

REVIEWED

By SLGFD at 3:47 pm, Jan 21, 2022

COUNTY OF JOHNSTON

Smithfield, North Carolina

Financial Statements

June 30, 2021

COUNTY OF JOHNSTON, NORTH CAROLINA
BOARD AND OFFICERS
June 30, 2021

BOARD OF COUNTY COMMISSIONERS

Chad M. Stewart, Chairman
Tony Braswell, Vice-Chairman
Ted G. Godwin
Larry Wood
Fred Smith
Patrick E. Harris
R.S. "Butch" Lawter, Jr.

OFFICERS

County Manager
Finance Director
Register of Deeds
Tax Administrator
Sheriff

Rick J. Hester
J. Chad McLamb, CPA
Craig Olive
Jocelyn Andrews
Steve Bizzell

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

**P.O Box 398
1626 S. Madison Street
Whiteville, NC 28472
Telephone (910) 642-2109
Fax (910) 642-5958**

**Alan W. Thompson, CPA
R. Bryon Scott, CPA
Gregory S. Adams, CPA**

INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners
County of Johnston
Smithfield, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Johnston, 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 of Johnston'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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Johnston County ABC Board. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Johnston County ABC Board, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Johnston County ABC Board were not audited in accordance with *Government Auditing Standards*.

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

Members

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

Opinions

In our opinion, based upon our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Johnston, North Carolina as of June 30, 2020, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 15, the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of the 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, the Law Enforcement Officers' Special Separation Allowance schedules, and the Other Postemployment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios on pages 83 through 95, respectively, 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Johnston's basic financial statements. The combining and individual fund statements, budgetary schedules, other schedules 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 are presented for purpose of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, other schedules and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual fund financial statements, budgetary schedules, other 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 4, 2022, on our consideration of the County of Johnston'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 the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Johnston's internal control over financial reporting and compliance.

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
January 4, 2022

JOHNSTON COUNTY, NORTH CAROLINA MANAGEMENT'S DISCUSSION AND ANALYSIS

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

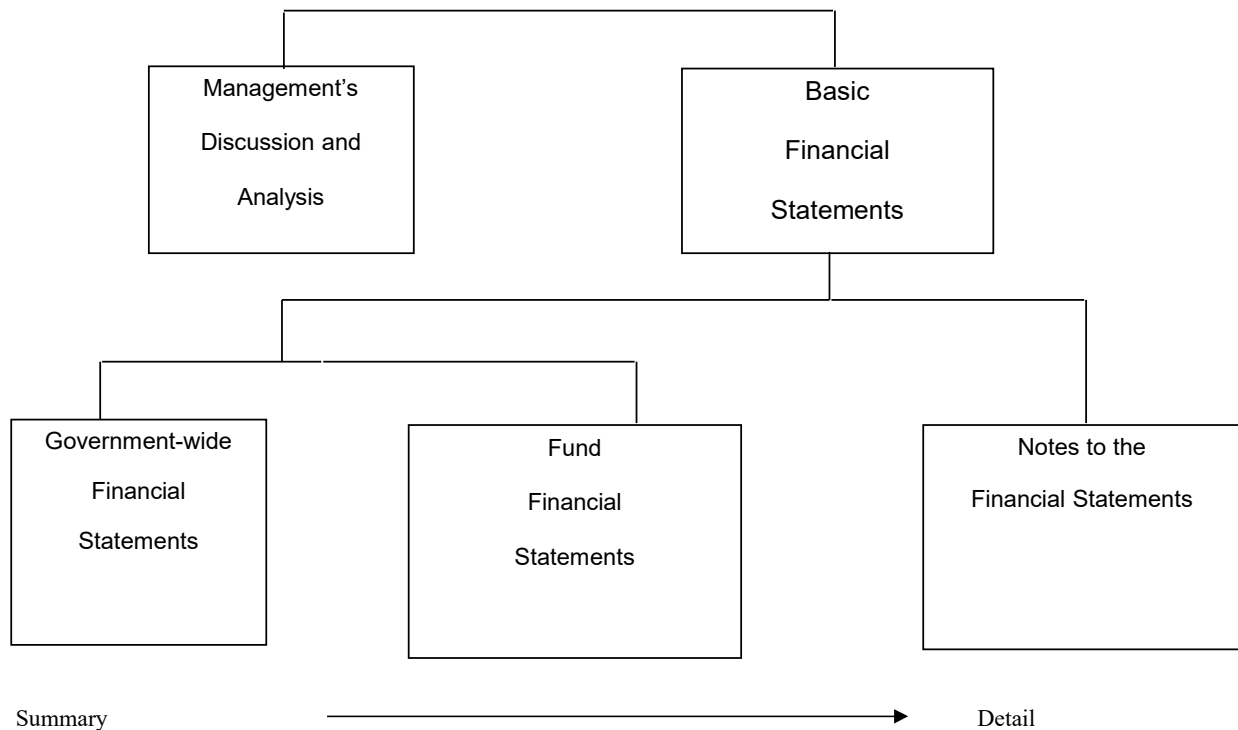
Financial Highlights

- The assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources of Johnston County's primary government at the close of the fiscal year by \$221,806 (net position).
- The primary government's total net position increased by \$67,772,517, primarily due to increase in property tax, sales tax, and charges for services.
- As of the close of the current fiscal year, Johnston County's governmental funds reported combined ending fund balances of \$239,366,240, an increase of \$89,650,560 in comparison with the prior year. Approximately 32.63 percent of this total amount, or \$78,116,283, is restricted or non-spendable.
- At the end of the current fiscal year, legally available fund balance for the General Fund was \$129,951,222, or 52.90 percent of total general fund expenditures for the fiscal year.
- Johnston County's total debt increased by \$69,345,636 during the current fiscal year (includes premium on issuance as well). The key factors in this increase was primarily due to the issuance of clean water revolving loans to finance the construction of water and wastewater facility improvements, the issuance of School Bonds, and the issuance of bonds for the Detention Center, offset by debt service payments made for the year. The County issued \$36,000,000 in School and Community College bonds, \$35,105,000 in Detention Center bonds, and refunded most enterprise fund debt during the year. The County also received \$12.8 million in draw loan loans associated with Water, Waste Water, and Water district projects.
- Johnston County maintained its Aa1 from Moody's Investors and maintained their AA+ rating from Standard and Poor's rating services.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Johnston County's basic financial statements. The County's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). 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 Johnston County.

Required Components of Annual Financial Report
Figure 1



Basic Financial Statements

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

The next statements (Exhibits 3 through 11) 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. After the notes, **supplemental information** is provided to show details about the County's non-major 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 General Statutes also can be found in this part of the statements.

Following the notes is the required supplemental information. This section contains funding information about the County's pension plans.

Government-wide Financial Statements

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

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the County's total assets and deferred outflows of resources and the 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 three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's basic services such as public safety, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water and sewer and landfill services offered by Johnston County. The final category is the component units. Although legally separate from the County, the ABC Board is important to the County because the County is financially accountable for the Board by appointing its members and because the Board is required to distribute its profits to the County. The County then distributes the profits among the County and municipalities in the County. The County also reports the Tourism Development Authority and the Airport Authority as component units.

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

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Johnston County, like all other governmental entities, 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 Johnston County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Johnston County 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 as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

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

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Johnston County has our fiduciary funds, all 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 29 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Johnston County’s progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 83 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 Johnston County’s primary government exceeded its liabilities and deferred inflows of resources by \$221,806 as of June 30, 2021. The County’s net position increased by \$67,772,517 for the fiscal year ended June 30, 2021. Net position is reported in three categories: Net investment in capital assets of \$211,856,366, restricted net position of \$79,962,630, and unrestricted net position of \$(291,597,190).

Johnston County’s Net Position

Figure 2

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and Other assets	\$ 272,107,219	\$ 157,146,629	\$ 107,341,891	\$ 91,657,667	\$ 379,449,110	\$ 248,804,296
Capital Assets	82,263,689	60,466,895	273,898,870	248,198,005	356,162,559	308,664,900
Total Assets	354,370,908	217,613,524	381,240,761	339,855,672	735,611,669	557,469,196
Total deferred outflows of resources	67,306,581	45,370,615	12,506,192	4,586,738	79,812,773	49,957,353
Long-term liabilities	501,812,137	423,370,615	155,066,226	139,756,363	656,878,363	563,126,978
Other liabilities	104,947,671	65,785,737	16,813,265	14,059,534	121,760,935	79,845,271
Total Liabilities	606,759,808	489,156,352	171,879,490	153,815,897	778,639,298	642,972,249
Total deferred inflows of resources	18,050,376	12,104,335	18,512,962	18,310,653	36,563,338	30,414,988
Net Position						
Net investment in capital assets	56,033,319	60,466,895	155,823,047	140,993,535	211,856,366	201,460,430
Restricted	78,031,958	45,323,960	1,930,672	1,114,682	79,962,630	46,438,642
Unrestricted	(337,197,972)	(344,067,403)	45,600,782	30,207,643	(291,597,190)	(313,859,760)
Total Net Position	\$ (203,132,695)	\$ (238,276,548)	\$ 203,354,501	\$ 172,315,860	\$ 221,806	\$ (65,960,688)

The net investment in capital assets category is defined as the County’s investment in County owned capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. Johnston County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Johnston County’s net investment in 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.

Another category of net position is restricted net position. This represents resources that are subject to external restrictions on how they may be used.

The final category of net position is unrestricted net position. This balance may be used to meet the government’s ongoing obligations to citizens and creditors. Unrestricted net position (deficit) totaled \$(291,597,190) at June 30, 2021. This deficit is a result of the situation described in the following paragraph.

As with many counties in the State of North Carolina, the County’s deficit in unrestricted net position is due primarily to the portion of the County’s outstanding debt incurred for use by the Johnston County Board of Education to construct, renovate and equip schools. Under North Carolina law, the County is responsible for providing capital funding for the schools. The County has chosen to meet its obligation to provide the schools capital funding by using a mixture of County funds and general obligation debt. The assets funded by the County, however, are owned and utilized by the schools. Since the County, as the issuing government, acquires no capital assets, the County has incurred a liability without a corresponding increase in assets. At the end of the fiscal year, approximately \$288,186,163 of the outstanding debt on the County’s financial statements was related to assets included in the public schools and community college financial statements.

However, since the majority of this school related debt is general obligation debt, it is collateralized by the full faith, credit, and taxing power of the County. Accordingly, the County is authorized and required by State law to levy ad valorem taxes, without limit as to rate and amount, as may be necessary to pay the debt service on its general obligation bonds.

The impact on unrestricted governmental net position of the inclusion of the school system debt without the corresponding assets was offset by the following positive factors:

- Continued diligence in the collection of property taxes by maintaining a collection percentage of 99.80%, resulted in a slight decrease from last year's collection rate of 99.89%.
- Increased charges for services revenue due to growth in the use of County facilities.
- Continued low cost of debt due to the County's high bond rating.

Johnston County's Changes in Net Position

Figure 3

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 31,916,575	\$ 24,766,369	\$ 62,625,464	\$ 58,563,642	\$ 94,542,039	\$ 83,330,011
Operating grants and contributions	29,077,507	27,240,248	6,132,505	5,400,987	35,210,012	32,641,235
Capital grants and contributions	5,034,326	2,062,651	18,705,315	11,366,020	23,739,641	13,428,671
General revenues:					-	-
Property taxes	170,728,675	169,958,192	-	-	170,728,675	169,958,192
Other taxes	60,920,609	52,045,488	-	-	60,920,609	52,045,488
Grants and contributions not restricted to specific programs	1,897,375	1,939,597	-	-	1,897,375	1,939,597
Other	629,075	1,689,314	1,512,428	3,025,845	2,141,503	4,715,159
Total revenues	<u>300,204,142</u>	<u>279,701,859</u>	<u>88,975,712</u>	<u>78,356,494</u>	<u>389,179,854</u>	<u>358,058,353</u>
Expenses:						
Administrative	-	-	1,397,973	1,335,218	1,397,973	1,335,218
General government	29,548,885	22,368,822	-	-	29,548,885	22,368,822
Public safety	59,069,149	65,716,398	-	-	59,069,149	65,716,398
Economic and physical development	9,046,576	9,830,449	-	-	9,046,576	9,830,449
Human services	49,343,009	45,774,201	-	-	49,343,009	45,774,201
Cultural and recreation	674,565	551,000	-	-	674,565	551,000
Education	105,874,373	99,812,123	-	-	105,874,373	99,812,123
Interest on long-term debt	9,504,223	9,162,068	-	-	9,504,223	9,162,068
Solid Waste	-	-	9,566,679	7,360,532	9,566,679	7,360,532
Water Districts	-	-	14,419,466	14,329,070	14,419,466	14,329,070
Water	-	-	18,644,397	19,670,530	18,644,397	19,670,530
Wastewater	-	-	9,496,548	8,853,041	9,496,548	8,853,041
Housing Assistance	-	-	4,821,494	4,402,254	4,821,494	4,402,254
Total expenses	<u>263,060,780</u>	<u>253,215,061</u>	<u>58,346,557</u>	<u>55,950,645</u>	<u>321,407,337</u>	<u>309,165,706</u>
Increase (decrease) in net position before transfers and special items	37,143,362	26,486,798	30,629,155	22,405,849	67,772,517	48,892,647
Transfers	<u>(409,486)</u>	<u>(512,237)</u>	<u>409,486</u>	<u>512,237</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in net position after transfers and special items	36,733,876	25,974,561	31,038,641	22,918,086	67,772,517	48,892,647
Net position, beginning, restated	(239,866,571)	(264,251,109)	172,315,860	149,397,774	(67,550,711)	(114,853,335)
Net position, ending	<u>\$ (203,132,695)</u>	<u>\$ (238,276,548)</u>	<u>\$ 203,354,501</u>	<u>\$ 172,315,860</u>	<u>\$ 221,806</u>	<u>\$ (65,960,688)</u>

Governmental activities. Governmental activities increased the County's net position by \$36,733,876. Key elements of this change are as follows:

Total revenues increased \$20,502,283 due to:

- Increase in charge for services in the Inspections department primarily due to the continued growth of Johnston County. Inspections performed 11,295 more inspections in FY 21 over the prior year that contributed, in part, to the overall increase.
- Other taxes which includes local option sales tax and medicaid hold harmless receipts increased \$8,875,121.
- Register of Deeds service related activities grew by 35% over the previous year. This is also tied to the growth in Johnston County's economy. This increase in activity accounted for the additional increase in charges for services.

Expenses also increased by \$9,845,719, mainly due to increased expenses in general government, human services, education, and interest, which was offset by decreases in public safety and economic and physical development.

- Additional increases in expense related to COVID and costs incurred throughout the year for safety of staff and citizens.
- Additional staffing needs at DSS, EMS and Communications.
- The overall expense increase was due, in part, to the Board of County Commissioners continued commitment to education that saw an overall increase in this area of \$6 million to Johnston County Schools and Johnston Community College.

The County has been able to maintain a high tax collection rate of 99.80%.

Business-type activities: Business-type activities increased Johnston County's net position by \$31,038,641. Key elements of this increase are as follows:

Net position increased in the Solid Waste Fund \$108,874, in the Water Fund \$3,358,097, in the Wastewater Fund \$13,589,862, in the Water District Fund \$13,463,599, and the non-major proprietary funds of \$518,209. The County received \$11,109,417 in system development fees during the year which were set aside in capital reserve funds.

- Revenues increased due to the growth of water and wastewater connections that Public Utilities provides for its citizens and in residential water sales. The number of customers and service connections continue to grow from year to year. Public Utilities' periodically monitors the impact of their fee structure each year and its impact on the associated revenue bonds. In response, fees are adjusted to maintain the required debt coverage and to maintain consistency with cost of living impact.
- The increase in the net position of the business-type activities was also due to a decline in the operating expenses for wastewater. This decrease was due to a reduction in the maintenance and repair and operating supplies over the prior year. The landfill services provided by Solid Waste continue to positively impact the revenue generated. Solid Waste continues to improve their financial position through increased collections on accounts and increased landfill activity.

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Johnston County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Johnston 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 general fund is the chief operating fund of Johnston County. At the end of the current fiscal year, Johnston County's fund balance available in the General Fund was \$129,951,222 while total fund balance reached \$171,023,084. The governing body of Johnston County has determined that the county should maintain an available fund balance of 15% of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the County. The County currently has an available fund balance of 52.90% of general fund expenditures, while total fund balance represents 69.62% of that same amount.

The School Bond fund is used to account for bond proceeds and expenditures for school capital needs. Fund balance increased by \$12,858,885 as a result of new debt issued for school projects.

At June 30, 2021, the governmental funds of Johnston County reported a combined fund balance of \$239,366,240, a 59.25 percent increase from last year. The General Fund balance increased by \$53,961,881. The increase in the County's fund balance can be contributed to a few areas:

- The tax collection percentage of the County continues to remain a strong point of its strengthening fund balance. For 2021, the County's Tax Collection Rate was 99.80%.
- The revenue from the receipt of sales tax increased 14.00%. The County's sales tax collections continue to increase since legislation expanded the sales tax base.

- The County also saw a significant increase in the collection of ad valorem taxes over the prior year. The County saw an increase of ad valorem taxes by approximately \$9 million from FY 20 to FY 21. This is a 6% increase that was caused by County growth as well as the increased valuation of home prices in the County.
- Most importantly, this increase can also be contributed to the financial policies which the Board has adopted. The Board, as well as senior management, continue to monitor the County's activities and financial position for ways to improve not only the financial position of the County, but provide services in a more efficient manner. The County also continuously monitors debt for opportunities to pay down or refinance for savings opportunities.

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by \$40,930,886. The main reasons for these increases were:

- COVID and pandemic related funds received by the federal and state governments totaled more than \$7 million that the County distributed in FY 21.
- Appropriations needed for Sheriff Department as we are in the beginning stages of designing and building a new detention center.
- The County had needs throughout the year to repair and replace ambulances in its fleet.

Proprietary Funds. The County of Johnston's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. Unrestricted net position of the Water Fund amounted to (\$4,482,403), the Wastewater Treatment Fund amounted to \$26,269,112, the Water District Funds amounted to \$33,220,026, the Solid Waste Fund amount to (\$10,115,923), and the non-major proprietary funds amounted to \$709,970. The total increase in unrestricted net position amounted to \$15,393,139 when compared to the prior year. Other factors concerning the finances of these funds have already been addressed in the discussion of the County of Johnston's business-type activities.

Capital Asset and Debt Administration

Capital assets. Johnston County's capital assets for its governmental and business – type activities as of June 30, 2021, totals \$356,162,559 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, park facilities, vehicles, and water lines.

Johnston County's Capital Assets

Figure 4

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 4,752,453	\$ 3,109,864	\$ 8,313,637	\$ 8,313,637	\$ 13,066,090	\$ 11,423,501
Land Improvements	-	-	-	-	-	-
Other Improvements	1,489,746	1,706,201	-	-	1,489,746	1,706,201
Buildings (Plant and distribution systems)	42,550,272	44,235,143	185,170,714	182,019,850	227,720,986	226,254,993
Equipment	3,350,757	3,793,312	6,154,466	5,721,834	9,505,223	9,515,146
Vehicles	3,564,578	4,297,607	1,007,015	1,087,367	4,571,593	5,384,974
Software	214,260	283,577	-	-	214,260	283,577
Intangibles	-	-	26,010,480	26,999,765	26,010,480	26,999,765
Construction in Progress	26,341,623	3,041,191	47,242,558	24,055,552	73,584,181	27,096,743
Total	\$ 82,263,689	\$ 60,466,895	\$ 273,898,870	\$ 248,198,005	\$ 356,162,559	\$ 308,664,900

Major capital asset transactions during the year include:

- Water and Wastewater Improvements
- Sheriff Department Vehicles
- Emergency Services Equipment

Additional information on the County's capital assets can be found in notes to the Financial Statements (pages 41-49).

Long-term Debt. As of June 30, 2021, Johnston County had total bonded debt outstanding of \$274,570,000, all of which is debt backed by the full faith and credit of the County or the County's water districts.

Johnston County's Outstanding Debt

Figure 5

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 227,475,000	\$ 214,200,000	\$ 47,095,000	\$ 43,080,000	\$ 274,570,000	\$ 257,280,000
Limited obligation bonds	71,850,000	43,165,000	80,235,000	55,990,000	152,085,000	99,155,000
Unamortized bond premium	32,175,535	22,616,249	3,516,649	3,105,610	35,692,184	25,721,859
Clean water revolving loans	-	-	34,296,639	39,980,376	34,296,639	39,980,376
Installment purchase loans	-	-	10,855,000	10,030,053	10,855,000	10,030,053
Revenue Bonds	-	-	-	5,983,398	-	5,983,398
Other Notes Payables	-	-	27,534	30,035	27,534	30,035
Total	\$ 331,500,535	\$ 279,981,249	\$ 176,025,822	\$ 158,199,472	\$ 507,526,357	\$ 438,180,721

Johnston County's total debt increased by \$69,345,636 during the past fiscal year, primarily due to the repayment of debt service, offset by the issuance of state revolving loans to finance the construction of the water and sewer distribution systems, the issuance of school bonds, and the issuance of bonds for detention center construction.

As mentioned in the financial highlights section of this document, Johnston County maintained its Aa1 from Moody's Investor Services, and maintained their rating of AA+ from Standard and Poor's Corporation. This bond rating is a clear indication of the sound financial condition of Johnston 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 Johnston County is \$1,280,507,059. The County has \$24,225,000 in General Obligation refunding bonds authorized but un-issued at June 30, 2021.

