Relief Fund (Note 5)	21.019	02-48	4,489,852	-	1,453,280
Passed-through the State Board of Elections:					
Covid-19-Coronavirus Relief Fund (Note 5)	21.019	03-25-49	203,327	-	-
Passed-through the N.C. Dept. of Health and Human Services:					
Covid-19-Coronavirus Relief Fund (Note 5)	21.019	20-1892-0-1-806	184,947	-	-
Total US Dept. of Treasury			<u>5,054,870</u>	<u>-</u>	<u>1,453,280</u>
<u>U.S. National Endowment for the Humanities (NEH)</u>					
Passed-through the N.C. Dept. of Natural and Cultural Resources					
Grants to States - LSTA State Grant - COVID-19 Response Mini-Grant	45.310	LS-00-19-0034-19	3,700	-	-
Grants to States - LSTA State Grant - EZ-Grant	45.310	LS-246551-OLS-20	9,974	-	-
Grants to States - LSTA State Grant - EZ-Grant	45.310	LS-246155-OLS-20	11,095	-	-
Total National Endowment for the Humanities (NEH)			<u>24,769</u>	<u>-</u>	<u>-</u>
<u>U.S. Election Assistance Commission</u>					
HAVA Election Security Grants - 2020 Supplemental COVID-19 Election	90.404	NC20101001-049	103,974	-	-
Total U.S. Election Assistance Commission			<u>103,974</u>	<u>-</u>	<u>-</u>
<u>U.S. Dept. of Health & Human Services</u>					
Health Resources and Services Administration:					
COVID-19 - Provider Relief Funds	93.498		176,790	-	-

IREDELL COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2021

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal AL#</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Federal (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Provided to Subrecipients</u>
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services					
Special Children Adoption Fund Cluster (Note 4)					
Mary Lee Allen Promoting Safe and Stable Families Program	93.556	75-1512-0-1-506	54,889	-	-
Stephanie Tubbs Jones Child Welfare Services Program:					
- Permanency Planning - Families for Kids	93.645	75-1536-0-1-506	56,272	-	-
Total Special Children Adoption Fund Cluster			111,161	-	-
Division of Social Services					
Temporary Assistance for Needy Families - Work First	93.558	75-1552-0-1-609	778,096	-	-
Division of Public Health:					
Temporary Assistance for Needy Families - Work First	93.558	75-1552-0-1-609	18,579	-	-
Total Temporary Assistance for Needy Families (TANF)			796,675	-	-
Foster Care, Adoption, and Guardianship Assistance Program Cluster (Note 4)					
Foster Care - Title IV-E - administration	93.658	75-1545-0-1-609	690,010	73,075	-
Foster Care - Title IV-E - direct benefits	93.658	75-1545-0-1-609	225,117	56,625	-
Foster Care - State Foster Home	93.658	75-1545-0-1-609	113,032	-	-
Adoption Assistance	93.659	75-1545-0-1-609	55,676	-	-
Total Foster Care, Adoption, and Guardianship Assistance Program Cluster			1,083,835	129,700	-
Child Support Enforcement	93.563	75-1501-0-1-609	1,232,954	1,048	-
Low-Income Home Energy Assistance:					
Administration	93.568	75-1502-0-1-609	77,640	-	-
Energy Assistance Payments	93.568	75-1502-0-1-609	392,266	-	-
COVID-19- LIEAP Covid19	93.568	75-1502-0-1-609	147,310	-	-
COVID-19-LIEAP Admin	93.568	75-1502-0-1-609	218	-	-
Crisis Intervention Program	93.568	75-1502-0-1-609	408,554	-	-
Total Low-Income Home Energy Assistance			1,025,988	-	-
Division of Social Services:					
Subsidized Child Care Program Cluster/Child Care Development Fund Cluster (Note 4)					
Child Care Mandatory and Matching Funds of the Childcare and Development Fund-Administration	93.596	75-1550-0-1-609	223,889	-	-
Total Subsidized Child Care Program Cluster/Child Care Development Fund Cluster (Note 4)			223,889	-	-
Direct Benefit Payments:					
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	75-1545-0-1-609	28,198	4,944	-
Division of Aging and Adult Services:					
Division of Social Services:					
Social Services Block Grant - Other Service and Training	93.667	75-1534-0-1-506	336,851	-	-
Social Services Block Grant - State In Home Service Fund	93.667	75-1534-0-1-506	30,997	-	-
Social Services Block Grant - Adult Protective Services	93.667	75-1534-0-1-506	106,360	-	-
Social Services Block Grant - State Adult Day Care	93.667	75-1534-0-1-506	27,055	28,878	-
Total Social Service Block Grant (SSBG)			501,263	28,878	-
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Administration:					
Medicaid Cluster					
Division of Social Services:					
Administration:					
Medical Assistance Program	93.778	75-0512-0-1-551	3,419,148	8,910	-
Total Medicaid Cluster			3,419,148	8,910	-
Children's Health Insurance Program - N.C. Health Choice	93.767	75-0515-0-1-551	133,464	1,493	-
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Public Health:					
Public Health Emergency Preparedness	93.069	75-0958-1-1-550	47,737	-	-
Project Grants and Cooperative Agreements for					
Tuberculosis Control Programs	93.116	75-0950-0-1-550	50	-	-
Injury Prevention and Control Research and	93.136	75-0952-0-1-551	92,025	-	-
State and Community Based Programs					
Family Planning Services	93.217	75-0350-0-1-550	69,502	-	-
Immunization Cooperative Agreements	93.268	75-0943-0-1-550	117,840	-	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	56-2721-1-1-101	233,298	-	-