Additional information regarding Johnston County's long-term debt can be found in the notes to the financial statements (pages 64-77).

Economic Factors and Next Year's Budgets and Rates

According to the 2020 U.S. Census Bureau, the County is the fastest growing county in the State. Many factors contribute to growth in the County's population and economy. The County's overall economy is diversified with a balance of industrial, commercial, and agriculture enterprises. The production of pharmaceutical products, heavy equipment, and other products, along with durable goods assembly operations and distribution centers have provided relatively stable employment to County residents and have been the object of significant capital expenditures over the years. The County's estimated average labor force for the calendar year 2020 was 100,706 and for calendar year 2020 was 98,297. The County's estimated average unemployment rate for calendar year 2020 was 6.3%, as compared to the State's estimated average unemployment rate of 7.3% for the same period. Due to the national COVID-19 pandemic, the County's estimated unemployment rate rose to a high of 11.6% in May 2020, compared to the State's estimated unemployment rate of 13.7% for the same period. The County's estimated unemployment rate for June 2021 was 4.4%, as compared to the State's estimated unemployment rate for the same period of 4.9%.

The western portion of the County has directly benefited from its proximity to (1) the Research Triangle Park, with over 6,900 acres of land set aside for research and research-oriented manufacturing activities, which includes more than 250 research and development facilities employing over 55,000 persons; (2) regional employers in and around the City of Raleigh, the State's capitol and a major urban center, which include private sector opportunities with Fortune 500 companies, federal and State government positions and expanding medical service careers; and (3) numerous institutions of higher education including North Carolina State University in the City of Raleigh, The University of North Carolina in the Town of Chapel Hill, Duke University and North Carolina Central University in the City of Durham and East Carolina University in the City of Greenville.

The County's employment base includes approximately 10% of all biopharmaceutical jobs in the State. The area southeast of the Town of Clayton is home to two large international pharmaceutical companies, as well as a special purpose Research and Training Zone ("RTZ"), which is an economic development and training district created through special legislation that supports the special needs of the local pharmaceutical industries. The RTZ includes a 30,000 square-foot workforce development center, an educational and technical skills training center that ensures the pharmaceutical employee base is updated with state-of-the-art techniques and procedures. In September 2018, a \$1.3 million renovation of the center was completed. The renovation allows more hands-on lab training and simulation opportunities and will improve how skilled employees are trained for regional bio-manufacturing industries.

The County and four neighboring counties including Edgecombe, Nash, Pitt and Wilson, being home to major global biopharmaceutical manufacturing facilities, formed the BioPharma Crescent consortium to help companies locate or expand operations within close proximity to the Research Triangle Park. BioPharma Crescent partners, including the NC Biotechnology Center, understand the unique land use and utility requirement for biotech manufacturing, are active in workforce development programs, and participate in incentive grants for new and expanding companies. The BioPharma Crescent consortium's collective colleges, universities, and biopharma-specific training network can provide local businesses with a highly-educated and well-trained network.

The largest manufacturing employer in the County currently is Grifols Therapeutics Inc. ("Grifols"), an international manufacturer of blood plasma related products for a variety of applications, employing approximately 1,735. The blood plasma facility has been in operation since 1981 and is the primary Grifols manufacturing facility. In November 2017, Grifols received recognition as one of the 500 best companies to work for by Forbes Magazine.

Grifols' facilities and operations at its complex near Clayton include a 155,000 square-foot, \$370 million North Fractionation Facility ("NFF") that opened in 2014, created an additional 200 jobs, and is the world's largest, as well as one of the most technologically advanced plasma fractionation facilities. The NFF was named the 2014 Facility of the Year for Project Execution by the International Society for Pharmaceutical Engineering. Grifols also completed construction in recent years of a new approximately \$22.5 million, three-story, 100,000 square-foot office building that houses 400 employees, as well as a new approximately \$7.5 million, 59,000 square-foot warehouse. In addition, a \$210 million expansion announced in 2016 includes a \$90 million, 82,550 square-foot fractionation plant currently under construction adjacent to the NFF and a \$120 million, 150,000 square-foot purification and filling facility for the production of intravenous immunoglobulin and factor VIII products. The fractionation plant is scheduled to be operational later in 2021 and the purification and filling facility is scheduled to be operational in 2022. Grifols anticipates the two facilities together will create approximately 250 new jobs. In December 2017, Grifols purchased an additional 467 acres adjacent to its site near Clayton for future site expansion.

In June 2020, Grifols announced it will invest approximately \$351.6 million to build a specialized blood plasma fractionation facility and logistics center at its campus near Clayton in response to growing global demand for its medicines. The expansion is expected to create approximately 300 additional jobs from 2024 to 2028 with an average salary of \$69,032.

Novo Nordisk Pharmaceutical Industries ("Novo Nordisk"), the world's largest supplier of insulin products, opened its facility in the Clayton area in 1993, and currently employs over 1,200 people at its Diabetes Finished Products ("DFP") manufacturing facility. The DFP facility is responsible for the formulation, filling, inspection, assembly and packaging of diabetes and obesity medicines, which are marketed in North America, Europe, New Zealand and Australia. Novo Nordisk has expanded its operation in the Clayton area several times over the years. An approximately \$102 million expansion was completed in recent years which created approximately 110 new jobs.

Novo Nordisk recently completed construction of a new approximately \$2 billion, 825,000 square-foot bio-processing facility for Diabetes Active Pharmaceutical Ingredients ("DAPI") adjacent to its current site in the Clayton area. Up to 2,500 workers have been employed during construction and the new facility is now operational. The new facility is anticipated to create approximately 690 jobs with an average annual salary of approximately \$68,420. The new positions will span manufacturing, administrative, technical services and support personnel. The DAPI facility is one of only two in the world for Novo Nordisk (the first outside of Denmark) and will ensure production capacity for diabetes care products in the US for the decade ahead.

In February 2018, Novo Nordisk announced plans for a \$65 million expansion of the existing DFP facility in the County, which is expected to result in the creation of approximately 25 jobs. Another \$22 million expansion for the DFP facility was announced in December 2018 that is expected to create approximately 22 jobs. This was the fourth expansion announcement since 2010. Novo Nordisk was recently recognized as one of the State's top exporters and was presented the 2020 Governor's Export Award in February 2021 by the Economic Development Partnership of NC, sharing honors for Top Large Business Export with specialty textile manufacturer Glen Raven.

Another large manufacturing employer in the County is the Building and Construction Products Division of Caterpillar Inc. ("CAT"), a Fortune 100 company, located near the Town of Clayton. The facility currently assembles and distributes all CAT rubber tire front-end loaders for North America and the export market. CAT completed construction of a Machine Development Center on 252 acres adjacent to its Clayton assembly facility in July, 2013. The approximately 55,000 square-foot facility is where prototype machines are designed, tested and subjected to customers' hands-on operation and critique. At a state-of-the-art heavy equipment test track located at the center, engineers can get hands-on experience testing out new equipment, with a focus on design elements that can be incorporated into new Caterpillar machines. In February 2021, CAT announced plans to add a visitor demonstration center, in-house testing area and storage shelter to its assembly plant near Clayton. CAT employs approximately 599 people at its Clayton facilities.

The area near the Town of Clayton is also home to new, growing companies, such as Blue Pack Marketing (“BPM”). BPM, founded in 2014, specializes in brand development, supply chain logistics and digital marketing and employs approximately 30 people. The company placed 1,188th on the Inc. 5000 rankings list for 2020 and is one of the fastest growing technology-based companies in the region.

Further east in the County along the Interstate Highway 95 (“I-95”) corridor, several economic development expansions have been announced or have taken place in recent years. Economic development expansions underway, completed or announced in FY 21 include the following:

- An approximately \$9.2 million Hampton Inn opened in the Fall of 2017 near I-95 in the Town of Benson. The hotel includes 89 rooms and a lower-level conference space and employs approximately 25 people. The site also includes a 2.3 acre outparcel for a 4,000 square-foot quick-service restaurant and a 6,000 square-foot full-service restaurant. A Hampton Inn of similar size and investment recently opened in the Town of Smithfield.
- Sysco Corporation, a food service distributor with an operation in the Town of Selma, added a 147,000 square-foot addition to its facility for dry storage at an approximate cost of \$27 million.
- In January 2019, Blue Line Aviation LLC announced plans to build a state-of-the-art aviation facility and headquarters at Johnston Regional Airport, to include a hangar and flight school for both private and commercial aviation. The \$13 million project is expected to bring more than 50 new jobs during its first year. Construction is underway and the facility will include 22,000 square feet of space for Blue Line’s Professional Pilot Training Center, offices and restaurant space, 20,000 square feet of hangar space, an observation area, a playground, a roof-top restaurant and a full motion flight simulator.
- Plans were unveiled in February 2019 for Eastfield, an approximately \$287.5 million master-planned, mixed-use 353-acre development, to be located on the east side of the intersection of I-95 and US Highway 70/future Interstate 42 in the Smithfield-Selma area. AdVenture Development, LLC, a full-service real estate company with offices in the Town of Selma as well as the City of Pittsburgh, plans to construct Eastfield in two phases. The first phase is one million square-feet of warehouse and flex-space for industrial and office tenants. The anticipated cost of phase one is approximately \$40 million. This new industrial space is part of a much larger plan for the remainder of the development to include medical office facilities, single-family and multi-unit housing, retail shops, hotels and a senior living community. The Eastfield Project is anticipated to eventually include The Shops at Eastfield, Eastfield Estates, Eastfield Park and Eastfield Village. Although progress has slowed due to the COVID-19 pandemic, the company continues to plan and design, to work with the Town of Selma and NC Department of Transportation, and to coordinate with tenants and prospective tenants. For example, the company recently received approval for a Marriott Hotel. In addition, the first property to be developed in Eastfield, a 135,000 speculative building suitable for advance manufacturing, distribution or warehouse space-to-suit, was recently announced. Upon completion of the entire development, originally anticipated for 2031, it is expected that Eastfield will be home to as many as 3,100 jobs.
- In May 2019, Broad River Retail LLC broke ground on a 182,300-square foot facility that includes Ashley HomeStore, as well as an Ashley HomeStore Outlet connected to a distribution center, a call center and a learning center just off I-95 near Four Oaks. The facility opened in June 2020 and represents an investment of approximately \$16 million and created approximately 160 jobs.
- On April 12, 2021, Berry Global, the Fortune 500 manufacturer of nonwoven fabrics and plastic packaging products, announced plans to invest over \$70 million to expand its manufacturing plant in the Town of Benson. The company expects to add approximately 60 jobs to its approximately 217 existing employees in the County.
- On June 7, 2021, Bartlett Milling, the largest flour miller in the Carolinas, announced plans to invest over \$26 million to expand and upgrade its production facility near the Town of Wilson’s Mills. The company expects to add 5-10 employees. Headquartered in Kansas City, Missouri, the company produces a full line of commercial patent flours at its facility in the County for bakeries, restaurants and institutional food service operations such as schools and hospitals.
- On May 10, 2021, Amazon.com, the Seattle-based e-retailing firm, announced it will invest approximately \$100 million to build a state-of-the-art import processing center in the Town of Smithfield. The company expects to create more than 500 jobs with starting wages of \$15 an hour and comprehensive benefits. The 620,000 square-foot, cross-dock warehousing facility is expected to be operational in 2022 and will receive products into the company’s fulfillment network and ready them for shipment to consumers. The Town of Smithfield and the County worked together to have the 258-acre industrial park in West Smithfield where the Amazon.com facility is being constructed designated a certified site by the State. In April 2021, Samet Corporation, a real estate development company headquartered in the City of Greensboro, NC, purchased 233 acres in the industrial park for the Amazon.com facility and construction began on the Amazon facility in May 2021.

The County's Economic Development office acts as a facilitator between the County and the private sector to encourage and promote development opportunities within the County. Services include custom digitized maps, labor and wage analysis, site selection assistance and incentive packaging. There are several available sites in the County certified under the State's Certified Sites Program, which streamlines the building process for industrial land use and reduces risks associated with developing raw land. Certified sites meet a stringent list of requirements including price transparency, access, proper zoning, completed environmental audits, topographical analyses and maps, and availability of public utilities. In addition, the County is home to four, federally-designated Opportunity Zones ("OZ"). The purpose of an OZ is to stimulate economic growth in low-wealth areas through private investment and job creation, while providing tax benefits to investors.

The County is also a hub for the medical services industry and related employment. Johnston Health, formerly named Johnston Memorial Hospital, is located in the Town of Smithfield and the Town of Clayton is also the site of Johnston Health – Clayton, both full service hospitals affiliated with UNC Health Care (See "MEDICAL FACILITIES" herein). The area surrounding Johnston Health - Clayton is attracting significant new retail, office (including medical offices), and high-density residential development. Medical facilities affiliated with WakeMed, the largest regional hospital in the Raleigh-Durham-Chapel Hill area, and Duke University Medical Center are also located in the Town of Clayton.

The County's agricultural economy is diversified with field crops, livestock, poultry, horticultural crops, forestry, agritourism, and agribusiness. This diversification in the local agricultural economy complements the industrial and commercial sectors. The major sources of farm income are from the production of tobacco, sweet potatoes, nursery and greenhouse crops, forestry and forest products, cattle, swine, turkeys, vegetable crops, cotton, grain, peanuts, and a mixture of other crops and livestock. There is a strong demand for leasing farmland in the County for the production of crops and farmers purchase land when feasible. The County routinely ranks among the top two to three counties in the nation in the production of sweet potatoes and flue-cured tobacco, and among the top counties in the State in the production of greenhouse and nursery crops. Flue-cured tobacco continues to be the primary cash crop for local farms. Farm businesses have made significant investments in equipment to both continue and modernize agricultural production, while also diversifying farm production with vegetable crops and livestock. At the present time, there is a strong demand for the products and commodities produced on farms located in the County in spite of negative pressure from global trade concerns. Increased commercial and residential development growth pressure is taking land out of production at a rapid pace and competing with farms for available land resources. Although demand for wholesale farm products has been weaker and production has been depressed from 2017-2020, the farm sector remains strong and demand is much improved for the 2021 season to date.

The retail sector in the County is strong despite the COVID-19 pandemic and has also experienced growth in recent years. Many shopping centers offering a variety of retailers, grocery chains and specialty shops are located in the County. Carolina Premium Outlets, the largest retail complex in the County, is located along I-95 in the Town of Smithfield, attracting regional shoppers as well as tourist traffic. The outlet center includes over 75 stores with over 443,000 square-feet and several outparcels.

The western and northern portions of the County in and around the Town of Clayton, the Cleveland community and the McGee's Crossroads area have experienced significant residential development over the past 20-30 years, with increases in demand for new housing in recent years. Homebuyers have many options in the County, from upscale living in rural settings to family-oriented neighborhoods and master-planned communities, including several live-work communities with housing, neighborhood shopping, employment and entertainment. Many homes of varying sizes and price levels are in various stages of planning and are expected to be built in various communities, often within walking distance of planned amenities and schools. The eastern portion of the County has also seen recent increases in residential development, including the towns of Smithfield and Wilson's Mills.

Significant economic indicators for the County are as follows:

<u>Indicator</u>	<u>Johnston County</u>	<u>North Carolina</u>
Population Increase 2001-2020	71.00%	27.20%
Projected Population Increase 2021-2040	45.40%	20.30%
Average Unemployment Rate 2020	6.30%	7.30%
Per Capita Income 2020	\$44,087	\$50,305
Median Household Income 2019	\$59,865	\$54,602

Impact of the COVID-19 Pandemic on the County

On March 10, 2020, North Carolina Governor Roy Cooper declared a state of emergency in the State of North Carolina in response to the global COVID-19 pandemic. The County followed soon after, declaring a State of Emergency and activating the Johnston County Emergency Operations Center on March 16, 2020. Subsequently, the State imposed a series of restrictions designed to address the COVID-19 pandemic. Many operational response efforts have been undertaken by County departments including the Public Health Department, the Emergency Services Department, the Social Services Department, the Public Utilities Department, the Human Resources Department and the Building and Grounds Department. The Public Health Department is the County's lead agency in the response to COVID-19.

The County received \$3,656,014 in Coronavirus Aid, Relief and Economic Security ("CARES") Act funds from the North Carolina Pandemic Recovery Office ("NCPRO") in May, 2020 and \$4,062,840 in July, 2020. Of these CARES Act funds, \$1,929,714 was allocated to municipalities in the County and the majority of the remaining funds were used for County public safety employee salaries.

On March 11, 2021, the County received notification that it would receive approximately \$40.6 million from the most recent federal stimulus package (ARPA). On June 17, 2021, the County received the first tranche in the amount of \$20,330,823.50. The County has formed a task force to analyze and prioritize the County's needs for expenditure of the funds. To date, \$2.2 million of the County's ARPA funds have been allocated for water projects.

Despite the COVID-19 pandemic and resulting operational response efforts, the County's financial results for the fiscal year ended June 20, 2021 were positive. For the General Fund, ad valorem taxes increased \$13.5 million and local option sales tax revenue increased \$9.1 million over the previous fiscal year. The County added \$53.9 million to fund balance in the General Fund for the fiscal year ended June 20, 2021.

In the water and sewer funds, due to the on-going growth in the customer base, year-end results in each water and sewer fund were positive and the County's solid waste operations experienced positive year-end results as well.

Budget Highlights for the Fiscal Year Ending June 30, 2022

Governmental Activities: Ad Valorem tax revenue is anticipated to grow by 12 percent due to continued construction growth and property valuations. Sales tax revenue is anticipated to grow by 4 percent over the next year. The County will use modest increases in revenues to finance programs currently in place and service additional debt service for school construction.

Budgeted expenditures in the General Fund increased 12 percent, mainly due to increases in public safety, construction of a new detention center and school current expense. The largest budgeted expenditures are in school current expense and debt service.

Business – type Activities: The water and sewer and solid waste rates all had slight increases to cover the operations of these utility programs. For example, retail commodity rates will increase by 6% on average while bulk rates will remain the same. Retail sewer rates will increase by 3% on average while the sewer commodity rates will increase by 5% for FY 22. There will also be slight adjustments in rates for plan review, permitting and inspection fees.

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, Johnston County, Post Office Box 1049, Smithfield, NC 27577. You can also call (919) 989-5112, visit our website at www.johnstonnc.com, or send an email to chad.mclamb@johnstonnc.com for more information.

BASIC FINANCIAL STATEMENTS

Johnston County, North Carolina
Statement of Net Position
June 30, 2021

	Primary Government			Component Units			
	Governmental	Business	Total	Johnston	Johnston	Johnston	Total
	Activities	Type	Primary	ABC	Tourism	County	Reporting
		Activities	Government	Board	Development	Airport	Unit
ASSETS							
Cash and cash equivalents	\$ 154,281,062	\$ 79,762,280	\$ 234,043,342	\$ 4,032,664	\$ 910,054	\$ 5,005,888	\$ 243,991,948
Receivables (net):							
Property Taxes	349,323	-	349,323	-	-	-	349,323
Accounts	6,350,351	5,692,817	12,043,168	-	169,370	73,823	12,286,361
Notes	120,000	-	120,000	-	-	-	120,000
Interest	2,036	283,378	285,414	-	-	-	285,414
Inventories	-	-	-	1,782,606	-	38,575	1,821,181
Internal Balances	70,448	(70,448)	-	-	-	-	-
Due from other governments	21,312,170	1,031,256	22,343,426	-	-	518,773	22,862,199
Prepaid items	84,325	1,876	86,201	6,825	-	24,580	117,606
Restricted assets:							
Cash and cash equivalents	88,985,590	20,640,732	109,626,322	-	-	-	109,626,322
Net Pension Asset	551,914	-	551,914	-	-	-	551,914
Capital assets:							
Land, improvements, and construction in process	31,094,076	55,556,195	86,650,271	1,178,052	-	5,515,910	93,344,233
Other capital assets, net of depreciation	51,169,613	218,342,675	269,512,288	755,737	-	18,762,465	289,030,490
Total Capital assets	82,263,689	273,898,870	356,162,559	1,933,789	-	24,278,375	382,374,723
Total assets	\$ 354,370,908	\$ 381,240,761	\$ 735,611,669	\$ 7,755,884	\$ 1,079,424	\$ 29,940,014	\$ 774,386,991
DEFERRED OUTFLOWS OF RESOURCES							
Deferred charge - refunding	\$ 4,620,543	\$ 4,877,706	\$ 9,498,249	\$ -	\$ -	\$ -	\$ 9,498,249
Pension related deferrals	17,500,493	1,799,954	19,300,447	322,171	98,594	85,351	19,806,563
OPEB related deferrals	45,185,545	5,828,532	51,014,077	868,579	-	350,487	52,233,143
Total deferred outflows of resources	\$ 67,306,581	\$ 12,506,192	\$ 79,812,773	\$ 1,190,750	\$ 98,594	\$ 435,838	\$ 81,537,955
LIABILITIES							
Accounts payable and accrued liabilities	\$ 2,892,020	\$ 710,538	\$ 3,602,558	\$ 1,628,530	\$ 62,303	\$ 337,184	\$ 5,630,575
Solid waste fines	-	95,848	95,848	-	-	-	95,848
Customer Deposits	392,109	3,758,007	4,150,116	-	-	-	4,150,116
Accrued interest	3,847,475	879,340	4,726,815	-	-	-	4,726,815
Unspent Grant Funds	28,372,836	-	28,372,836	-	-	-	28,372,836
Long-term liabilities:							
Due within one year:							
Current portion of long-term liabilities	35,020,865	8,050,860	43,071,724	-	101,000	-	43,172,724
Due in more than one year:							
Accrued landfill closure and postclosure	-	18,014,219	18,014,219	-	-	-	18,014,219
Net Pension Liability	28,257,980	3,318,672	31,576,652	407,371	178,216	167,271	32,329,510
Total Pension Liability - LEOSSA	6,164,386	-	6,164,386	-	-	-	6,164,386
Total OPEB Liability	200,759,506	26,377,666	227,137,172	4,757,816	-	1,598,516	233,493,504
Noncurrent portion of long-term liabilities	301,052,631	110,674,341	411,726,972	-	-	20,758	411,747,730
Total liabilities	\$ 606,759,808	\$ 171,879,490	\$ 778,639,298	\$ 6,793,717	\$ 341,519	\$ 2,123,729	\$ 787,898,263
DEFERRED INFLOWS OF RESOURCES							
Prepayments	\$ 182,777	\$ -	\$ 182,777	\$ -	\$ -	\$ -	\$ 182,777
Pension related deferrals	250,014	7,194	257,208	-	386	363	257,957
OPEB related deferrals	17,617,585	2,314,763	19,932,348	77,141	-	140,277	20,149,766
Water plant capacity	-	16,191,005	16,191,005	-	-	-	16,191,005
Total deferred inflows of resources	\$ 18,050,376	\$ 18,512,962	\$ 36,563,338	\$ 77,141	\$ 386	\$ 140,640	\$ 36,781,505
NET POSITION							
Net investment in capital assets	\$ 56,033,319	\$ 155,823,047	\$ 211,856,366	\$ 1,933,789	\$ -	\$ 24,278,375	\$ 238,068,530
Restricted for:							
Stabilization by State Statute	35,306,220	-	35,306,220	-	169,370	-	35,475,590
Public Safety	5,681,317	-	5,681,317	120,709	-	-	5,802,026
Education	37,044,421	-	37,044,421	-	-	-	37,044,421
Utilities - Capital / Reclamation	-	907,154	907,154	-	-	-	907,154
Housing Assistance Program	-	1,023,518	1,023,518	-	-	-	1,023,518
Working Capital	-	-	-	762,942	-	-	762,942
Unrestricted	(337,197,972)	45,600,782	(291,597,190)	(741,664)	666,743	3,833,108	(287,839,003)
Total net position	\$ (203,132,695)	\$ 203,354,501	\$ 221,806	\$ 2,075,776	\$ 836,113	\$ 28,111,483	\$ 31,245,178

Johnston County, North Carolina
Statement of Activities
For the Year Ended June 30, 2021

Exhibit 2

Functions/Programs	Net (Expense) Revenue and Changes in Net Position									
	Program Revenues				Primary Government			Johnston ABC Board		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Johnston ABC Board	Johnston Tourism Development	Johnston Airport Authority
Primary government:										
Government activities:										
General government	\$ 29,548,885	\$ 10,422,526	\$ -	\$ -	\$ (19,126,359)	\$ -	\$ (19,126,359)	\$ -	\$ -	\$ -
Public safety	59,069,149	6,518,754	7,577,576	27,326	(44,945,493)	-	(44,945,493)	-	-	-
Economic and physical development	9,046,576	1,224,721	31,725	715,000	(7,075,130)	-	(7,075,130)	-	-	-
Human services	49,343,009	13,750,574	21,468,206	-	(14,124,229)	-	(14,124,229)	-	-	-
Cultural and recreational	674,565	-	-	-	(674,565)	-	(674,565)	-	-	-
Education	105,874,373	-	-	4,292,000	(101,582,373)	-	(101,582,373)	-	-	-
Interest Expense	9,504,223	-	-	-	(9,504,223)	-	(9,504,223)	-	-	-
Total governmental activities	263,060,780	31,916,575	29,077,507	5,034,326	(197,032,372)	-	(197,032,372)	-	-	-
Business-type activities:										
Administrative	1,397,973	1,623,291	-	-	-	225,318	225,318	-	-	-
Solid Waste	9,566,679	8,105,695	989,992	-	-	(470,992)	(470,992)	-	-	-
Water Districts	14,419,466	19,096,033	110,202	11,193,867	-	15,980,636	15,980,636	-	-	-
Water	18,644,397	18,261,034	198,874	-	-	(184,489)	(184,489)	-	-	-
Wastewater	9,496,548	15,539,411	-	7,401,246	-	13,444,109	13,444,109	-	-	-
Housing assistance	4,821,494	-	4,943,639	-	-	122,145	122,145	-	-	-
Total business-type activities	58,346,557	62,625,464	6,242,707	18,595,113	-	29,116,727	29,116,727	-	-	-
Total primary government	\$ 321,407,337	\$ 94,542,039	\$ 35,320,214	\$ 23,629,439	\$ (197,032,372)	\$ 29,116,727	\$ (167,915,645)	\$ -	\$ -	\$ -
Component units:										
Johnston ABC Board	\$ 19,217,578	\$ 19,836,496	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 618,918	\$ -	\$ -
Johnston Tourism Development	1,137,964	-	20,750	-	-	-	-	-	(1,117,214)	-
Johnston County Airport Authority	2,120,434	1,344,609	3,513	7,109,944	-	-	-	-	-	6,337,632
Total component units	\$ 22,475,976	\$ 21,181,105	\$ 24,263	\$ 7,109,944	\$ -	\$ -	\$ -	\$ 618,918	\$ (1,117,214)	\$ 6,337,632
General Revenues:										
Ad valorem taxes					170,728,675	-	170,728,675	-	-	-
Local option sales tax					59,736,031	-	59,736,031	-	-	-
Other taxes					1,184,578	-	1,184,578	-	1,158,425	-
Unrestricted intergovernmental					1,897,375	-	1,897,375	-	-	-
Investment income					62,098	992,471	1,054,569	2,272	356	229
Gain/Loss of sale/disposal of assets					-	170,995	170,995	-	-	(22,958)
Miscellaneous					566,977	348,962	915,939	-	12,997	-
Transfers					(409,486)	409,486	-	-	-	-
Total general revenues and transfers					\$ 233,766,248	\$ 1,921,914	\$ 235,688,162	\$ 2,272	\$ 1,171,778	\$ (22,729)
Change in net position					36,733,876	31,038,641	67,772,517	621,190	54,564	6,314,903
Net position - beginning					(238,276,548)	172,315,860	(65,960,688)	1,454,586	781,549	21,796,580
Prior Period Restatement					(1,590,023)	-	(1,590,023)	-	-	-
Net position - beginning (as restated)					(239,866,571)	172,315,860	(67,550,711)	1,454,586	781,549	21,796,580
Net position - ending					\$ (203,132,695)	\$ 203,354,501	\$ 221,806	\$ 2,075,776	\$ 836,113	\$ 28,111,483

Johnston County, North Carolina
Governmental Funds
Balance Sheet
June 30, 2021

	Major			Non-Major	Total
	General	School Bond Fund	ARPA Coronavirus SLFRF	Other Governmental Funds	Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 143,491,832	\$ -	\$ -	\$ 10,789,230	\$ 154,281,062
Restricted cash	10,451,660	37,627,437	20,330,829	20,575,664	88,985,590
Receivables (net):					
Taxes	330,329	-	-	-	330,329
Accounts	6,251,236	-	-	99,115	6,350,351
Interest	2,036	-	-	-	2,036
Notes	120,000	-	-	-	120,000
Due from other funds	29,904	-	-	70,706	100,610
Due from other governments	21,291,654	-	-	20,516	21,312,170
Prepaid items	84,325	-	-	-	84,325
Total assets	<u>\$ 182,052,976</u>	<u>\$ 37,627,437</u>	<u>\$ 20,330,829</u>	<u>\$ 31,555,231</u>	<u>\$ 271,566,473</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ 2,082,665	\$ 583,016	\$ -	\$ 226,339	\$ 2,892,020
Payroll withholdings	-	-	-	-	-
Customer Deposits	392,109	-	-	-	392,109
Due to other funds	-	-	-	30,162	30,162
Unspent Grant Funds	8,042,012	-	20,330,824	-	28,372,836
Total liabilities	<u>10,516,786</u>	<u>583,016</u>	<u>20,330,824</u>	<u>256,501</u>	<u>31,687,127</u>
DEFERRED INFLOWS OF RESOURCES					
Prepaid Taxes	182,777	-	-	-	182,777
Taxes receivable	330,329	-	-	-	330,329
Total deferred inflows of resources	<u>513,106</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>513,106</u>
Fund balances:					
Nonspendable					
Prepaid items	84,325	-	-	-	84,325
Restricted					
Stabilization by State Statute	35,306,220	-	-	-	35,306,220
Capital Projects - Schools	-	37,044,421	-	-	37,044,421
Inspections	5,681,317	-	-	-	5,681,317
Committed					
Economic Development	-	-	5	8,419,715	8,419,720
Public Safety	1,154,064	-	-	22,284,538	23,438,602
Mental Health	350,000	-	-	-	350,000
Automation Enhancement	856,938	-	-	-	856,938
Capital Purchases (fee in lieu)	1,320,293	-	-	-	1,320,293
Tax Revaluation	1,130,902	-	-	-	1,130,902
LEO Special Separation Allowance	1,278,746	-	-	-	1,278,746
Assigned					
Subsequent year's expenditures	-	-	-	-	-
Unassigned	123,860,279	-	-	594,477	124,454,756
Total fund balances	<u>171,023,084</u>	<u>37,044,421</u>	<u>5</u>	<u>31,298,730</u>	<u>239,366,240</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 182,052,976</u>	<u>\$ 37,627,437</u>	<u>\$ 20,330,829</u>	<u>\$ 31,555,231</u>	<u>\$ 271,566,473</u>

The Notes to the Financial Statements are an Integral Part of this Statement

JOHNSTON COUNTY, NORTH CAROLINA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET POSITION
June 30, 2021

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

Total fund balance - governmental funds	\$ 239,366,240
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	148,598,628
Less accumulated depreciation	(66,334,939)
Net capital assets	82,263,689
Net Pension Asset - ROD	551,914
Deferred outflows of resources:	
Contributions to the pension plan in the current fiscal year	
LGERS	5,653,419
ROD	31,209
Pension related deferrals	
LGERS	9,676,351
ROD	11,813
LEOSSA	2,008,270
OPEB related deferrals	42,584,255
Benefit payments for the OPEB plan paid subsequent to the measurement date	2,601,290
Benefit payments and administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	119,431
Deferred charges related to advance refunding bond issued - included on government-wide statement of net position but are not current financial resources.	4,620,543
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are unavailable in the fund statements	18,994
Liabilities for deferred inflows of resources reported in the fund statements but not the government-wide.	330,329
Pension related deferrals	
LGERS	(61,255)
ROD	(101,706)
LEOSSA	(87,053)
OPEB related deferrals	(17,617,585)
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:	
Bonds, leases, and installment financing	(299,325,000)
Compensated absences	(4,572,961)
Total OPEB Liability	(200,759,506)
Total pension liability (LEOSSA)	(6,164,386)
Net Pension Liability (LGERS)	(28,257,980)
Unamortized bond premium	(32,175,535)
Accrued interest payable	(3,847,475)
Total adjustment	(442,498,935)
Net position of governmental activities	\$ (203,132,695)

Johnston County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	Governmental Fund Types				
	Major			Non-Major	Total
	General	School Bond Fund	ARPA Coronavirus SLFRF	Other Governmental Funds	
Revenues					
Ad valorem taxes	\$ 169,864,108	\$ -	\$ -	\$ 1,131,405	\$ 170,995,513
Local option sales taxes	59,736,030	-	-	-	59,736,030
Other taxes and licenses	-	-	-	1,184,578	1,184,578
Unrestricted intergovernmental	1,897,375	-	-	-	1,897,375
Restricted intergovernmental	33,427,365	-	-	1,203,034	34,630,399
Permits and fees	18,219,187	-	-	251,493	18,470,680
Sales and services	12,759,516	-	-	167,813	12,927,329
Investment earnings	49,810	3,822	5	8,461	62,098
Miscellaneous	225,408	255,294	-	86,275	566,977
Total revenues	<u>296,178,799</u>	<u>259,116</u>	<u>5</u>	<u>4,033,059</u>	<u>300,470,979</u>
Expenditures					
Current:					
General government	25,834,646	-	-	239,053	26,073,699
Public safety	46,373,172	-	-	23,376,262	69,749,434
Economic and physical development	5,672,648	-	-	4,426,995	10,099,643
Human services	42,971,403	-	-	538,351	43,509,754
Cultural and recreational	670,870	-	-	-	670,870
Education	78,050,000	26,271,755	-	1,362,767	105,684,522
Debt service:					
Principal retirement	27,475,000	-	-	-	27,475,000
Interest and fees	11,173,832	-	-	-	11,173,832
Total expenditures	<u>238,221,571</u>	<u>26,271,755</u>	<u>-</u>	<u>29,943,428</u>	<u>294,436,754</u>
Revenues over (under) expenditures	<u>57,957,228</u>	<u>(26,012,639)</u>	<u>5</u>	<u>(25,910,369)</u>	<u>6,034,225</u>
Other financing sources (uses):					
Issuance of bonds	-	36,000,000	-	35,105,000	71,105,000
Premium on Bonds	-	5,459,166	-	7,172,316	12,631,482
Refunding bonds issued	13,475,000	14,630,000	-	-	28,105,000
Payment to refunded bond escrow agent	(14,364,078)	(16,869,397)	-	-	(31,233,475)
Premium on Refunding Bonds	1,061,574	2,356,240	-	-	3,417,814
Transfers from other funds	3,252,817	-	-	6,462,842	9,715,659
Transfers to other funds	(7,420,660)	(2,704,485)	-	-	(10,125,145)
Total other financing sources (uses)	<u>(3,995,347)</u>	<u>38,871,524</u>	<u>-</u>	<u>48,740,158</u>	<u>83,616,335</u>
Net Change in Fund Balance	53,961,881	12,858,885	5	22,829,789	89,650,560
Fund balances, beginning	117,061,203	24,185,536	-	10,058,964	151,305,703
Prior Period Restatement - change in accounting principle	-	-	-	(1,590,023)	(1,590,023)
Fund balances, beginning, restated	<u>117,061,203</u>	<u>24,185,536</u>	<u>-</u>	<u>8,468,941</u>	<u>149,715,680</u>
Fund balances, ending	<u>\$ 171,023,084</u>	<u>\$ 37,044,421</u>	<u>\$ 5</u>	<u>\$ 31,298,730</u>	<u>\$ 239,366,240</u>

JOHNSTON COUNTY, NORTH CAROLINA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021

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

Net change in fund balance - total governmental funds	\$ 89,650,560
Capital Outlay Expenditures recorded in the fund statements but capitalized as assets in the statement of activities.	27,002,409
Depreciation Expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements.	(5,059,451)
Gain on Disposal of assets during the year.	(146,164)
New debt issued during the year is recorded as a source of funds on the fund statements; it has not effect on the statement of activities -- it affects only the government-wide statement of net position.	(99,210,000)
Premium on new debt issued during the year is recorded as a source of funds on the fund statements; it has not effect on the statement of activities -- it affects only the government-wide statement of net position.	(16,049,296)
Amount of debt defeased as a result of refundings effects only the government-wide statements.	29,775,000
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net position in the government-wide statements.	27,475,000
Deferred refunding charges on new bond refundings that are recorded on government-wide statements but not on fund statements	(1,859,257)
Deferred refunding charges written off as a result of new bond refundings that are recorded on government-wide statements but not on fund statements.	(150,369)
Premiums written off as a result of new bond refundings that are recorded on government-wide statements but not on fund statements.	3,468,536
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.	5,684,628
Benefit payments and administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	119,431
Contributions to the OPEB plan are deferred outflows of resources on the Statement of Net Position.	2,601,290
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)	(177,442)
Amortization of Bond refunding costs	(1,174,423)
Amortization of premium on bond refunding	3,021,474
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources.	(210,523)
Pension expense	(10,315,928)
OPEB expense	(17,444,761)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements.	
Increase (Decrease) in taxes receivable	(254,595)
Increase (Decrease) in accrued interest on taxes	(12,243)
Change in net position of governmental activities	\$ <u>36,733,876</u>

Johnston County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund
For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Ad valorem taxes	\$ 158,190,000	\$ 158,190,000	\$ 169,864,108	\$ 11,674,108
Local option sales tax	37,858,508	37,858,508	59,736,030	21,877,522
Other taxes and licenses	50,000	50,000	-	(50,000)
Unrestricted intergovernmental	1,287,000	1,246,206	1,897,375	651,169
Restricted intergovernmental	27,782,728	49,187,894	33,427,365	(15,760,529)
Permits and fees	10,280,750	11,477,495	18,219,187	6,741,692
Sales and services	9,219,598	9,858,196	12,759,516	2,901,320
Investment earnings	900,000	900,000	49,607	(850,393)
Miscellaneous	656,100	755,911	225,408	(530,503)
Total revenues	<u>246,224,684</u>	<u>269,524,210</u>	<u>296,178,596</u>	<u>26,654,386</u>
Expenditures				
Current:				
General government	23,465,189	32,554,269	25,768,466	6,785,803
Public safety	52,025,646	54,021,372	46,373,172	7,648,200
Economic and physical development	4,091,574	7,016,615	5,672,648	1,343,967
Human services	47,753,210	65,239,178	42,971,403	22,267,775
Cultural and recreational	669,000	670,870	670,870	-
Intergovernmental:				
Education	78,050,000	78,050,000	78,050,000	-
Debt service:				
Principal retirement	27,694,000	27,475,000	27,475,000	-
Interest and other charges	11,909,242	12,128,242	11,173,832	954,410
Total expenditures	<u>245,657,861</u>	<u>277,155,546</u>	<u>238,155,391</u>	<u>39,000,155</u>
Revenues over (under) expenditures	<u>566,823</u>	<u>(7,631,336)</u>	<u>58,023,205</u>	<u>65,654,541</u>
Other financing sources (uses):				
Transfers to other funds	(7,422,124)	(16,855,325)	(7,570,660)	9,284,665
Transfers from other funds	2,750,000	17,766,984	3,252,817	(14,514,167)
Appropriated fund balance	4,105,301	6,719,677	-	(6,719,677)
Total other financing sources (uses)	<u>(566,823)</u>	<u>7,631,336</u>	<u>(4,317,843)</u>	<u>(11,949,179)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>53,705,362</u>	<u>\$ 53,705,362</u>
Fund balance, beginning			<u>116,014,324</u>	
Fund balance, ending			<u>\$ 169,719,686</u>	
A legally budgeted Tax Reassessment Fund is consolidated into the General Fund for reporting purposes:				
Investment Earnings			\$ 203	
Transfer from General Fund			150,000	
Expenditures			(66,180)	
Fund Balance, beginning			<u>1,046,879</u>	
Fund Balance, ending (Exhibit 4)			<u>\$ 170,850,588</u>	

The Notes to the Financial Statements are an Integral Part of this Statement

Johnston County, North Carolina
Statement of Net Position
Proprietary Funds
June 30, 2021