IREDELL COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2021

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>AL#</u>	<u>State/</u> <u>Pass-through</u> <u>Grantor's</u> <u>Number</u>	<u>Federal</u> <u>(Direct &</u> <u>Pass-through)</u> <u>Expenditures</u>	<u>State</u> <u>Expenditures</u>	<u>Provided</u> <u>to</u> <u>Subrecipients</u>
COVID-19 - Public Health Emergency Response:					
Cooperative Agreement for Emergency Response:					
Public Health Crisis Response	93.354	75-0943-0-1-999	129,659	-	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	75-0950-0-1-550	58	-	-
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.991	75-0943-0-1-551	30,607	-	-
Maternal and Child Health Services Block Grant to the States					
Care Coordinator for Children			25,685	-	-
Child Fatality Prevention			1,424	-	-
HMHC-February Start			14,812	11,111	-
Child Health			20,441	-	-
Total Maternal and Child Health Services Block Grant to the States	93.994	75-0354-0-1-550	62,362	11,111	-
Total U.S. Dept. of Health and Human Services			9,516,503	186,084	-
<u>U. S. Department of Homeland Security</u>					
Passed-through N.C. Dept. of Public Safety:					
Division of Emergency Management					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	70-0702-0-1-453	6,242	2,081	-
Emergency Management Performance Grants	97.042	EMA-2020-EP	59,282	-	-
Total U. S. Department of Homeland Security			65,524	2,081	-
Total federal awards			18,756,338	421,988	1,453,280
State Awards:					
<u>N.C. Dept. of Administration</u>					
Veterans Service			-	2,084	-
Total N.C. Dept. of Administration			-	2,084	-
<u>N.C. Dept. of Cultural and Natural Resources</u>					
Division of State Library:					
State Aid to Public Libraries			-	147,328	-
Division of Parks and Recreation:					
Parks and Recreation Trust Fund (PARTF)			-	425,000	-
Total N.C. Dept. of Cultural and Natural Resources			-	572,328	-
<u>N.C. Department of Environmental Quality</u>					
Division of Waste Management:					
NC Tire Disposal Grant			-	112	-
Electronic Management Recycling Grant			-	10,849	-
Total N.C. Dept. Environmental Quality			-	10,961	-
<u>N.C. Dept. of Health and Human Services</u>					
Division of Social Services:					
Direct Benefit Payments					
State Foster Home			-	235,502	-
State Child Welfare			-	204,079	-
COVID-19 - APS/CPS COVID-19 Stipend			-	59,188	-
COVID-19 - Foster Care COVID-19 Stipend			-	26,100	-
AFDC Program Integrity			-	87	-
Total Division of Social Service			-	524,956	-
Division of Public Health:					
General Aid to Counties			-	101,350	-
General Communicable Disease Control			-	5,757	-
Family Planning			-	23,867	-
Child Health			-	7,852	-
Women's Health Service Fund			-	12,757	-
Food and Lodging			-	30,308	-
School Nurse Funding Initiative			-	100,000	-
Maternal Health			-	39,399	-
Healthy Communities Activities			-	3,747	-
HIV/STD State			-	12,500	-
STD Drugs			-	446	-
Public Health Nursing			-	600	-
Tuberculosis Control			-	21,660	-
Total Division of Public Health			-	360,243	-
Total N. C. Department of Health and Human Services			-	885,199	-

IREDELL COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2021

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>AL#</u>	<u>State/</u> <u>Pass-through</u> <u>Grantor's</u> <u>Number</u>	<u>Federal</u> <u>(Direct &</u> <u>Pass-through)</u> <u>Expenditures</u>	<u>State</u> <u>Expenditures</u>	<u>Provided</u> <u>to</u> <u>Subrecipients</u>
<u>N.C. Dept. of Public Instruction</u>					
Public School Building Capital Fund - Lottery			-	4,874,045	4,874,045
Total N.C. Dept. of Public Instruction			-	4,874,045	4,874,045
<u>N.C. Dept. of Public Safety</u>					
Juvenile Crime Prevention Programs			-	1,078,081	1,068,703
Emergency Management Tier II Non-Competitive			-	6,000	-
Total N.C. Dept. of Public Safety			-	1,084,081	1,068,703
Total State awards			-	7,428,698	5,942,748
Total federal and State awards			<u>\$ 18,756,338</u>	<u>\$ 7,850,686</u>	<u>\$ 7,396,028</u>

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

Note 1: Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards (SEFSA) includes the federal and state grant activity of the Iredell County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2021. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the schedule presents only a selected portion of the operations of Iredell County, it is not intended to and does not present the financial position, changes in net position or cash flows of Iredell County.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate

Iredell County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4: Cluster of Programs

The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Foster Care, Adoption, and Guardianship assistance program, Special Children Adoption Fund, and Subsidized Childcare Program Cluster.

Note 5: Donated Personal Protected Equipment

Iredell County has donated \$22,295, "unaudited," of Personal Protected Equipment (PPE) to various entities in response to the needs as a result of the COVID-19 pandemic.

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