	Major				Non-Major	
	Water	Wastewater	Water District	Solid	Other	
	Fund	Treatment	Operating	Waste	Proprietary	Total
	Fund	Fund	Fund	Fund	Funds	
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 20,866,536	\$ 26,540,013	\$ 15,699,524	\$ 12,523,938	\$ 4,132,269	\$ 79,762,280
Restricted cash	420,833	4,706,460	14,374,902	-	1,138,537	20,640,732
Receivables (net):						
Accounts	541,568	1,724,141	3,025,585	401,523	-	5,692,817
Interest	283,339	-	39	-	-	283,378
Due from other funds	1,348,805	-	-	1,615,006	-	2,963,811
Due from other governments	175,664	116,059	87,717	261,400	390,416	1,031,256
Due from Water Districts - Current Portion of LOBs	2,850,000	-	-	-	-	2,850,000
Prepaid items	-	-	-	-	1,876	1,876
Total current assets	<u>26,486,745</u>	<u>33,086,673</u>	<u>33,187,767</u>	<u>14,801,867</u>	<u>5,663,098</u>	<u>113,226,150</u>
Noncurrent assets:						
Due from Water Districts - Noncurrent portion of LOBs	55,100,000	-	-	-	-	55,100,000
Capital assets, net	72,453,879	81,335,699	100,243,254	19,536,782	329,256	273,898,870
Total noncurrent assets	<u>127,553,879</u>	<u>81,335,699</u>	<u>100,243,254</u>	<u>19,536,782</u>	<u>329,256</u>	<u>328,998,870</u>
Total assets	<u>154,040,624</u>	<u>114,422,372</u>	<u>133,431,021</u>	<u>34,338,649</u>	<u>5,992,354</u>	<u>442,225,020</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charges on refunding	143,900	66,683	4,667,123	-	-	4,877,706
Pension related deferrals	741,940	324,701	-	467,005	266,308	1,799,954
OPEB related deferrals	2,545,551	1,125,214	-	1,483,373	674,394	5,828,532
Total deferred outflows of resources	<u>3,431,391</u>	<u>1,516,598</u>	<u>4,667,123</u>	<u>1,950,378</u>	<u>940,702</u>	<u>12,506,192</u>
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	234,852	113,673	140,176	214,481	7,356	710,538
Due to other funds	-	537,438	2,494,246	-	2,575	3,034,259
Solid Waste fines	-	-	-	95,848	-	95,848
Current maturities of long-term debt	4,413,261	2,785,999	589,576	-	-	7,788,836
Utility deposits	-	550	1,684,520	-	-	1,685,070
Accrued interest	419,792	143,626	315,922	-	-	879,340
Other deposits	420,833	508,567	-	5,000	1,138,537	2,072,937
Due to the County (LOBs)	-	-	2,850,000	-	-	2,850,000
Compensated Absences Payable	114,783	51,753	-	52,148	43,340	262,024
Total current liabilities	<u>5,603,521</u>	<u>4,141,606</u>	<u>8,074,440</u>	<u>367,477</u>	<u>1,191,808</u>	<u>19,378,852</u>
Long-term liabilities:						
Accrued landfill closure and postclosure	-	-	-	18,014,219	-	18,014,219
Total OPEB Liability	11,609,849	5,131,921	-	6,765,429	2,870,467	26,377,666
Net Pension Liability	1,367,955	598,669	-	861,042	491,006	3,318,672
Long-term debt	77,356,656	21,609,772	11,320,559	-	-	110,286,987
Due to the County (LOBs)	-	-	55,100,000	-	-	55,100,000
Compensated absences payable	169,686	76,506	-	77,091	64,070	387,353
Total long-term liabilities	<u>90,504,146</u>	<u>27,416,868</u>	<u>66,420,559</u>	<u>25,717,781</u>	<u>3,425,543</u>	<u>213,484,898</u>
Total liabilities	<u>96,107,667</u>	<u>31,558,474</u>	<u>74,494,999</u>	<u>26,085,258</u>	<u>4,617,351</u>	<u>232,863,749</u>
DEFERRED INFLOWS OF RESOURCES						
Pension deferrals	2,965	1,298	-	1,866	1,065	7,194
Water Plant Capacity	16,191,005	-	-	-	-	16,191,005
OPEB related deferrals	1,018,819	450,350	-	593,698	251,896	2,314,763
Total Deferred Inflows of Resources	<u>17,212,789</u>	<u>451,648</u>	<u>-</u>	<u>595,564</u>	<u>252,961</u>	<u>18,512,962</u>
NET POSITION						
Net investment in capital assets	48,633,962	56,939,928	30,383,119	19,536,782	329,256	155,823,047
Restricted						
Utilities - Capital Needs	-	719,808	-	-	-	719,808
Utilities - Reclamation	-	-	-	187,346	-	187,346
Housing Assistance Program	-	-	-	-	1,023,518	1,023,518
Unrestricted	(4,482,403)	26,269,112	33,220,026	(10,115,923)	709,970	45,600,782
Total net position	<u>\$ 44,151,559</u>	<u>\$ 83,928,848</u>	<u>\$ 63,603,145</u>	<u>\$ 9,608,205</u>	<u>\$ 2,062,744</u>	<u>\$ 203,354,501</u>

Johnston County, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
All Proprietary Fund Types
For the Year Ended June 30, 2021

	Major				Non-Major	Total
	Water Fund	Wastewater Treatment Fund	Water District Operating Fund	Solid Waste Fund	Other Proprietary Funds	
Operating revenues:						
Charges for services	\$ 17,724,177	\$ 15,540,361	\$ 19,096,033	\$ 8,105,695	\$ 1,623,291	\$ 62,089,557
Water and sewer taps	536,857	(950)	-	-	-	535,907
Total operating revenues	<u>18,261,034</u>	<u>15,539,411</u>	<u>19,096,033</u>	<u>8,105,695</u>	<u>1,623,291</u>	<u>62,625,464</u>
Operating expenses:						
General operating	14,388,741	6,705,469	9,614,520	6,784,842	6,214,407	43,707,979
Depreciation and amortization	2,619,266	2,237,008	3,205,337	832,510	5,060	8,899,181
Total operating expenses	<u>17,008,007</u>	<u>8,942,477</u>	<u>12,819,857</u>	<u>7,617,352</u>	<u>6,219,467</u>	<u>52,607,160</u>
Operating income (loss)	<u>1,253,027</u>	<u>6,596,934</u>	<u>6,276,176</u>	<u>488,343</u>	<u>(4,596,176)</u>	<u>10,018,304</u>
Nonoperating revenues (expenses):						
Disposal and state 1% tax	-	-	-	544,983	-	544,983
Solid Waste Fees	-	-	-	359,744	-	359,744
Landfill Gas to Energy Proceeds	-	-	-	85,265	-	85,265
Investment earnings	963,184	10,374	11,177	4,982	2,754	992,471
Late fees collected	-	-	-	7,750	-	7,750
Miscellaneous	-	125,249	50,452	(2,481)	144,300	317,520
Gain (loss) on sale of assets	736	644	-	169,615	-	170,995
Reimbursement - NCDOT	198,874	-	-	-	-	198,874
Landfill closure costs	-	-	-	(1,949,327)	-	(1,949,327)
Operating subsidy - HUD	-	-	-	-	4,552,494	4,552,494
Fraud recovery	-	-	-	-	23,692	23,692
Interest and bond issuance costs	(1,636,390)	(554,071)	(1,599,609)	-	-	(3,790,070)
Total nonoperating revenues (expenses)	<u>(473,596)</u>	<u>(417,804)</u>	<u>(1,537,980)</u>	<u>(779,469)</u>	<u>4,723,240</u>	<u>1,514,391</u>
Income (loss) before transfers and contributions	<u>779,431</u>	<u>6,179,130</u>	<u>4,738,196</u>	<u>(291,126)</u>	<u>127,064</u>	<u>11,532,695</u>
Transfers in	2,578,666	269,486	-	400,000	-	3,248,152
Transfers out	-	(260,000)	(2,578,666)	-	-	(2,838,666)
Capital contributions	-	2,387,460	110,202	-	391,145	2,888,807
System development fees	-	2,673,295	8,436,122	-	-	11,109,417
Developer contributions	-	2,340,491	2,757,745	-	-	5,098,236
Change in net position	<u>3,358,097</u>	<u>13,589,862</u>	<u>13,463,599</u>	<u>108,874</u>	<u>518,209</u>	<u>31,038,641</u>
Total net position, beginning	<u>40,793,462</u>	<u>70,338,986</u>	<u>50,139,546</u>	<u>9,499,331</u>	<u>1,544,535</u>	<u>172,315,860</u>
Total net position, ending	<u>\$ 44,151,559</u>	<u>\$ 83,928,848</u>	<u>\$ 63,603,145</u>	<u>\$ 9,608,205</u>	<u>\$ 2,062,744</u>	<u>\$ 203,354,501</u>

Johnston County, North Carolina
Statement of Cash Flows
All Proprietary Fund Types
For the Year Ended June 30, 2021

	Major Fund				Non-Major	
	Water	Wastewater	Water District	Solid	Other	Total
	Fund	Treatment	Operating	Waste	Proprietary	
		Fund	Fund	Fund	Funds	
Cash Flows From Operating Activities						
Cash received from customers	\$ 17,719,768	\$ 15,521,337	\$ 19,241,931	\$ 8,175,415	\$ 1,604,241	\$ 62,262,692
Cash paid for goods and services	(9,603,259)	(4,182,296)	(9,474,344)	(3,730,092)	(521,787)	(27,511,778)
Cash paid to employees	(4,063,083)	(2,063,738)	-	(2,462,003)	(1,423,065)	(10,011,889)
Cash paid for housing assistance	-	-	-	-	(3,955,856)	(3,955,856)
Miscellaneous	-	125,249	50,452	5,269	126,717	307,687
Net cash provided by (used in) operating activities	4,053,426	9,400,552	9,818,039	1,988,589	(4,169,750)	21,090,856
Cash Flows From Noncapital Financing Activities						
Transfer from (to) other funds	2,578,666	9,486	(2,578,666)	400,000	-	409,486
Operating subsidy - HUD	-	-	-	-	4,552,494	4,552,494
Net cash provided by (used in) financing activities	2,578,666	9,486	(2,578,666)	400,000	4,552,494	4,961,980
Cash Flows From Capital and Related Financing Activities						
Disposal and State 1% tax	-	-	-	544,982	-	544,982
Solid Waste fees	-	-	-	359,744	-	359,744
Landfill Gas to Energy Proceeds	-	-	-	85,265	-	85,265
Sale of capital assets	736	644	-	169,615	-	170,995
Due from Water Districts (LOBs)	3,035,000	-	(3,035,000)	-	-	-
System Development Fees	-	2,673,295	8,436,122	-	-	11,109,417
Capital contributions	-	2,387,460	110,202	-	391,145	2,888,807
Reimbursement - NCDOT	198,874	-	-	-	-	198,874
Developer contributions	-	2,340,491	2,757,745	-	-	5,098,236
Interest and bond issuance costs	(1,564,862)	(760,419)	(1,496,272)	-	-	(3,821,553)
Acquisition of capital assets	(4,092,427)	(15,344,356)	(8,418,712)	(6,744,550)	-	(34,600,045)
Refunding bonds issued	12,365,000	12,550,000	60,985,000	-	-	85,900,000
Payment to refunded bond escrow agent	(13,725,118)	(14,472,009)	(60,956,895)	-	-	(89,154,022)
Premium on Refunding Bonds	1,454,725	2,021,742	391,702	-	-	3,868,169
Debt proceeds	1,568,823	5,200,343	6,307,624	-	-	13,076,790
Repayment of debt obligations	(4,524,716)	(2,235,111)	(589,108)	-	-	(7,348,935)
Net cash provided by (used in) capital and related financing activities	(5,283,965)	(5,637,920)	4,492,408	(5,584,944)	391,145	(11,623,276)
Cash Flows From Investing Activities						
Investment Income	867,778	10,374	11,177	4,982	2,754	897,065
Net cash provided by (used in) investing activities	867,778	10,374	11,177	4,982	2,754	897,065
Net increase (decrease) in cash and cash equivalents/investments	2,215,905	3,782,492	11,742,958	(3,191,373)	776,643	15,326,625
Cash and cash equivalents/investments						
Beginning of year	19,071,464	27,463,981	18,331,468	15,715,311	4,494,163	85,076,387
End of year	\$ 21,287,369	\$ 31,246,473	\$ 30,074,426	\$ 12,523,938	\$ 5,270,806	\$ 100,403,012

Johnston County, North Carolina
Statement of Cash Flows
All Proprietary Fund Types
For the Year Ended June 30, 2021

	Major				Non-Major	
	Water	Wastewater	Water District	Solid	Other	
	Fund	Treatment	Operating	Waste	Proprietary	Total
	Fund	Fund	Fund	Fund	Funds	
Reconciliation of operating income (loss)						
to get cash provided by (used in)						
operating activities						
Operating income (loss)	\$ 1,253,027	\$ 6,596,934	\$ 6,276,176	\$ 488,343	\$ (4,596,176)	\$ 10,018,304
Nonoperating (miscellaneous)	-	125,249	50,452	5,269	167,992	348,962
Depreciation	2,619,266	2,237,008	3,205,337	832,510	5,060	8,899,181
(Increase) decrease in:						
Accounts receivable	18,281	(207,029)	(44,912)	69,720	(97,988)	(261,928)
Prepaid expenses	-	-	-	-	(265)	(265)
Deferred outflows of resources for pensions	(134,512)	(58,867)	-	(84,667)	(48,282)	(326,328)
Deferred outflows of resources for OPEB	(1,195,857)	(528,606)	-	(696,863)	(294,094)	(2,715,420)
Increase (decrease) in:						
Compensated absences payable	21,595	17,405	-	15,037	21,568	75,605
Utility deposits	-	-	190,810	-	-	190,810
Other deposits	16,029	188,955	-	-	78,776	283,760
Accounts payable and accrued expenses	(363,990)	(27,780)	140,176	(51,949)	5,794	(297,749)
Deferred Inflows of Resources for pensions	(1,271)	(556)	-	(800)	(455)	(3,082)
Deferred Inflows of Resources for OPEB	343,735	151,941	-	200,305	84,986	780,967
Net Pension Liability	332,083	145,332	-	209,026	119,197	805,638
Deferred - Water Plant Capacity	(575,576)	-	-	-	(41,275)	(616,851)
Total OPEB Liability	1,720,616	760,566	-	1,002,658	425,412	3,909,252
Prepaid Decals-Landfill	-	-	-	-	-	-
Total adjustments	2,800,399	2,803,618	3,541,863	1,500,246	426,426	11,072,552
Net cash provided by (used in)						
operating activities	\$ 4,053,426	\$ 9,400,552	\$ 9,818,039	\$ 1,988,589	\$ (4,169,750)	\$ 21,090,856

Johnston County, North Carolina
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	<u>Custodial Funds</u>
Assets	
Cash and investments	\$ 2,067,000
Taxes receivable for other governments, net	168,290
Due from other governments	<u>514,371</u>
Total assets	<u>2,749,661</u>
Liabilities	
Accounts payable	-
Due from other funds	-
Due to other governments	<u>957,040</u>
Total liabilities	<u>957,040</u>
Net Position	
Restricted for:	
Individuals, organizations, and other governments	<u>1,792,621</u>
Total fiduciary net position	<u>\$ 1,792,621</u>

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

	<u>Custodial Funds</u>
Additions	
Ad valorem taxes for other governments	\$ 53,799,937
Collections on behalf of inmates	696,537
Collections on behalf of other organizations	<u>165,070</u>
Total additions	<u>54,661,544</u>
Deductions	
Tax distributions to other governments	53,575,611
Payments on behalf of inmates	688,495
Payments on behalf of other organizations	<u>162,749</u>
Total deductions	<u>54,426,855</u>
Net increase (decrease) in fiduciary net position	234,689
NET POSITION	
Net Position, beginning, as previously reported	-
Prior Period Restatement - Change in Accounting Principle	<u>1,557,932</u>
Net Position, beginning, as restated	<u>1,557,932</u>
Net Position, ending	<u><u>\$ 1,792,621</u></u>

COUNTY OF JOHNSTON, NORTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

Note 1: Summary of Significant Accounting Policies

The accounting policies of the County of Johnston, North Carolina and its component units 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 seven-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable. The blended component unit, although it is a legally separate entity, is, in substance, part of the County's operations. The discretely presented component units presented below are reported in separate columns in the County's combined financial statements in order to emphasize that they are legally separate from the County.

Blended Component Unit

- *Hopewell/Pisgah Water District; Clayton Water District; Cleveland Water District; Wilson's Mills Water District; McGee's Crossroads Water District; Princeton-Kenly Water District; Archer's Lodge Water District; Little Creek Water District; Brogden Water District; Elevations Water District; Meadow Water District; Buffalo Water District, Southeast Lowgrounds; Ingram's Township Water District; Little River Water District; and O'Neal's Water District.* The Districts exist to provide and maintain water systems for the county residents within the districts. Under State law (G.S. 162A-89), the County's Board of Commissioners also serves as the governing board for the districts. Therefore, the Districts are reported as enterprise funds in the County's financial statements. The County has operational responsibility for the Water Districts. The Districts do not issue separate financial statements.
- *Johnston County Section 8 Housing Assistance Payments Program* - The Housing Assistance Payment Program exists to assist eligible families within the County in securing housing in safe, low poverty neighborhoods at affordable costs. Under State law (G.S. 162A-89), the County's Board of Commissioners also serves as the governing board for the Program, and the County has operational responsibility for the Program. Therefore, the Program is reported as an enterprise fund in the County's financial statements. The Program does not issue separate financial statements.

Discretely Presented Component Units

- *Johnston County Board of Alcoholic Control* - The members of the ABC Board's governing board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County. The ABC Board, which has a June 30 year-end, is presented as if it were a proprietary fund.
- *Johnston County Airport Authority* - The Johnston County Airport Authority (the "Airport") is a corporate body which operates the airport in Johnston County. The County's governing body appoints the Airport's board members. The County is responsible for the debt of the Airport and maintains budgetary control over the Airport. The County also provides assistance for capital improvements. The Airport, which has a June 30 year-end, is represented as if it were a proprietary fund.
- *Johnston County Tourism Development Authority* - The Johnston County Tourism Development Authority is a corporate body which operates the Tourism functions for Johnston County. The County's governing body appoints the Tourism Authority's board members. The County maintains budgetary control over the Tourism Authority. The County also provides assistance for capital improvements. The Tourism Authority, which has a June 30 year-end, is represented as if it were a special revenue fund.
- *Johnston County Industrial Facility and Pollution Control Financing Authority* - Johnston 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. A seven-member Board of Commissioners, all of who are appointed by the County commissioners, governs the Authority. 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 financial statements. The Authority does not issue separate financial statements.

Note 1- Summary of significant accounting policies (continued)

Complete financial statements for component units may be obtained at the administrative offices of each at:

Johnston County Airport Authority
3149-A Swift Creek Road
Smithfield, NC 27577

Johnston County Tourism Development Authority
PO Box 1049
Smithfield, NC 27577

Johnston County Board of Alcoholic Control
Highway 301 South
Smithfield, NC 27577

B. Basis of Presentation, Basis of Accounting

Basis of Presentation, Measurement Focus - Basis of Accounting

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

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

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. 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 non-major 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. Nonoperating revenues, such as subsidies, result from non-exchange transactions. Other non-operating items such as investment earnings are ancillary activities.

The County reports the following major governmental funds:

General Fund - This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Tax Revaluation Fund is a legally budgeted fund under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 it is consolidated in the General Fund.

School Bond Fund – This fund is used to track revenue and expenditures for school projects financed with GO Bonds, COPS, or any other form of borrowing for school construction.

ARPA Coronavirus SLFRF Fund – This fund is used to track revenue and expenditures associated with ARPA Coronavirus Funds received to combat COVID.

The County reports the following major enterprise funds:

Water Fund. This fund accounts for the operation of the County's water treatment and transmission.

Wastewater Treatment Fund. This fund accounts for the treatment and transmission of wastewater for the County.

Water District Operations Fund. This fund accounts for the activities of the water districts for the County.

Solid Waste Fund. This fund accounts for the operation of the landfill, compaction sites and tire disposal, white goods and yard debits.

Note 1- Summary of significant accounting policies (continued)

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

The County reports the following fund types:

Custodial Funds. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Custodial funds are used to account for assets the County holds on behalf of others that meet certain criteria. The County maintains the following custodial funds: the Municipal Tax Fund, which accounts for ad valorem and vehicle property taxes that are billed and collected by the County for various municipalities within the County but are not revenues to the County; the Jail Inmate Pay Fund, which holds cash deposits made to inmates as payment for work performed while incarcerated as well as cash collections for the benefit of inmates from their friends and families; the Cooperative Extension Advisory Fund which supports program expenses for Agricultural and Horticultural Programs, Family Consumer Science Programs, and Advisory Council Functions; the 4H Development Fund which supports program expenses for 4-H and Youth Extension Programs; and the Youth Livestock Fund which specifically supports livestock educational programs for youth ages 5 – 19.

Non-Major Funds. The County maintains 12 legally budgeted funds. The Moccasin Creek Drainage District, Heritage Commission Fund, Communication Fund, Research Training Zone, Voluntary Ag District, Fines and Forfeitures, Representative Payee Fund, Deed of Trust Fund are reported as non-major special revenue funds. The Industrial Infrastructure and Public Safety Center Project are reported as capital project funds. The Administration Fund and Section 8 Housing are reported as non-major enterprise funds.

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 fund and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

Governmental Fund Financial Statements – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Note 1- Summary of significant accounting policies (continued)

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

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 all registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the beer and wine tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and 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 are both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

C. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General, Special Revenue, and Proprietary Funds (excluding the Construction Funds). All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the School Bond Fund, ARPA Coronavirus Fund, Industrial Development Infrastructure, Public Safety Center Project Fund, the Water Districts Construction Funds, and the Construction Projects, which are consolidated with the enterprise 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 the General Fund, at the departmental level for the Special Revenue and Proprietary Funds, and at the object level for the Capital Project Funds. The County Manager is authorized by budget ordinance to transfer appropriations between functional areas within a fund up to \$5,000; however, any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$5,000 must be approved by the governing board. During the year, several amendments to the original budget were necessary, the effects of which were not material. 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.

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

Deposits and Investments

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

Note 1- Summary of significant accounting policies (continued)**Deposits and Investments (continued)**

State law (G.S. 159-30 (c)) authorizes the County, the ABC Board, the Tourism Development Authority, and the Airport to invest in obligations of the United States or obligations fully guaranteed both as to principle 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 majority of the County, the ABC Board, the Tourism Development Authority, and the Airport's investments are carried at fair value. Non-participating interest earning investment contracts are accounted for at cost.

The NC Capital Management Trust (NCCMT), which consists of two SEC-registered funds, is authorized by G.S. 159-30(c)(8). One of these funds, the Government Portfolio, is a 2a7 fund which invests in treasuries and government agencies and is rated AAAM by S&P and AAmf by Moody Investor Services. The Government Portfolio is reported at fair value.

Cash and cash equivalents

The County pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The Johnston County Board of Alcoholic Control, the Johnston County Tourism Development Authority, and the Johnston County Airport Authority consider demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

Restricted assets

The unexpended bond proceeds of the County's Bonds are classified as restricted assets within the Capital Projects fund because their use is completely restricted to the purpose for which the bonds were originally issued. Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. Money in the Tax Revaluation Fund is also classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. Money in the School Capital Projects Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 159-18 through 22. Money in the Water District System Development Fee Capital Reserve Fund and the Wastewater System Development Fee Capital Reserve Fund is also restricted under North Carolina General Statute 159-18 through 22. In addition, money received from the U.S. Treasury for Emergency Rental Assistance aid and Coronavirus State and Local Fiscal Recovery Funds received from the U.S. Treasury under the American Rescue Plan Act are restricted by federal law for the intended purposes. The following table illustrates the breakdown of the County's restricted cash.

Restricted Cash			
Governmental Activities			
General Fund	Tax revaluation	\$	1,130,903
General Fund	LEO Separation		1,278,745
General Fund	Unspent U.S. Treasury Emerg. Rental Assistance		8,042,012
School Capital Projects Fund	Unexpended Public School Building funds		37,627,437
Public Safety Center Project Fund	Unexpended Public Safety Center project funds		20,575,664
American Rescue Plan Grant Project Fund	Unspent American Rescue Plan Act funds		20,330,829
Total Governmental Activities		\$	88,985,590
Business-Type Activities			
Water Fund	Customer deposits	\$	420,833
Waste Water Fund	Capital Reserve Funds		4,197,343
	Customer deposits		509,117
Water District Fund	Capital Reserve Funds		12,575,783
	Customer deposits		1,684,520
	USDA Restrictions		114,599
Administrative Fund	Customer deposits		1,138,537
Total Business-type Activities		\$	20,640,732
Total Restricted Cash		\$	109,626,322

Note 1- Summary of significant accounting policies (continued)

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 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.

Allowance for doubtful accounts

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

Inventories and Prepaid Items

Inventories for the Johnston County Airport Authority are maintained for all sales merchandise and are stated at the lower of cost or market on a first-in, first-out basis.

The inventory of the ABC Board are valued at cost (first-in, first-out). The inventories consist of materials and supplies held for consumption. The cost of the inventory is recorded as an expense as it is consumed.

Prepaid items for the County's governmental funds are treated using the consumption method.

Capital assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to July 1, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. The County defines capital assets as assets with an individual cost of \$5,000 or more. 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 Johnston County Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education give the Board of Education 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 Board of Education, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Johnston County Board of Education.

Capital assets in the proprietary funds of the County and those of the ABC Board and the Airport are recorded at original cost at the time of acquisition. Capital assets donated to these proprietary fund type operations are recorded at the estimated fair market value at the date of donation.

Any interest incurred during the construction phase of proprietary fund type capital assets is reflected in the capitalized value of the asset constructed. Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

<u>Description</u>	<u>Estimated Useful Lives</u>
Buildings	40 Years
Other Improvements	10 Years
Equipment	5 Years
Furniture and Fixtures	5 Years
Computers	3 Years
Easements	3 Years
Vehicles (including Police and EMS)	5 Years

Note 1- Summary of significant accounting policies (continued)**Capital assets (continued)**

For the ABC Board, capital assets are depreciated over their useful lives on a straight-line basis as follows:

Description	Estimated Useful Lives
Buildings	20 Years
Furniture, fixtures and equipment	10 Years
Leasehold Improvements	0 - 20 Years

For the Airport, capital assets are depreciated over their useful lives on a straight-line basis as follows:

Description	Estimated Useful Lives
Terminal Building	50 Years
Clearing and excavation	75 Years
Runways and ramps	60 Years
Aircraft parking ramp	60 Years
Fuel tanks and pumps	25 Years
Lighting	25 Years
Equipment	10 Years

Deferred outflows / inflows of resources

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

Long-Term Obligations

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

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

Compensated absences

The vacation policies of the County and Airport provide for the accumulation of up to 30 days earned vacation leave with such leave being fully vested when earned. An expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned in the County's government-wide and proprietary fund statements.

The vacation policy of the ABC Board is that vacations must be taken in the year they are earned; therefore, there is not accumulation of earned vacation leave. For the County's government-wide and proprietary funds, and the Airport, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.

The sick leave policies of the County, ABC Board, and the Airport provide for an unlimited accumulation of earned sick leave. Sick leave does not vest but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since none of the entities have any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Note 1- Summary of significant accounting policies (continued)

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 represent constraints on resources that are either a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through state statute.

Fund Balances

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

The governmental fund types classify fund balance as follows:

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

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

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

Restricted for School Capital Projects - portion of fund balance that is restricted for School Capital Projects.

Restricted for Inspections (Public Safety)- portion of fund balance that is restricted by State Statutes [G.S. 160A-414].

Committed Fund Balance - Portion of fund balance that can only be used for specific purpose imposed by majority vote of Johnston County's governing body (highest level of decision making authority). Any changes or removal of specific purposes requires majority action by the governing body (i.e. passage of a budget resolution).

Economic Development - portion of fund balance that is committed by revenue source for economic development purposes.

Public Safety - portion of fund balance that is committed by revenue source for fire protection, emergency services, law enforcement, and emergency telephone purposes.

Mental Health - Mental Health, which is consolidated with the General Fund, is required to pay any excess fund balance to the County. This is the amount that the General Fund has acquired from Mental Health over the years as excess fund balance payments.

Automation Enhancement and Preservation - portion of fund balance that is committed for automation enhancement projects.

Capital Purchases (fee in lieu) - portion of fund balance that is committed for the purchase of open space land or the purchase of land for recreation purposes.

Industrial Infrastructure - portion of fund balance that is committed for industrial infrastructure projects.

Tax Revaluation - portion of fund balance that is committed for tax revaluation.

LEO pension obligation - portion of fund balance that will be used for the Law Enforcement Officers' Special Separation Allowance obligations.

Note 1- Summary of significant accounting policies (continued)**Net Position/Fund Balances (continued)**

Assigned Fund Balance - portion of fund balance that the Johnston County governing board has budgeted. The governing board is the only body authorized to assign amounts to a specific purpose.

Subsequent year's expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation.

Unassigned Fund Balance - portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

Johnston County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-city funds, and county funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance, and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it's in the best interest of the County.

Johnston County has also adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the County in such a manner that legally available fund balance is at least equal to or greater than 15% of the total annual operating budget of the County. Any portion of the General Fund balance in excess of 15% of the total annual operating budget may be appropriated for one-time expenditures and may not be used for any purpose that would obligate the County in a future budget.

Defined Benefit Cost-Sharing Plans

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

Note 2 – Stewardship, Compliance, and Accountability**Noncompliance with North Carolina General Statutes**

None to report.

Excess of Expenditures over Appropriations

None to report.

Note 3 – Detail Notes on All Funds

A. ASSETS

1. Deposits

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

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

At June 30, 2021 the County's deposits had a carrying amount of \$90,055,731 and a bank balance of \$98,988,097. Of the bank balance, \$1,355,640 was covered by federal depository insurance; the remaining \$97,632,456 was covered by collateral and held under the Pooling Method. The County had cash on hand in the amount of \$5,929.

At June 30, 2021, the carrying amount of deposits for the Johnston County ABC Board was \$4,024,088 and the bank balance was \$4,296,880. All of the bank balances were covered by federal depository insurance except for \$3,550,554. The ABC Board had cash on hand in the amount of \$8,575.

At June 30, 2021, the carrying amount of deposits for the Johnston County Tourism Development Authority was \$910,054 and the bank balance was \$927,201. Of the bank balance, \$500,000 was covered by federal depository insurance. The Authority had \$250 petty cash on hand.

At June 30, 2021, the carrying amount of deposits for the Johnston County Airport Authority was \$5,005,643 and the bank balance was \$5,288,325. Of the bank balance, \$500,000 was covered by federal depository insurance; the remaining \$4,788,583 was covered by collateral and held under the Pooling Method. The Airport had cash on hand in the amount of \$245.

2. Investments

At 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
NC Capital Management Trust - Government Portfolio	Fair Value - Level 1	\$ 255,675,004	\$ 255,675,004	\$ -	\$ -
TOTAL		\$ 255,675,004	\$ 255,675,004	\$ -	\$ -

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

Note 3 – Detail Notes on All Funds (continued)

2. Investments (continued)

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. Level Two: Debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits at least half of the County's investment portfolio to maturities of less than 12 months. Also, the County's investment policy requires purchases of securities to be tiered with staggered maturity dates and limits all securities to a final maturity of no more than three years.

Credit Risk. The County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs).

Custodial Credit Risk. Custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have any of these investments.

3. Property tax - use value assessment on certain lands

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

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 6,122,264	\$ 352,030	\$ 6,474,294
2018	6,018,369	-	6,018,369
2019	7,626,071	-	7,626,071
2020	7,526,333	-	7,526,333
	<u>\$ 27,293,037</u>	<u>\$ 352,030</u>	<u>\$ 27,645,067</u>

Note 3 – Detail Notes on All Funds (continued)

4. Receivables

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

	<u>Accounts</u>	<u>Taxes and Related Accrued Interest</u>	<u>Due from Other Governments</u>	<u>Other</u>	<u>Total</u>
Governmental Activities:					
General	\$ 6,812,802	\$ 831,323	\$ 21,291,654	\$ 120,000	\$ 29,055,779
Other Governmental	99,115	-	20,516	-	119,631
Total Receivables	6,911,917	831,323	21,312,170	120,000	29,175,410
Allowance for Doubtful Accounts	(561,566)	(482,000)	-	-	(1,043,566)
Total Governmental Activities	<u>\$ 6,350,351</u>	<u>\$ 349,323</u>	<u>\$ 21,312,170</u>	<u>\$ 120,000</u>	<u>\$ 28,131,844</u>
Business Type Activities:					
Administrative	\$ -	\$ -	\$ 389,909	\$ -	\$ 389,909
Solid Waste	478,463	-	261,400	-	739,863
Water Fund	528,396	-	175,664	13,172	717,232
Wastewater	1,715,185	-	116,059	125,000	1,956,244
Section 8 Housing	-	-	507	-	507
Water District Operating Fund	4,778,386	-	87,717	17,995	4,884,098
Total Receivables	7,500,430	-	1,031,256	156,167	8,687,853
Allowance for doubtful accounts	(1,963,780)	-	-	-	(1,963,780)
Total Business-Type Activities	<u>\$ 5,536,650</u>	<u>\$ -</u>	<u>\$ 1,031,256</u>	<u>\$ 156,167</u>	<u>\$ 6,724,073</u>

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

Local option sales tax	\$ 16,209,996
Department of Health & Human Services	2,340,090
NC Department of Revenue	1,062,950
Other Governments (NCVTS, Etc)	1,699,134
Total Governmental Activities	<u>\$ 21,312,170</u>
Sales tax refund	\$ 886,411
Scrap Tire, White Goods	144,845
Total Business-type Activities	<u>\$ 1,031,256</u>

Notes receivable

The County's note receivables are as follows:

A note in the amount of \$120,000 due from the Town of Clayton
without interest, repayable from annual acreage fees collected by the
Town for the connection of water and sewer lines installed

\$	<u>120,000</u>
\$	<u>120,000</u>

Note 3 – Detail Notes on All Funds (continued)

5. Capital assets

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

	Beginning Balance	Additions	Deletion	Transfers & Adjustments	Ending Balance
Governmental Activities					
Capital assets not being depreciated:					
Land	\$ 3,109,864	\$ -	\$ -	\$ 1,642,589	\$ 4,752,453
Construction in Progress	3,041,191	24,943,021	-	(1,642,589)	26,341,623
Total capital assets not being depreciated	6,151,055	24,943,021	-	-	31,094,076
Other capital assets:					
Buildings	82,729,432	-	(6,347)	-	82,723,085
Other improvements	4,727,490	-	(64,526)	-	4,662,964
Equipment	16,636,539	1,202,521	(1,519,013)	-	16,320,047
Vehicles	12,907,861	856,867	(825,027)	-	12,939,701
Software	858,755	-	-	-	858,755
Total other capital assets at historical cost	117,860,077	2,059,388	(2,414,913)	-	117,504,552
Less accumulated depreciation for:					
Buildings	38,494,289	1,684,871	(6,347)	-	40,172,813
Other improvements	3,021,289	216,455	(64,526)	-	3,173,218
Equipment	12,843,227	1,640,239	(1,514,176)	-	12,969,290
Vehicles	8,610,254	1,448,569	(683,700)	-	9,375,123
Software	575,178	69,317	-	-	644,495
Total other capital assets at historical cost	63,544,237	5,059,451	(2,268,749)	-	66,334,939
Other capital assets, net	54,315,840	(3,000,063)	(146,164)	-	51,169,613
Governmental activities capital assets, net	\$ 60,466,895	\$ 21,942,958	\$ (146,164)	\$ -	\$ 82,263,689

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

Governmental Activities	
General Government	\$ 1,727,964
Public Safety	2,730,166
Human Services	261,539
Economic and physical development	149,931
Education	189,851
Total depreciation expenses	<u>\$ 5,059,451</u>

Note 3 – Detail Notes on All Funds (continued)

5. Capital assets (continued)

The summary for the *Proprietary Funds* of the County at June 30, 2021 are composed as follows:

Business-type activities:

	Beginning Balances	Increases	Decreases	Ending Balances
ADMINISTRATION				
Capital assets not being depreciated:				
Land	\$ 210,000	\$ -	\$ -	\$ 210,000
Construction in progress	-	-	-	-
Total capital assets not being depreciated	210,000	-	-	210,000
Capital assets being depreciated				
Plant & Distribution	9,995	-	-	9,995
Equipment	72,674	-	-	72,674
Vehicles	26,121	-	-	26,121
Total capital assets being depreciated	108,790	-	-	108,790
Less accumulated depreciation for:				
Plant & Distribution	9,995	-	-	9,995
Equipment	72,674	-	-	72,674
Vehicles	26,121	-	-	26,121
Total accumulated depreciation	108,790	-	-	108,790
Administration capital assets, net	\$ 210,000	\$ -	\$ -	\$ 210,000

	Beginning Balances	Increases	Decreases	Ending Balances
SOLID WASTE				
Capital assets not being depreciated:				
Land	\$ 5,716,595	\$ -	\$ -	\$ 5,716,595
Construction in progress	2,111,463	5,782,062	(158,036)	7,735,489
Total capital assets not being depreciated	7,828,058	5,782,062	(158,036)	13,452,084
Capital assets being depreciated				
Plant & Distribution	18,422,634	158,036	-	18,580,670
Equipment	8,178,275	930,481	(17,000)	9,091,756
Vehicles	1,835,314	32,007	(44,278)	1,823,043
Total capital assets being depreciated	28,436,223	1,120,524	(61,278)	29,495,469
Less accumulated depreciation for:				
Plant & Distribution	15,172,783	104,563	-	15,277,346
Equipment	5,999,700	594,765	(17,000)	6,577,465
Vehicles	1,467,057	133,181	(44,278)	1,555,960
Total accumulated depreciation	22,639,540	832,509	(61,278)	23,410,771
Solid Waste capital assets, net	\$ 13,624,741	\$ 6,070,077	\$ (158,036)	\$ 19,536,782

Note 3 – Detail Notes on All Funds (continued)

5. Capital assets (continued)

	Beginning Balances	Increases	Decreases	Ending Balances
WATER				
Capital assets not being depreciated:				
Land	\$ 1,062,411	\$ -	\$ -	\$ 1,062,411
Construction in progress	4,239,452	3,870,437	(406,461)	7,703,428
Total capital assets not being depreciated	5,301,863	3,870,437	(406,461)	8,765,839
Capital assets being depreciated:				
Plant & Distribution	102,169,747	268,300	-	102,438,047
Equipment	3,663,316	219,023	-	3,882,339
Vehicles	1,046,371	141,128	-	1,187,499
Intangible	11,348,375	-	-	11,348,375
Total capital assets being depreciated	118,227,809	628,451	-	118,856,260
Less accumulated depreciation for:				
Plant & Distribution	46,145,113	2,113,498	-	48,258,611
Equipment	3,315,592	88,758	-	3,404,350
Vehicles	930,247	62,051	-	992,298
Intangible	2,158,002	354,959	-	2,512,961
Total accumulated depreciation	52,548,954	2,619,266	-	55,168,220
Water capital assets, net	\$ 70,980,718	\$ 1,879,622	\$ (406,461)	\$ 72,453,879
	Beginning Balances	Increases	Decreases	Ending Balances
WASTEWATER				
Capital assets not being depreciated:				
Land	\$ 1,324,631	\$ -	\$ -	\$ 1,324,631
Construction in progress	9,354,515	12,534,611	(2,848,911)	19,040,215
Total capital assets not being depreciated	10,679,146	12,534,611	(2,848,911)	20,364,846
Capital assets being depreciated:				
Plant & Distribution	97,190,208	5,227,269	-	102,417,477
Equipment	11,622,843	262,444	-	11,885,287
Vehicles	1,374,448	168,943	(34,954)	1,508,437
Total capital assets being depreciated	110,187,499	5,658,656	(34,954)	115,811,201
Less accumulated depreciation for:				
Plant & Distribution	43,439,524	1,714,017	-	45,153,541
Equipment	8,427,308	295,793	-	8,723,101
Vehicles	771,462	227,198	(34,954)	963,706
Total accumulated depreciation	52,638,294	2,237,008	(34,954)	54,840,348
Wastewater Fund capital assets, net	\$ 68,228,351	\$ 15,956,259	\$ (2,848,911)	\$ 81,335,699

Note 3 – Detail Notes on All Funds (continued)

5. Capital assets (continued)

	Beginning Balances	Increases	Decreases	Ending Balances
WATER DISTRICTS				
Capital assets not being depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in progress	8,350,122	5,660,967	(1,247,663)	12,763,426
Total capital assets not being depreciated	8,350,122	5,660,967	(1,247,663)	12,763,426
Capital assets being depreciated:				
Plant & Distribution	103,203,043	4,005,408	-	107,208,451
Intangibles	24,198,034	-	-	24,198,034
Total capital assets being depreciated	127,401,077	4,005,408	-	131,406,485
Less accumulated depreciation for:				
Plant & Distribution	34,332,678	2,571,011	-	36,903,689
Intangibles	6,388,642	634,326	-	7,022,968
Total accumulated depreciation	40,721,320	3,205,337	-	43,926,657
Water Districts - capital assets, net	\$ 95,029,879	\$ 6,461,038	\$ (1,247,663)	\$ 100,243,254
	Beginning Balances	Increases	Decreases	Ending Balances
Public Utilities Funds				
Capital assets not being depreciated:				
Land	\$ 8,313,637	\$ -	\$ -	\$ 8,313,637
Construction in progress	24,055,552	27,848,077	(4,661,071)	47,242,558
Total capital assets not being depreciated	32,369,189	27,848,077	(4,661,071)	55,556,195
Capital assets being depreciated:				
Plant & Distribution	320,995,627	9,659,013	-	330,654,640
Equipment	23,537,108	1,411,948	(17,000)	24,932,056
Vehicles	4,282,254	342,078	(79,232)	4,545,100
Intangibles	35,546,409	-	-	35,546,409
Total capital assets being depreciated	384,361,398	11,413,039	(96,232)	395,678,205
Less accumulated depreciation for:				
Plant & Distribution	139,100,093	6,503,089	-	145,603,182
Equipment	17,815,274	979,316	(17,000)	18,777,590
Vehicles	3,194,887	422,430	(79,232)	3,538,085
Intangibles	8,546,644	989,285	-	9,535,929
Total accumulated depreciation	168,656,898	8,894,120	(96,232)	177,454,786
Total capital assets, net	\$ 248,073,689	\$ 30,366,996	\$ (4,661,071)	\$ 273,779,614

Note 3 – Detail Notes on All Funds (continued)

5. Capital assets (continued)

Housing Assistance Payments Fund

Capital assets being depreciated:

	Beginning Balances	Increases	Decreases	Ending Balances
Buildings	\$ 243,624	\$ -	\$ -	\$ 243,624
Equipment	17,863	-	-	17,863
Automobiles	17,577	-	-	17,577
Total capital assets being depreciated	279,064	-	-	279,064

Less accumulated depreciation for:

Buildings	119,308	5,060	-	124,368
Equipment	17,863	-	-	17,863
Automobiles	17,577	-	-	17,577
Total accumulated depreciation	154,748	5,060	-	159,808

Total capital assets, net

124,316	(5,060)	-	119,256
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Business-type activities capital assets, net

\$ 248,198,005	\$ 30,361,936	\$ (4,661,071)	\$ 273,898,870
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Discretely presented component units

Activity for the *Johnston County Board of Alcoholic Control* for the year ended June 30, 2021 was as follows:

	Useful Life	Cost	Accumulated Depreciation	Net Amount
Building and land	20 yrs	\$ 1,694,114	\$ 1,392,011	\$ 302,103
Furniture, fixtures, and equipment, vehicles	10 yrs	1,258,110	804,726	453,384
Leasehold improvements	0 - 20 yrs	34,510	34,220	290
Land		171,966	-	171,966
Construction in process		1,006,086	-	1,006,086
Total		\$ 4,164,786	\$ 2,230,957	\$ 1,933,829

Activity for the *Johnston County Airport Authority* for the year ended June 30, 2021 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land and easement	\$ 900,216	\$ -	\$ -	\$ 900,216
Construction in progress	4,591,852	2,392,765	(2,368,923)	4,615,694
Total Capital Assets not being depreciated	5,492,068	2,392,765	(2,368,923)	5,515,910
Capital assets being depreciated:				
Terminal building	5,249,058	-	(25,000)	5,224,058
Runway, ramps and hangars	17,749,971	2,154,008	-	19,903,979
Aircraft parking ramp	546,911	-	-	546,911
Vehicles	74,025	-	-	74,025
Clearing and Excavation	2,928,907	214,916	-	3,143,823
Lighting and Equipment	1,974,778	127,837	-	2,102,615
Total capital assets being depreciated	28,523,650	2,496,761	(25,000)	30,995,411
Less accumulated depreciation for:				
Terminal building	1,143,263	110,561	(2,041)	1,251,783
Runway, ramps and hangars	8,292,302	429,300	-	8,721,602
Aircraft parking ramp	48,494	8,833	-	57,327
Vehicles	97,799	-	-	97,799
Clearing and Excavation	90,839	49,797	-	140,636
Lighting and Equipment	1,944,767	19,032	-	1,963,799
Total accumulated depreciation	11,617,464	617,523	(2,041)	12,232,946
Total capital assets, net	\$ 22,398,254	\$ 4,272,003	\$ (2,391,882)	\$ 24,278,375

Note 3 – Detail Notes on All Funds (continued)

6. Construction Commitments

The County has active construction projects as of June 30, 2021. The projects include water district projects and the following:

Public Safety Center - Phase I

This project consists of the construction of a new 117,000 square-foot County detention center.

Public Safety Center - Phase II

This project consists of the construction of a new 62,910 square-foot Law Enforcement Center.

Landfill Entrance & Attendance Facilities

This project consists of improvements to the entrance and attendance facilities at the County's Landfill. The project is currently in the construction phase.

Landfill Phase 6-A MSW Landfill Construction

This project consists of expansion of the County's MSW landfill and other miscellaneous improvements. This project is currently in the construction phase.

WTP 2.5 MGD Exp. / Future Planning

This project will allow for additional intake and treatment capacity at the Timothy G. Broome Water Treatment Plant. The project is currently in the study/preliminary design phase.

NCDOT Waterline Projects

The NCDOT Waterline project includes various areas through-out the County requiring water mains to be re-located for NCDOT projects. The project includes design and construction for each re-location site.

WTP 2 MGD Expansion / Upgrade

This project includes improvements at the Timothy G. Broome Water Treatment Plant to allow for an additional 2.0 MGD of treatment capacity. This will increase the plant rating from 12.0 to 14.0 MGD. This project is nearing the end of the construction phase.

WTP Efficiency Project

This project consists of multiple operational and efficiency projects at the Timothy G. Broome Water Treatment. The project is currently in the construction phase.

Post-Clearwell Chemical Feed Improvements

The proposed project includes capital expenditures for post-clearwell chemical feed improvements at the Timothy G. Broome Water Treatment Plant. The project is currently in the construction phase.

NC 96 Economic Development Water Main Ext

This project is for the design and construction of approximately 6,800 LF of 16" water main along NC 96 (from US 701 to Spring Lake Road) in order to provide adequate service and fire protection for planned economic development in the area. This project is currently in the design phase.

Buffalo Road BPS & Transmission Main

This project includes upgrades to the County's existing Buffalo Road booster pump station (6.5 MGD of firm capacity) and approximately 29,000 LF of 24" water main along Buffalo Road from the Water Treatment Plant discharge pipe to NC 42. This will provide the necessary future water supply to the County's 385 and 492 hydraulic gradients in the Johnston West water distribution system. The project is currently in the construction phase.

Note 3 – Detail Notes on All Funds (continued)

6. Construction Commitments (continued)

385 West Transmission Improvements

This project includes 27,500 LF of 8” – 20” water main improvements in the 385’ hydraulic gradient zone of the Johnston West distribution system, including water mains along Main Street Wilsons Mills, Harrison Road, Powhatan Road, Gordon Road, Wise Road and US 70 BUS. The project is currently in the construction phase.

White Memorial Church Road Water Main

This project includes approximately 17,000 LF of 16” water main improvements along White Memorial Church Road from NC 210 to Jackson King Road. The project is in the design phase.

Buffalo WWPS Upgrade / Force Main

This project includes pump station modifications and over 13,000 linear feet of 20-inch force main, as well as design costs for transmission facilities to move wastewater from US 70 Business to the site of a future wastewater treatment plant near the County landfill. The project is currently in the construction phase.

Pine Level WWPS Improvements

This project includes improvements to expand capacity of the County’s Pine Level WWPS by design and construction of a new 12” discharge force main. The project is currently in the construction phase.

McGee’s Crossroads Sewer Consolidation and Middle Creek Interceptor

The proposed project includes improvement to allow for additional wastewater capacity at McGee’s Crossroads and include a new regional wastewater pump station to provide additional capacity in existing infrastructure in portions of the Cleveland area. The project is currently in the construction phase.

Swift Creek Interceptor Project

This project includes construction and installation of approximately 8,800 linear feet of 12-inch and 16-inch gravity sewer along Swift Creek Road from NC Highway 42 to Cornwallis Road and a new 1,25 GPM wastewater pump station at Cornwallis Road. This project is nearing the end of the construction phase.

WWTP 4 MGD Expansion

The proposed project includes a 4.0 MGD wastewater treatment plant to be located on a separate site from the Central Johnston County Regional Wastewater Treatment Facility near the County landfill but included in the same NPDES permit. This project is in the design phase and nearing the bid phase.

East Clayton WWPS Improvements

The proposed project includes upgrading the East Clayton Wastewater Pump Station for additional capacity. The project is currently in the design phase.

Landfill Equalization and WWPS Improvements

The proposed project includes operational improvements and capacity upgrades to the Landfill Equalization and Wastewater Pumping Facility. The project is currently in the construction phase.

Reedy Branch WWPS & FM

This project includes a regional wastewater pump station to be located near the intersection of US 70 BUS and Swift Creek Road, a gravity sewer main from US 70 BUS to the pump station and a 24” force main from the station to the Johnston County Landfill. This project is in the construction phase.

WWTP Flood Mitigation (FEMA)

This project includes design and construction to raise the flood protection elevation at the County’s existing wastewater treatment plant with concrete parapet walls, a floodgate and the necessary storm drain and electrical improvements. This project is in the construction phase.

NC 42 Sewer Line (School Bond Project)

This project includes design and construction of a 6” force main to be located in the existing NCDOT Hwy 42 Widening project area, which will serve the proposed school on Lynch Road. This project is in the construction phase.

Note 3 – Detail Notes on All Funds (continued)

6. Construction Commitments (continued)

Sewer Rehabilitation / Replacement

This project includes removal and replacement of failing ductile iron force mains throughout the County's wastewater collection system. The project is in the construction phase.

Olive Branch WWPS & FM Imp

This project includes capital funds from the County to upsize the wastewater pump station and force main installed by the developer of Olive Branch Subdivision, in order to allow for additional capacity for future wastewater flows from the area. The project is under construction.

ECIA Transmission Improvements

This is a joint project with the Town of Clayton. The County's portion consists of a 16-inch force main along US 70 Business Highway from the existing ECIA wastewater pump station to the US 70 Business/US 70 interchange. The project is in the design phase.

Wilson's Mills Wastewater Pump Station Upgrades

This project includes upgrades to the County's Wilsons Mills Wastewater Pump Station located on Twin Creek Drive. The upgrades will increase the pumping capacity from 500 gpm to 1,000 gpm and include discharge piping and valve replacement, pumps replacement, variable frequency drive (VFD) installation, electrical upgrades, generator replacement, grinder installation, instrumentation upgrades. The project is currently in the design phase.

Wastewater Hydraulic Modeling

This project includes completing a hydraulic model of the County's wastewater system by a professional engineering firm with significant hydraulic modeling experience. The project is currently in the design phase.

Selma Flow Equalization & Wastewater Pump Station Facilities

This project is to evaluate the capacity limitations of the existing Selma Flow Equalization and Wastewater Pump Station facility, identify equalization volume needed for future flow and identify options to increase storage and pumping capacity. The project is currently in the design phase.

Eastfield Utility Capital Reimbursement

This project includes partnering with a developer, Eastfield Associates, LLC, to replace the existing 6" force main from the Pine Level WWPS and divert wastewater from the existing discharge location to the Selma WWPS. The project will include a new wastewater pump station (in the vicinity of US Hwy 70 and the Seaboard Coastline Railroad) and a force main from the new station to the Selma WWPS. This project will allow for additional future flow from the Towns of Pine Level and Selma. In addition, this will allow for excess capacity in the existing gravity sewer outfall that parallels the railroad, crosses the railroad and flows through Smithfield paralleling Buffalo Creek. The County will reimburse the developer for 50% of costs. The project is currently in the design phase.

Buffalo WD FY 18 Hydraulic Improvements

This project includes approximately 8,800 LF of 20" water main from the Timothy G. Broome Water Treatment Plant to Buffalo Road. This project is in the construction phase.

Wilson's Mills WD FY 18 Hydraulic Improvements

This project includes approximately 11,300 LF of 12" and 16" water main along Gordon and Wilson's Mills Roads and a 1.5 MGD booster pump station (expandable to 3.7 MGD). This project is in the construction phase.

Wilson's Mills WD WTP Service Line

This project includes a 24" water main from the Timothy G. Broome Water Treatment Plant to the Wilsons Mills elevated water tank and booster pump station at the water treatment plant. This project is in the construction phase.

Note 3 – Detail Notes on All Funds (continued)**6. Construction Commitments (continued)***Archer Lodge WD 500,000 Gallon Elevated Storage Tank*

This project includes a 500,000 gallon elevated storage tank in the Archer Lodge Water District to provide additional storage and supply to the County's 492' hydraulic gradient zone. This project is in the design phase.

Ingram's Township Water District 2018 Hydraulic Improvements

The proposed project includes approximately 13,500 linear feet of 16-inch water main along US 301 and piping connection modifications in the vicinity of the Jones Brothers Tank. The project is currently in the design phase.

McGee's Crossroads Water District Water Main Improvements (Phases 1 and 2)

The proposed project includes improvements to facilitate water supply from Harnett County and to replace a section of 12-inch PVC water main that has experienced multiple failures. The project is currently in the construction phase.

At year-end, the County's commitments with contractors are as follows:

<u>Project</u>	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
Public Safety Center - Phase I	\$ 24,885,396	\$ 20,172,421
Public Safety Center - Phase II	878,712	104,488
Landfill Entrance & Attendance Facilities	1,541,546	210,115
Landfill Phase 6-A MSW Landfill Construction	6,028,878	849,480
WTP 2.5 MGD Exp / Future Planning	86,386	98,614
NCDOT Waterline Projects	310,995	81,432
WTP 2 MGD Expansion / Upgrade	4,482,907	211,543
WTP Efficiency Project	581,900	5,668,100
Post-Clearwell Chemical Feed Imp	258,830	92,170
NC 96 Economic Development Water Main Ext	203,273	1,376,136
Buffalo Road BPS & Transmission Main	500,016	184,084
385 West Transmission Improvements	555,747	4,838,475
White Memorial Church Road Water Main	100,994	224,006
Buffalo WWPS Upgrade / Force Main	625,998	2,788,002
Pine Level WWPS Improvements	366,531	83,469
McGee's Crossroads Sewer Cons / Middle Creek Int	5,958,803	2,738,117
Swift Creek Interceptor Project	3,836,466	937,094
WWTP 4 MGD Expansion	4,895,690	35,537,310
East Clayton WWPS Imp	160,530	1,423,370
Landfill Equalization & WWPS Imp	432,100	72,900
Reedy Branch WWPS & FM	511,106	181,894
WWTP Flood Mitigation	1,640,507	502,993
NC 42 Sewer Line (School Bond Project)	42,314	960,215
Sewer Rehabilitation / Replacement	62,024	187,976
Olive Branch WWPS & FM Imp	-	610,597
ECIA Transmission Improvements	77,606	1,453,394
Wilson's Mills WWPS Upgrades	34,942	180,058
Wastewater Hydraulic Modeling	43,970	166,030
Selma Flow Eq & WWPS Evaluation	-	90,000
Utility Capital Reimb-Eastfield	-	2,302,250
Buffalo WD FY 18 Hydraulic Imp	2,036,522	556,558
Wilson's Mills WD FY 18 Hydraulic Imp	2,488,915	155,843
Wilson's Mills WD WTP Service Line	4,516,091	504,059
Archer Lodge WD 500,000 Gallon Elevated Storage Tank	18,726	1,716,294
Ingram's Township WD FY 18 Hydraulic Imp	294,055	2,714,945
McGee's Xroads WD WM Imp (Phases 1 & 2)	3,409,117	2,479,053
Total	<u>\$ 71,867,593</u>	<u>\$ 92,453,485</u>

B. LIABILITIES

1. Payables

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

	Vendors	Salaries and Benefits	Accrued Interest	Other	Total
Governmental Activities:					
General	\$ 2,082,665	\$ -	\$ 3,847,475	\$ -	\$ 5,930,140
Other Governmental	809,355	-	-	-	809,355
Total Governmental Activities	<u>\$ 2,892,020</u>	<u>\$ -</u>	<u>\$ 3,847,475</u>	<u>\$ -</u>	<u>\$ 6,739,495</u>

Note 3 – Detail Notes on All Funds (continued)

1. Payables (continued)

	Vendors	Salaries and Benefits	Accrued Interest	Other	Total
Business-type Activities					
Administrative	\$ 4,556	\$ -	\$ -	\$ -	\$ 4,556
Solid Waste	214,481	-	-	-	214,481
Water Fund	234,852	-	419,792	-	654,644
Wastewater	113,673	-	143,626	-	257,299
Section 8 Housing	2,800	-	-	-	2,800
Water Districts	140,176	-	315,922	-	456,098
Total Business-Type Activities	<u>\$ 710,538</u>	<u>\$ -</u>	<u>\$ 879,340</u>	<u>\$ -</u>	<u>\$ 1,589,878</u>

2. Pension Plan and Other Postemployment Obligations

a. Local Governmental Employees' Retirement System

Plan Description. The County is a participating employer in the statewide Local Governmental Employees' Retirement System (LERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LERS 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 LERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for LERS. 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. LERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic postretirement benefit increases. Increases are contingent upon actuarial gains of the plan.

Note 3 – Detail Notes on All Funds (continued)

2. Pension Plan and Other Postemployment Obligations (continued)

a. Local Governmental Employees' Retirement System (continued)

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 10.84% of compensation for law enforcement officers and 10.2% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$6,316,961 for the year ended June 30, 2021.

Refunds of Contributions – County employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

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

At June 30, 2021, the County reported a liability of \$31,576,642 for its proportionate share of the net pension liability. The Tourism Authority reported a liability of \$178,216, and the Airport reported a liability of \$167,271, for a total of \$31,922,129. 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 0.8837% (measured as of June 30, 2020), which was an increase of 0.0081% 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 \$10,844,746. The Tourism Authority and Airport reported pension expense of \$61,206 and \$57,448, respectively. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	County		Tourism		Airport	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,987,576	\$ -	\$ 22,506	\$ -	\$ 21,123	\$ -
Changes of assumptions	2,349,922	-	13,263	-	12,448	-
Net difference between projected and actual	4,443,566	-	25,079	-	23,539	-
Changes in proportion and differences between County Contributions and proportionate share of contributions	31,694	68,449	179	386	169	363
County contributions subsequent to the measurement date	6,316,961	-	37,567	-	28,072	-
Total	\$ 17,129,719	\$ 68,449	\$ 98,594	\$ 386	\$ 85,351	\$ 363

Note 3 – Detail Notes on All Funds (continued)

2. Pension Plan and Other Postemployment Obligations (continued)

a. Local Governmental Employees' Retirement System (continued)

\$6,316,961 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 ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	County	Tourism	Airport
2022	\$ 3,015,870	\$ 17,021	\$ 15,976
2023	4,032,912	22,761	21,364
2024	2,380,459	13,435	12,610
2025	1,315,068	7,424	6,966
2026	-	-	-
Thereafter	-	-	-

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

Inflation	3.0 Percent
Salary Increases	3.50 percent
Investment Rate of	7.00 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 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. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2021 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%
	<u>100.0%</u>	

The information above is based on 30 year expectations developed with the consulting actuary for the 2021 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

Note 3 – Detail Notes on All Funds (continued)

2. Pension Plan and Other Postemployment Obligations (continued)

a. Local Governmental Employees' Retirement System (continued)

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability (asset)			
County	\$ 64,065,566	\$ 31,576,642	\$ 4,576,061
Tourism	361,581	178,216	25,827
Airport	339,375	167,271	24,241

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

Johnston County Airport Authority, Johnston County Tourism Development Authority, and the Johnston County ABC Board reported their respective shares of the required disclosure for the contributions to LGERS for the years ended June 30, 2021.

b. Law Enforcement Officers' Special Separation Allowance

1. Plan Description

The County administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. 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.

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

Inactive Members Currently Receiving Benefits	16
Active plan members	128
Total	<u>144</u>

2. Summary of Significant Accounting Policies

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

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

Note 3 – Detail Notes on All Funds (continued)

2. Pension Plan and Other Postemployment Obligations (continued)

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

3. Actuarial Assumptions

The entry age 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 increases	3.25 to 7.75 percent including inflation and productivity factor
Discount rate	1.93 percent

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

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five-year period ending December 31, 2019.

Mortality Rate

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

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

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

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

4. 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 by making contributions based on actuarial valuations through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. The County paid \$232,932 as benefits came due for the reporting period.

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

At June 30, 2021, the County reported a total pension liability of \$6,164,386. 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 \$642,004.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 481,885	\$ -
Changes of assumptions	1,526,385	87,053
County benefit payments and plan administrative expense made subsequent to the measurement date	119,431	-
Total	<u>\$ 2,127,701</u>	<u>\$ 87,053</u>

Note 3 – Detail Notes on All Funds (continued)

2. Pension Plan and Other Postemployment Obligations (continued)

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

The County paid \$119,431 in benefit payments subsequent to the measurement date that are reported as deferred outflowws of resources related to pension which will be recognized as a decrease of the total pension liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2022	\$ 419,102
2023	425,111
2024	392,279
2025	391,693
2026	293,032
Thereafter	-

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	\$ 6,723,102	\$ 6,164,386	\$ 5,655,096

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

	2021
Beginning balance	\$ 4,117,660
Service Cost	209,952
Interest on the total pension liability	130,439
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	288,912
Changes in assumptions or other inputs	1,650,355
Benefit payments	(232,932)
Other changes	-
Ending balance of the total pension liability	<u>\$ 6,164,386</u>

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

Changes in Benefit Terms. Reported compensation adjusted to reflect the assumed rate of pay as of the valuation date.

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

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study as of December 31, 2019.

Note 3 – Detail Notes on All Funds (continued)

2. Pension Plan and Other Postemployment Obligations (continued)

c. Supplemental Retirement Income Plan for Law Enforcement Officers

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

Funding Policy - Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to 5% of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the Plan. Contributions for the year ended June 30, 2021 were \$842,458, which consisted of \$454,809 from the County and \$387,649 from the law enforcement officers.

d. Supplemental Retirement Income Plan for Nonlaw Enforcement Employees

Plan Description - The County and the Airport also participates in a supplemental retirement plan which is a defined contribution pension plan. All employees, except law enforcement officers, who are eligible to participate in the Local Governmental Employees' Retirement System, are eligible to participate in this pension plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The County's and Airport's plan requires that it contribute each month an amount equal the employee's contribution amount, not to exceed 5% of each eligible participant's salary and all amounts contributed are vested immediately. The Plan is administered by Prudential Retirement. The County has the authority for establishing and amending provisions for contributions to the plan.

Funding Policy - The County's contributions were calculated using a covered payroll amount of \$54,785,472. Total contributions for the year ended June 30, 2021 were \$3,946,116 which consisted of \$1,644,920 from the County and \$2,301,196 from the employees. The County's required contributions and the employees' voluntary contributions represented 4.20% and 3.00% of the covered payroll amount, respectively.

The Johnston County Airport Authority's contributions were calculated using a covered payroll amount of \$241,674. Total contributions for the year ended June 30, 2021 were \$19,838, which consisted of \$12,084 from the Authority and \$7,754 from the employees. The Authority's required contributions and the employee's voluntary contributions represented 5.0% and 3.21% of the covered payroll amount, respectively.

e. Register of Deeds' Supplemental Pension Fund

Plan Description. also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Governmental Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. 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.

Note 3 – Detail Notes on All Funds (continued)

2. Pension Plan and Other Postemployment Obligations (continued)

e. Register of Deeds' Supplemental Pension Fund (continued)

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 \$31,209 for the year ended June 30, 2021.

Pension Liabilities (Assets), 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 \$551,914 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 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 RODSPF employers, actuarially determined. At June 30, 2020, the County's proportion was 2.40821%, which was an increase of 0.34147% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the County recognized pension revenue of \$31,053. 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	\$ -	\$ 11,246
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	47,225
Changes in proportion and differences between County Contributions and proportionate share of contributions	11,813	43,235
County contributions subsequent to the measurement date	31,209	-
Total	<u>\$ 43,022</u>	<u>\$ 101,706</u>

\$31,209 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:

2022	\$ (23,922)
2023	(32,762)
2024	(21,313)
2025	(11,896)
2026	-
Thereafter	-

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

Inflation	3.0 Percent
Salary Increases	3.50 to 7.75 percent, including inflation and productivity factor
Investment Rate of Return	3.75 percent, net of pension plan investment expense, including inflation

Note 3 – Detail Notes on All Funds (continued)

2. Pension Plan and Other Postemployment Obligations (continued)

e. Register of Deeds' Supplemental Pension Fund (continued)

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

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

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The 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, 2021 is 1.4%.

The information above is based on 30 year expectations developed with the consulting actuary for the 2021 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 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 asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.75 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
County's proportionate share of the net pension liability (asset)	\$ (468,782)	\$ (551,914)	\$ (622,257)

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

	<u>LGERs</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
Proportionate Share of Net Pension Liability (Asset)	\$ 31,576,642	\$ (551,914)	\$ -	\$ 31,024,728
Proportion of the Net Pension Liability (Asset)	0.88%	2.41%	n/a	
Total Pension Liability	-	-	6,164,386	6,164,386
Pension Expense (Revenue)	\$ 10,844,746	\$ (31,053)	\$ 642,004	\$ 11,455,697

Note 3 – Detail Notes on All Funds (continued)

f. Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

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>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 3,987,576	\$ -	\$ 481,885	\$ 4,469,461
Changes of assumptions	2,349,922	-	1,526,385	3,876,307
Net difference between projected and actual earnings on pension plan investments	4,443,566	-	-	4,443,566
Changes in proportion and differences between County contributions and proportionate share of contributions	31,694	11,813	-	43,507
County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	6,316,961	31,209	119,431	6,467,601
<u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	\$ -	\$ 11,246	\$ -	\$ 11,246
Changes of assumptions	-	-	87,053	87,053
Net difference between projected and actual earnings on pension plan investments	-	47,225	-	47,225
Changes in proportion and differences between County contributions and proportionate share of contributions	68,449	43,235	-	111,684

g. Other Post Employment Benefit

Plan Description. Under the terms of a County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). Any participant hired prior to January 1, 2011 who commences retirement and meets the following conditions shall receive an annual retirement medical allowance. A participant must: (1) have ten years of service with the County if hired or elected prior to January 1, 2007; (2) have twenty years of service with the County if hired or elected on or after January 1, 2007 but prior to January 1, 2011; and (3) Be eligible and approved to receive retirement benefits in accordance with the regulations of the Local Governmental Employees' Retirement System. The County Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Benefits provided. The HCB Plan provides healthcare benefits for retirees. The County contributes all or most of the funding rate set by the County, depending on the medical plan elected. Insurance coverage will only be extended to retirees until they reach age 65 or until they are eligible to receive Medicare benefits, whichever occurs first. Once the retiree is eligible for Medicare, the retiree must pay the premiums for Medicare Part A and Medicare Part B to continue coverage through the County's health plan. Once the retiree is eligible for Medicare, the County's health plan becomes secondary to Medicare. Also, the County's retirees can purchase coverage for their dependents at the County's group rates if enrolled in dependent coverage at the time of retirement.

The retiree pays the following amounts:

<u>Tier</u>	<u>Core Plan</u>	<u>Plus Plan</u>
Employee Only	\$ -	\$ 80.00
Employee and Spouse	540.00	695.00

Note 3 – Detail Notes on All Funds (continued)

g. Other Post Employment Benefit (continued)

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

	<u>Number</u>
Inactive plan members or beneficiaries currently receiving	359
Inactive plan members entitled to but not yet receiving benefit payments	0
Active plan members	380
	<u>739</u>

The County's total OPEB liability of \$228,735,688 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

Total OPEB Liability

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

Inflation	3.00%
Real wage growth	1.00%
Wage inflation	3.50%
Salary increases, including wage inflation	
General Employees	3.50% - 7.80%
Firefighters	3.50% - 7.80%
Law Enforcement Officers	3.50% - 7.4%
Municipal Bond Index Rate	
Prior Measurement Date	3.50%
Measurement Date	2.21%
Health Care Cost Trends	
Pre-Medicare	7.50% for 2020 decreasing to an ultimate rate of 4.50% by 2026
Medicare	5.50% for 2020 decreasing to an ultimate rate of 4.50% by 2026

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of the measurement date.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances at June 30, 2020	\$ 193,474,697
Changes for the Year:	
Service Cost	3,859,081
Interest	6,705,532
Differences between Expected and Actual experience	(15,467,930)
Changes of assumptions	42,340,180
Benefit Payments	(3,774,448)
Net Changes	<u>33,662,415</u>
Balances at June 30, 2021	<u>\$ 227,137,112</u>

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

Mortality rates were based on the RP-2014 Total Data Set for Healthy Annuitants Mortality Table.

Note 3 – Detail Notes on All Funds (continued)

g. Other Post Employment Benefit (continued)

The actuarial assumptions used in the June 30, 2021 valuation were based on the December 31, 2019 Actuarial Valuation of the North Carolina Local Governmental Employees' Retirement System.

Sensitivity of the new OPEB liability to changes in the discount rate.

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.21 percent) 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			
County	\$ 277,337,579	\$ 227,137,112	\$ 188,722,282
Airport	\$ 1,951,810	\$ 1,598,576	\$ 1,328,165

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were to calculate healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB Liability			
County	\$ 186,320,520	\$ 227,137,112	\$ 281,006,400
Airport	\$ 1,311,262	\$ 1,598,576	\$ 1,977,630

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 \$19,652,975. The Airport reported OPEB expense of \$130,996. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	COUNTY		AIRPORT	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,258,771	\$ 11,499,724	\$ 65,160	\$ 80,931
Changes of assumptions	38,920,602	8,432,625	273,910	59,346
Net Difference between projected and actual earnings on plan investments	-	-	-	-
County contributions subsequent to the measurement date	2,834,703	-	11,417	-
Total	\$ 51,014,076	\$ 19,932,349	\$ 350,487	\$ 140,277

\$2,846,120 reported as deferred outflows of resources related to OPEB resulting from County and Airport contributions subsequent to the measurement date will be recognized as a decrease in the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	COUNTY	AIRPORT
Year Ended June 30:		
2022	\$ 10,299,565	\$ 72,485
2023	10,112,923	71,171
2024	7,834,536	55,137
2025	-	-
2026	-	-
Thereafter		

Note 3 – Detail Notes on All Funds (continued)**h. Other Employment Benefits**

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

3. Closure and post closure care costs - Johnston County Landfill Facility

State and federal laws and regulations require the County to place a final cover on its Subtitle D landfill unit (Phase 5) when it stops accepting waste and to perform certain maintenance and monitoring functions at each site for thirty years after closure is complete on each unit. Although closure and postclosure 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 postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$18,014,219 reported as landfill closure and post-closure care liability at June 30, 2021 represents a cumulative amount reported to date based on the 100% use and care of the Phase 1-5 landfill units. This amount is based on what it would cost to perform all closure and post-closure care activities in 2021. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The engineers that prepare the County's annual report on closure and postclosure landfill costs do not provide separate numbers for those costs due within one year, so the liability is all shown as long-term.

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

4. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Charge on refunding of debt	\$ 9,498,249	\$ -
Difference between expected and actual experience (Pensions, OPEB)		-
LGERS	3,987,576	-
Register of Deeds	-	11,246
LEOSSA	481,885	-
OPEB	9,258,772	11,499,723
Changes of Assumptions (Pensions, OPEB)		
LGERS	2,349,922	-
LEOSSA	1,526,385	87,053
OPEB	38,920,602	8,432,625
Difference between projected and actual investment earnings (Pensions, OPEB)		
LGERS	4,443,566	-
Register of Deeds	-	47,225
OPEB	-	-
Change in proportion and difference between employer contributions and proportionate share of contributions (Pensions, OPEB)		
LGERS	31,694	68,449
Register of Deeds	11,813	43,235
OPEB	-	-

Note 3 – Detail Notes on All Funds (continued)**4. Deferred Outflows and Inflows of Resources (continued)**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions to pension plan in the current fiscal year		
LGERS	6,316,961	-
Register of Deeds	31,209	-
Benefit payments for the OPEB plan paid subsequent to measurement date	2,834,703	-
Benefit payments / administration costs paid subsequent to the measurement date (LEOSSA)	119,431	-
Prepaid taxes not year earned (General)	-	182,777
Taxes receivable, net, less penalties (General)	-	330,329
Capacity Fees (Water Fund)	-	16,191,005
	<u>\$ 79,812,773</u>	<u>\$ 36,893,667</u>

5. 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 participates in one self-funded risk financing pool administered by the North Carolina Association of County Commissioners. Through this pool the County obtains coverage for workers' compensation up to statutory limits. The County has coverage for property replacement with St. Paul Property and Liability Insurance Company. This plan covers building and contents. Motor vehicles and equipment are also covered by this policy. For vehicles, bodily injury limits are \$1,000,000 per person and \$2,000,000 per accident. The County claims governmental immunity from all liability except to the limited coverage provided by the above policy. The County is self insured through Coventry, who also functions as the Third Party Administrator. County employees have the option of a Core Plan, the Advantage Plan, or a Premier plan at an additional premium cost which offers lower copayments, deductibles, and coinsurance amounts. All plans offer in and out of network benefits. Services provided under all plans within the network have a lifetime maximum of \$5,000,000 per member, while services provided out of network under all plans have a lifetime maximum of \$1,000,000 per member. The County purchases reinsurance protection through Coventry for claims that exceed \$150,000 per fiscal year. The Johnston County Board of Alcoholic Control is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Board has property, general liability, workers' compensation, and employee health coverage. The Board also has liquor legal liability coverage. Claims have not exceeded coverage in any of the past three fiscal years.

The County has flood insurance thru Bankers Insurance Group on certain public utilities property. The coverage varies as to the values of the property.

The Finance Director, County Manager, Clerk to the Board, and Assistant Finance Director are bonded for \$500,000. The Economic Development Director is bonded for \$100,000, the Social Services Director is bonded for \$55,000, the Register of Deeds and Sheriff is bonded for \$60,000, and the Tax Director is bonded for \$50,000. All other employees are blanket bonded for \$50,000.

The Johnston County Airport Authority 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 Airport carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

6. 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.

Note 3 – Detail Notes on All Funds (continued)**7. Lease revenues**

The Johnston County Airport Authority leases land and buildings under leases for varying terms. At June 30, 2021, the minimum rental payments under non cancelable leases with a term in excess of one year were as follows:

Year Ending June 30	Amount
2022	\$ 484,940
2023	96,700
2024	59,700
2025	59,700
2026	59,700
	<u>\$ 760,740</u>

8. Long-term obligations

General obligation bonds - General obligation bonds payable at June 30, 2021 are comprised of the following issues:

Serviced by the General Fund

The County's general obligation bonds are serviced by the governmental funds and are collateralized by the full faith, credit, and taxing power of the County. Principal and interest requirements are appropriated when due. In the event of default, the County agrees to pay to the Purchaser, on demand, interest on any and all amounts due and owing by the County under the agreement.

\$54,735,000 General Obligation Refunding Bonds, Series 2010A (School, Community College, and Parks and Recreation) due on February 1 in principal installments of \$210,000 to \$8,650,000 through February 2024, at a true interest cost of 3.12%.	\$ 16,030,000
\$30,400,000 General Obligation Refunding Bonds, Series 2010B (School and Community College) due on February 1 in principal installments of \$205,000 to \$4,075,000 through February 2025, at a true interest cost of 2.36%.	6,920,000
\$34,345,000 General Obligation Refunding Bonds, Series 2012 (School, Community College and Parks & Recreation) due on February 1 in principal installments of \$45,000 to \$6,995,000 through February 2025, at a true interest cost of 1.91%.	20,365,000
\$19,000,000 General Obligation Public Improvement Bonds, Series 2014 (School and Community College) due on February 1 in principal installments of \$40,000 to \$1,400,000 through February 2034, at a true interest cost of 3.24%.	3,300,000
\$18,000,000 General Obligation School Bonds, Series 2015 due on February 1 in principal installments of \$350,000 to \$1,400,00, through February 2035, at a true interest cost of 2.844%.	16,250,000
\$50,060,000 General Obligation Refunding Bonds, Series 2015 (School, Community College and Parks & Recreation) due on February 1 in principal installments of \$590,000 to \$11,120,000 through February 2028, at a true interest cost of 2.288%.	46,355,000
\$27,000,000 General Obligation Public Improvement Bonds, Series 2016 (School and Community College) due on February 1 in principal installments of \$500,000 to \$1,750,000 through February 2036, at a true interest cost of 2.3771%.	25,000,000
\$11,925,000 General Obligation Refunding Bonds, Series 2016 (School, Community College and Parks & Recreation) due on February 1 in principal installments of \$50,000 to \$4,270,000 through February 2022, at a true interest cost of 1.0721%..	4,270,000
\$20,000,000 General Obligation School Bonds, Series 2019 due on February 1 in principal installments of \$490,000 to \$1,185,000 through February 2039, at a true interest cost of 2.3823%.	19,510,000

Note 3 – Detail Notes on All Funds (continued)

8. Long-term obligations (continued)

General Obligation Bonds (continued)

\$20,000,000 General Obligation Public Improvement Bonds, Series 2020 (School and Community College) due on February 1 in principal installments of \$490,000 to \$1,185,000 through February 2040, and semi-annual interest payments on February 1 and August 1 at a true interest cost of 1.619%.	20,000,000
\$36,000,000 General Obligation Public Improvement Bonds, Series 2021 (School and Community College) due on February 1 in principal installments of \$895,000 to \$2,130,000 through February 2041, and semi-annual interest payments on February 1 and August 1 at a true interest cost of 1.5875%.	36,000,000
\$13,475,000 General Obligation Refunding Bonds, Series 2021 (School and Community College) due on February 1 in principal installments of \$35,000 to \$1,440,000 through February 2034, and semi-annual interest payments on February 1 and August 1 at a true interest cost of 1.5928%.	13,475,000
Total - General Obligation Bonds - Governmental Activities	<u>\$ 227,475,000</u>

Serviced by the Water Districts

The County water districts have issued general obligation bonds to provide funds for the acquisition and construction of major water system capital improvements. These bonds are recorded in the Water District Operating Fund.

Each water district's general obligation bond is a direct placement with the County as the registered owner, as part of Limited Obligation Refunding Bonds issued by the County on July 15, 2013 and June 27, 2014. The general obligation bonds of each district were modified in the fiscal year ended June 30, 2021 to reflect a taxable refunding of the County's 2013 and 2014 Limited Obligation Bonds issued on July 8, 2020 (see "Limited Obligation Bonds" below). Each water district's general obligation bond is collateralized by the full faith, credit, and taxing power of the respective water district. In the event of a default, the water district agrees to pay to the County, on demand, interest on any and all amounts due and owing by the water district under the agreement.

\$2,825,000 Water Refunding Bond, Series 2013 (Archer's Lodge) due in annual principal installments of \$85,000 to \$185,000 through 2037 and semi-annual interest with rates from .74% to 2.59%.	\$ 2,650,000
\$2,735,000 Water Refunding Bond, Series 2013 (Brogden) due in annual principal installments of \$130,000 to \$160,000 through 2039 and semi-annual interest with rates from .74% to 2.69%.	2,595,000
\$2,570,000 Water Refunding Bond, Series 2013 (Clayton) due in annual principal installments of \$110,000 to \$175,000 through 2036 and semi-annual interest with rates from .74% to 2.49%.	2,400,000
\$2,630,000 Water Refunding Bond, Series 2013 (Cleveland) due in annual principal installments of \$120,000 to \$175,000 through 2036 and semi-annual interest with rates from .74% to 2.49%.	2,455,000
\$1,095,000 Water Refunding Bond, Series 2013 (Hopewell-Pisgah) due in annual principal installments of \$70,000 to \$90,000 through 2033 and semi-annual interest with rates from .74% to 2.19%.	1,010,000
\$3,000,000 Water Refunding Bond, Series 2013 (Little Creek) due in annual principal installments of \$35,000 to \$190,000 through 2038 and semi-annual interest with rates from .74% to 2.64%.	2,825,000
\$4,430,000 Water Refunding Bond, Series 2013 (McGee's Crossroads) due in annual principal installments of \$110,000 to \$290,000 through 2037 and semi-annual interest with rates from .74% to 2.59%.	4,155,000
\$2,130,000 Water Refunding Bond, Series 2013 (Princeton-Kenly) due in annual principal installments of \$100,000 to \$125,000 through 2039 and semi-annual interest with rates from .74% to 2.69%.	2,015,000

Note 3 – Detail Notes on All Funds (continued)

8. Long-term obligations (continued)

General Obligation Bonds (continued)

\$20,000,000 Public Improvement Series 2020 due on February 1 in principal installments of \$490,000 to \$1,185,000 through February 2040, and semi-annual interest payments on February 1 and August 1 at a true interest cost of 1.619%.	20,000,000
\$36,000,000 Public Improvement Series 2021 (School and Community College) due on February 1 in principal installments of \$895,000 to \$2,130,000 through February 2041, and semi-annual interest payments on February 1 and August 1 at a true interest cost of 1.5875%.	36,000,000
\$13,475,000 Refunding Series 2021 (School and Community College) due on February 1 in principal installments of \$35,000 to \$1,440,000 through February 2034, and semi-annual interest payments on February 1 and August 1 at a true interest cost of 1.5928%.	13,475,000
Total - General Obligation Bonds - Governmental Activities	<u>\$ 227,475,000</u>

Serviced by the Water Districts

The County water districts have issued general obligation bonds to provide funds for the acquisition and construction of major water system capital improvements. These bonds are recorded in the Water District Operating Fund.

Each water district's general obligation bond is a direct placement with the County as the registered owner, as part of Limited Obligation Refunding Bonds issued by the County on July 15, 2013 and June 27, 2014. The general obligation bonds of each district were modified in the fiscal year ended June 30, 2021 to reflect a taxable refunding of the County's 2013 and 2014 Limited Obligation Bonds issued on July 8, 2020 (see "Limited Obligation Bonds" below). Each water district's general obligation bond is collateralized by the full faith, credit, and taxing power of the respective water district. In the event of a default, the water district agrees to pay to the County, on demand, interest on any and all amounts due and owing by the water district under the agreement.

\$2,825,000 Water Refunding Bond, Series 2013 (Archer's Lodge) due in annual principal installments of \$85,000 to \$185,000 through 2037 and semi-annual interest with rates from .74% to 2.59%.	\$ 2,650,000
\$2,735,000 Water Refunding Bond, Series 2013 (Broghden) due in annual principal installments of \$130,000 to \$160,000 through 2039 and semi-annual interest with rates from .74% to 2.69%.	2,595,000
\$2,570,000 Water Refunding Bond, Series 2013 (Clayton) due in annual principal installments of \$110,000 to \$175,000 through 2036 and semi-annual interest with rates from .74% to 2.49%.	2,400,000
\$2,630,000 Water Refunding Bond, Series 2013 (Cleveland) due in annual principal installments of \$120,000 to \$175,000 through 2036 and semi-annual interest with rates from .74% to 2.49%.	2,455,000
\$1,095,000 Water Refunding Bond, Series 2013 (Hopewell-Pisgah) due in annual principal installments of \$70,000 to \$90,000 through 2033 and semi-annual interest with rates from .74% to 2.19%.	1,010,000
\$3,000,000 Water Refunding Bond, Series 2013 (Little Creek) due in annual principal installments of \$35,000 to \$190,000 through 2038 and semi-annual interest with rates from .74% to 2.64%.	2,825,000
\$4,430,000 Water Refunding Bond, Series 2013 (McGee's Crossroads) due in annual principal installments of \$110,000 to \$290,000 through 2037 and semi-annual interest with rates from .74% to 2.59%.	4,155,000
\$2,130,000 Water Refunding Bond, Series 2013 (Princeton-Kenly) due in annual principal installments of \$100,000 to \$125,000 through 2039 and semi-annual interest with rates from .74% to 2.69%.	2,015,000

Note 3 – Detail Notes on All Funds (continued)

8. Long-term obligations (continued)

General Obligation Bonds (continued)

\$830,000 Water Refunding Bond, Series 2013 (Wilson's Mills) due in annual principal installments of \$35,000 to \$50,000 through 2039 and semi-annual interest with rates from .74% to 2.69%.	780,000
\$2,610,000 Water Refunding Bond, Series 2014 (Buffalo) due in annual principal installments of \$90,000 to \$170,000 through 2039 and semi-annual interest with rates from .74% to 2.69%.	2,515,000
\$3,650,000 Water Refunding Bond, Series 2014 (Elevation) due in annual principal installments of \$145,000 to \$230,000 through 2039 and semi-annual interest with rates from .74% to 2.69%.	3,495,000
\$2,460,000 Water Refunding Bond, Series 2014 (Ingram's Township) due in annual principal installments of \$100,000 to \$155,000 through 2039 and semi-annual interest with rates from .74% to 2.69%.	2,355,000
\$8,620,000 Water Refunding Bond, Series 2014 (Little River) due in annual principal installments of \$340,000 to \$550,000 through 2039 and semi-annual interest with rates from .74% to 2.69%.	8,260,000
\$2,835,000 Water Refunding Bond, Series 2014 (Meadow) due in annual principal installments of \$115,000 to \$180,000 through 2039 and semi-annual interest with rates from .74% to 2.69%.	2,720,000
\$7,220,000 Water Refunding Bond, Series 2014 (O'Neal's) due in annual principal installments of \$300,000 to \$455,000 through 2039 and semi-annual interest with rates from .74% to 2.69%.	6,865,000
Total - General Obligation Bonds - Business-Type	\$ 47,095,000

At June 30, 2021, the County had general obligation refunding bonds authorized but unissued of \$24,225,000. The legal debt margin is \$1,280,507,059.

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

Year Ending June 30	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2022	\$ 23,960,000	\$ 8,132,306	\$ 2,370,000	\$ 888,163	\$ 35,350,469
2023	24,710,000	7,625,540	2,435,000	868,255	35,638,795
2024	24,905,000	6,529,040	2,565,000	844,636	34,843,676
2025	23,020,000	5,401,290	2,600,000	816,934	31,838,224
2026	18,490,000	4,434,440	2,665,000	783,654	26,373,094
2027-2031	54,140,000	13,435,250	13,700,000	3,261,172	84,536,422
2032-2036	39,305,000	5,276,005	14,310,000	1,860,496	60,751,501
2037-2041	18,945,000	1,089,300	6,450,000	333,848	26,818,148
	\$ 227,475,000	\$ 51,923,171	\$ 47,095,000	\$ 9,657,158	\$ 336,150,329

State Revolving Loans

Serviced by the Enterprise Funds

The County and certain water districts have outstanding State Revolving Fund loan promissory notes from direct borrowings related to enterprise activities, each secured solely from the revenues of the benefited enterprise system. Each revolving loan note contains provisions that in the event the County fails to pay any payment of principal or interest on the note when due, any other monies due to the County or water district from the State may be withheld by the State and applied to the payment of the revolving loan obligation. Each revolving loan note also contains a provision that if certain conditions of the revolving loan program are not met, the State could require the County or water district to prepay the note in whole and have further commitment of funds withdrawn.

Note 3 – Detail Notes on All Funds (continued)**8. Long-term obligations (continued)****State revolving loans (continued)**

A water revolving loan note from a direct borrowing was executed February 22, 2010 in the amount of \$1,500,000 due in principal installments of \$75,000 on May 1 through 2031, at an interest rate of 0%.	\$ 750,000
A sewer revolving loan note from a direct borrowing was executed August 23, 2012 in the amount of \$200,000 due in principal installments of \$10,000 on May 1 through 2033, at an interest rate of 0%.	120,000
A sewer revolving loan note from a direct borrowing was executed October 3, 2012 in the amount of \$300,000 due in principal installments of \$15,000 on May 1 through 2033, at an interest rate of 0%.	180,000
A sewer revolving loan note from a direct borrowing was executed May 22, 2012 in the amount of \$3,000,000 due in principal installments of \$150,000 on May 1 through 2033, at an interest rate of 0%.	1,800,000
A sewer revolving loan note from a direct borrowing was executed August 13, 2014 in the amount of \$117,702 due in principal installments of \$8,906 on May 1 through 2023, at an interest rate of 2.22%.	17,813
A water revolving loan note from a direct borrowing was executed August 18, 2014 in the amount of \$2,553,650 due in principal installments of \$127,621.68 on May 1 through 2033, at an interest rate of 0%.	1,531,460
A sewer revolving loan note from a direct borrowing was executed August 3, 2015 in the amount of \$311,091 due in principal installments of \$15,555 on May 1 through 2035, at an interest rate of 0%.	217,764
A sewer revolving loan note from a direct borrowing was executed January 17, 2017 in the amount of \$990,209 due in principal installments of \$49,510 on May 1 through 2036, at an interest rate of 0%.	742,657
A water revolving loan note from a direct borrowing was executed August 10, 2018 in the amount of \$6,765,678 due in principal installments of \$338,283.90 on May 1 through 2037, at an interest rate of 0%.	5,412,542
A sewer revolving loan note from a direct borrowing was executed July 9, 2018 in the amount of \$897,585 due in principal installments of \$44,879 on May 1 through 2037, at an interest rate of 1.69%.	718,068
A sewer revolving loan note from a direct borrowing was executed May 2, 2017 in the amount of \$937,200 due in principal installments of \$46,860 on May 1 through 2037, at an interest rate of 1.66%.	749,760
A sewer revolving loan note from a direct borrowing was executed October 5, 2018 in the amount of \$3,188,007 due in principal installments of \$159,400 on May 1 through 2039, at an interest rate of 1.4%. The first principal payment was May 1, 2020; however, due to project delays, this revolving loan is still being drawn down on a project cost reimbursement basis.	2,621,403
A sewer revolving loan note from a direct borrowing was executed November 23, 2020 in the amount of \$8,346,000 due in principal installments of \$417,300 on May 1 through 2041, at an interest rate of 1.04%. This revolving loan is being drawn down on a project cost reimbursement basis, and the first principal payment is due May 1, 2022.	4,640,153
A water revolving loan note from a direct borrowing was executed August 26, 2019 in the amount of \$3,300,000 due in principal installments of \$165,000 on May 1 through 2041, at an interest rate of 1.86%. This revolving loan is being drawn down on a project cost reimbursement basis, and the first principal payment is due May 1, 2022.	3,278,544

Note 3 – Detail Notes on All Funds (continued)

8. Long-term obligations (continued)

State revolving loans (continued)

Serviced by the Water Districts:

A water revolving loan note from a direct borrowing was executed on September 16, 2020 in the amount of \$1,247,663 (Elevation Water District) due in principal installments of \$62,383 on May 1 through 2040, at an interest rate of 1.53%. 1,185,280

A water revolving loan note from a direct borrowing was executed on June 7, 2019 in the amount of \$2,530,000 (Buffalo Water District) due in principal installments of \$126,500 on May 1 through 2040, at an interest rate of 1.53%. This revolving loan is being drawn down on a project cost reimbursement basis, and the first principal payment was May 1, 2021. 1,791,658

A water revolving loan note from a direct borrowing was executed on June 7, 2019 in the amount of \$2,497,000 (Wilson's Mills Water District) due in principal installments of \$124,850 on May 1 through 2040, at an interest rate of 1.53%. This revolving loan is being drawn down on a project cost reimbursement basis, and the first principal payment was May 1, 2021. 2,032,092

A water revolving loan note from a direct borrowing was executed on October 22, 2019 in the amount of \$4,953,273 (Wilson's Mills Water District) due in principal installments of \$247,664 on May 1 through 2040, at an interest rate of 1.91%. This revolving loan is being drawn down on a project cost reimbursement basis, and the first principal payment was May 1, 2021. 3,903,241

A water revolving loan note from a direct borrowing was executed on January 6, 2021 in the amount of \$5,586,000 (McGee's Crossroads Water District) due in principal installments of \$279,300 on May 1 through 2042, at an interest rate of 1.13%. This revolving loan is being drawn down on a project cost reimbursement basis, and the first principal payment is due on May 1, 2023. 2,604,204

Total - State Revolving Loans - Business-Type \$ 34,296,639

Annual debt service requirements to maturity for the County and Water District State Revolving Federal Loans, including the additional principal once fully drawn down for the Enterprise Fund are as follows:

Year Ending June 30	Principal	Interest	Amount
2022	\$ 2,184,713	\$ 420,123	\$ 2,604,836
2023	2,464,013	450,542	2,914,555
2024	2,455,107	412,559	2,867,666
2025	2,455,107	388,696	2,843,803
2026	2,455,107	364,832	2,819,939
2027-2031	12,275,535	1,466,209	13,741,744
2032-2036	7,945,930	671,178	8,617,108
2037-2041	2,061,127	100,566	2,161,693
	<u>\$ 34,296,639</u>	<u>\$ 4,274,705</u>	<u>\$ 38,571,344</u>

In addition to the State Revolving Fund loans above, the County and certain water districts have received letters of intent to fund \$101,081,242 of water and sewer projects through additional State Revolving Fund loans for which it has signed or expects to soon sign promissory notes with the NC Department of Environmental Quality.

Note 3 – Detail Notes on All Funds (continued)

8. Long-term obligations (continued)

Installment purchase loans – Installment purchase loans payable at June 30, 2021 are comprised of the following:

Serviced by the Enterprise Funds

Eight of the County's water districts executed and delivered direct placement installment financing contracts with the County, as part of and securing Limited Obligation Refunding Bonds issued by the County on July 15, 2013 and June 27, 2014. Each of these installment financing contracts was amended and restated in the fiscal year ended June 30, 2021 to reflect a taxable refunding of the County's 2013 and 2014 Limited Obligation Bonds issued on July 8, 2020 (see "Limited Obligation Bonds" below). In the event of default with any/each of these direct placement installment financing contracts, the County may (a) declare the unpaid portion of the principal and interest components of the installment payments immediately due and payable without notice or demand to the district, (b) proceed by appropriate court action to enforce performance by the district of the applicable covenants of the contract or to recover for the breach thereof, or (c) exercise all the rights and remedies of a secured party or creditor under the Uniform Commercial Code and the general laws of the State of North Carolina with respect to the enforcement of the security interest under the contract.

\$355,000 Refunding of 2007 USDA installment financing contract (direct placement with the County) issued to finance construction of improvements to Ingram's Township Water District, due in annual principal installments ranging from \$15,000 to \$25,000, plus semi-annual interest ranging from .74% to 2.69% through 2039. The direct placement installment financing contract is secured by sewer system improvements in the Devils Race Track area of Ingram's Township Water District. \$ 340,000

\$1,835,000 Refunding of 2007 USDA installment financing contract (direct placement with the County) issued to purchase additional capacity in the County water treatment plant for Archer's Lodge Water District, due in annual principal installments ranging from \$75,000 to \$120,000, plus semi-annual interest ranging from .74% to 2.69% through 2039. The direct placement installment financing contract is secured by Archer's Lodge Water District's 752,727 GPD water capacity in the County's water treatment plant. 1,760,000

\$215,000 Refunding of 2007 USDA installment financing contract (direct placement with the County) issued to purchase additional capacity in the County water treatment plant for Clayton Water District, due in annual principal installments ranging from \$10,000 to \$15,000, plus semi-annual interest ranging from .74% to 2.69% through 2039. The direct placement installment financing contract is secured by Clayton Water District's 100,000 GPD water capacity in the County's water treatment plant. 205,000

\$3,405,000 Refunding of 2007 USDA installment financing contract (direct placement with the County) issued to purchase additional capacity in the County water treatment plant for Cleveland Water District, due in annual principal installments ranging from \$125,000 to \$220,000, plus semi-annual interest ranging from .74% to 2.69% through 2039. The direct placement installment financing contract is secured by Cleveland Water District's 1.5 MGD water capacity in the County's water treatment plant. 3,265,000

\$780,000 Refunding of 2007 USDA installment contract (direct placement with the County) issued to purchase additional capacity in the County water treatment plant for Hopewell-Pisgah Water District, due in annual principal installments ranging from \$30,000 to \$50,000, plus semi-annual interest ranging from .74% to 2.69% through 2039. The direct placement installment financing contract is secured by Hopewell-Pisgah Water District's 500,000 GPD water capacity in the County's water treatment plant. 750,000

\$570,000 Refunding of 2007 USDA installment financing contract (direct placement with the County) issued to purchase additional capacity in the County water treatment plant for Little Creek Water District, due in annual installments ranging from \$20,000 to \$35,000, plus semi-annual interest ranging from .74% to 2.69% through 2039. The direct placement installment financing contract is secured by Little Creek Water District's 250,000 GPD water capacity in the County's water treatment plant. 545,000

Note 3 – Detail Notes on All Funds (continued)

8. Long-term obligations (continued)

Installment purchase loans – Installment purchase loans payable at June 30, 2021 are comprised of the following:

Serviced by the Enterprise Funds

\$1,595,000 Refunding of 2007 USDA installment financing contract (direct placement with the County) issued to purchase additional capacity in the County water treatment plant for McGee's Crossroads Water District, due in annual principal installments ranging from \$60,000 to \$100,000, plus semi-annual interest ranging from .74% to 2.69% through 2039. The direct placement installment financing contract is secured by McGee's Crossroads Water District's 700,000 GPD water capacity in the County's water treatment plant. 1,530,000

\$450,000 Refunding of 2007 USDA installment financing contract (direct placement with the County) issued to purchase additional capacity in the County water treatment plant for Wilson's Mills Water District, due in annual principal installments ranging from \$20,000 to \$30,000, plus semi-annual interest ranging from .74% to 2.69% through 2039. The direct placement installment financing contract is secured by Wilson's Mills Water District's 200,000 GPD water capacity in the County's water treatment plant. 430,000

Six of the County's water districts executed and delivered direct placement installment financing refunding contracts with the County, as part of and securing Limited Obligation Bonds issued by the County on July 8, 2020 (see "Limited Obligation Bonds" below). In the event of default with any/each of these direct placement installment financing contracts, the Trustee of the Limited Obligation Bonds may (a) declare the unpaid portion of the principal and interest components of the installment payments immediately due and payable without notice or demand to the district, (b) proceed by appropriate court action to enforce performance by the district of the applicable covenants of the contract or to recover for the breach thereof, or (c) exercise all the rights and remedies of a secured party or creditor under the Uniform Commercial Code and the general laws of the State of North Carolina with respect to the enforcement of the security interest under the contract.

\$705,000 Refunding of 2009 USDA installment financing contract (direct placement with the County) issued to finance a proportional share of improvements to the County water treatment plant for Brogden Water District and a revolving loan of Brogden Water District, due in annual principal installments of \$15,000 to \$85,000, plus semi-annual interest ranging from 2% to 5% through 2040. The direct placement installment financing contract is secured by Brogden Water District's proportional investment in certain improvements to the County's water treatment plant. 635,000

\$270,000 Refunding of 2009 USDA installment financing contract (direct placement with the County) issued to finance a proportional share of improvements to the County water treatment plant for Buffalo Water District, due in annual principal installments of \$10,000 to \$20,000, plus semi-annual interest ranging from 2% to 5% through 2040. The direct placement installment financing contract is secured by Buffalo Water District's proportional investment in certain improvements to the County's water treatment plant. 270,000

\$280,000 Refunding of 2009 USDA installment financing contract (direct placement with the County) issued to finance a proportional share of improvements to the County water treatment plant for Ingram's Township Water District, due in annual principal installments of \$10,000 to \$20,000, plus semi-annual interest ranging from 2% to 5% through 2040. The direct placement installment financing contract is secured by Ingram's Township Water District's proportional investment in certain improvements to the County's water treatment plant. 280,000

\$360,000 Refunding of 2009 USDA installment financing contract (direct placement with the County) issued to finance a proportional share of improvements to the County water treatment plant for Meadow Water District, due in annual principal installments of \$5,000 to \$25,000, plus semi-annual interest ranging from 2% to 5% through 2040. The direct placement installment financing contract is secured by Meadow Water District's proportional investment in certain improvements to the County's water treatment plant. 355,000

Note 3 – Detail Notes on All Funds (continued)

8. Long-term obligations (continued)

Installment purchase loans – Installment purchase loans payable at June 30, 2021 are comprised of the following:

\$225,000 Refunding of 2009 USDA installment financing contract (direct placement with the County) issued to finance a proportional share of improvements to the County water treatment plant for O'Neal's Water District, due in annual principal installments of \$10,000 to \$15,000, plus semi-annual interest at 2% to 5% through 2040. The direct placement installment financing contract is secured by O'Neal's Water District's proportional investment in certain improvements to the County's water treatment plant.

225,000

\$265,000 Refunding of 2009 USDA installment financing contract (direct placement with the County) issued to finance a proportional share of improvements to the County water treatment plant for Princeton-Kenly Water District, due in annual principal installments of \$10,000 to \$20,000, plus semi-annual interest ranging from 2% to 5% through 2040. The direct placement installment financing contract is secured by Princeton-Kenly Water District's proportional investment in certain improvements to the County's water treatment plant.

265,000

Total installment purchase loans (serviced by the Water Districts)

\$ 10,855,000

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

Year Ending June 30	Governmental Activities		Business-type Activities		Total
	Principle	Interest	Principal	Interest	
2022	\$ -	\$ -	\$ 480,000	\$ 259,925	\$ 739,925
2023	-	-	545,000	250,485	795,485
2024	-	-	585,000	239,556	824,556
2025	-	-	590,000	227,750	817,750
2026	-	-	535,000	214,990	749,990
2027-2031	-	-	2,775,000	912,638	3,687,638
2032-2036	-	-	3,095,000	563,328	3,658,328
2037-2041	-	-	2,250,000	132,552	2,382,552
	\$ -	\$ -	\$ 10,855,000	\$ 2,801,224	\$ 13,656,224

Other notes payable – Notes issued for the construction and improvements of the wastewater treatment facilities, water lines and landfill are being retired by the resources in the Public Utilities Fund and are reported as a long-term debt in the Public Utilities Fund.

Notes payable at June 30, 2021 are comprised of the following:

Serviced by the Water Districts Enterprise Fund

\$57,850 direct borrowing note payable issued February 2006 to purchase a 6" water main and certain other water mains from Harnett County, due in annual installments of \$3,709, including interest at 4.00% through 2030. The note is secured by the purchased improvements.

\$ 27,534

\$ 27,534

Note 3 – Detail Notes on All Funds (continued)

8. Long-term obligations (continued)

Other notes payable (continued)

Annual debts service requirements to maturity for the County's other notes payable, including interest of \$5,794 are as follows:

Year Ending June 30	Business Type Activities		
	Principal	Interest	Amount
2022	\$ 2,602	\$ 1,101	\$ 3,703
2023	2,706	997	3,703
2024	2,814	889	3,703
2025	2,927	776	3,703
2026	3,044	659	3,703
2027-2031	13,441	1,372	14,813
	<u>\$ 27,534</u>	<u>\$ 5,794</u>	<u>\$ 33,328</u>

Limited Obligation Bonds

Limited Obligation bonds payable at June 30, 2021 are comprised of the following issues:

Serviced by the General Fund

\$26,750,000 Limited Obligation Bonds, Series 2017A due on April 1 in principal installments of \$410,000 to \$1,450,000 through April 2037, plus semi-annual interest at a true interest cost of 2.716%. The 2017A LOBs were issued to finance improvements to 15 existing schools in the County and are issued under an installment financing contract secured by a deed of trust on real property on which South Johnston High School is located. The deed of trust requires that legal title to the property remain with the County as long as the debt is outstanding because the property is pledged as collateral for the debt. The County has entered into a lease with the Johnston County Board of Education that transfers the rights and responsibilities for maintenance and insurance of the property to the Board of Education. The lease calls for a nominal lease payment. The lease term is the same as that of the installment purchase obligation. Due to economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education. The contract contains provisions that upon event of default the trustee may, (a) declare the unpaid portion of the principal components of the installment payments immediately due and payable without notice or demand, (b) proceed by appropriate court action to enforce performance of the applicable covenants of the contract, and (c) exercise all the rights and remedies of a secured party or creditor under the Uniform Commercial Code and the general laws of the State of North Carolina with respect to the enforcement of the security interest granted or reserved under the contract and the deed of trust.

\$ 23,205,000

\$71,040,000 Limited Obligation Bonds, Series 2020A (\$49,735,000 General Fund) due on April 1 in principal installments of \$2,185,000 to \$5,885,000 through April 2040, plus semi-annual interest at a true interest cost of 1.706%. The 2020A LOBs were issued to (1) finance the construction and related costs of a new County Detention Center, (2) refund the County's Limited Obligation Refunding Bonds, Series 2017, the proceeds of which were used to refund obligations that financed capital costs of public school facilities, (3) refund outstanding County water revenue bonds issued to USDA, (4) refund certain outstanding County water and sewer revolving loans, (5) refund a prior revolving loan of Brogden Water District, (6) purchase certain installment contracts of six of the County's water districts executed and delivered to prepay installment contract obligations of the respective Districts payable to USDA, and (7) pay certain expenses related to the issuance of the 2020A LOBs. The 2020A LOBs are issued under an installment financing contract secured by a deed of trust on real property on which the new County Detention Center is being constructed. The contract contains provisions that upon event of default the trustee may, (a) declare the unpaid portion of the principal components of the installment payments immediately due and payable without notice or demand, (b) proceed by appropriate court action to enforce performance of the applicable covenants of the contract, and (c) exercise all the rights and remedies of a secured party or creditor under the Uniform Commercial Code and the general laws of the State of North Carolina with respect to the enforcement of the security interest granted or reserved under the contract and the deed of trust, including (1) re-enter and take possession of the property securing the installment financing contract and sell, lease, sublease or make other disposition of the same and/or (2) enforcing payment on the District Refunding Contracts and/or selling such District Refunding Contract.

48,645,000

Total Serviced by the General Fund

\$ 71,850,000

Note 3 – Detail Notes on All Funds (continued)

8. Long-term obligations (continued)

Limited Obligation Bonds (continued)

Serviced by the County Enterprise Funds

\$71,040,000 Limited Obligation Bonds, Series 2020A (\$21,305,000 Enterprise Funds) due on April 1 in principal installments of \$2,185,000 to \$5,885,000 through April 2040, plus semi-annual interest at a true interest cost of 1.706%. The 2020A LOBs were issued to (1) finance the construction and related costs of a new County Detention Center, (2) refund the County's Limited Obligation Refunding Bonds, Series 2017, the proceeds of which were used to refund obligations that financed capital costs of public school facilities, (3) refund outstanding County water revenue bonds issued to USDA, (4) refund certain outstanding County water and sewer revolving loans, (5) refund a prior revolving loan of Brogden Water District, (6) purchase certain installment contracts of six of the County's water districts executed and delivered to prepay installment contract obligations of the respective Districts payable to USDA and (7) pay certain expenses related to the issuance of the 2020A LOBs. The 2020A LOBs are issued under an installment financing contract secured by a deed of trust on real property on which the new County Detention Center is being constructed. The contract contains provisions that upon event of default the trustee may, (a) declare the unpaid portion of the principal components of the installment payments immediately due and payable without notice or demand, (b) proceed by appropriate court action to enforce performance of the applicable covenants of the contract, and (c) exercise all the rights and remedies of a secured party or creditor under the Uniform Commercial Code and the general laws of the State of North Carolina with respect to the enforcement of the security interest granted or reserved under the contract and the deed of trust, including (1) re-enter and take possession of the property securing the installment financing contract and sell, lease, sublease or make other disposition of the same and/or (2) enforcing payment on the District Refunding Contracts and/or selling such District Refunding Contracts.

When debt service is due on the 2020A LOBs, each of the applicable six water districts will remit the debt service payments for their respective contracts to the County, who will then remit it to the bondholders. If a district does not pay, the County has the contracts as collateral. The reader should note that this debt issuance of the County is partially offset by the water district refunding obligations as detailed under the Installment Purchase Loans Section.

The water districts are a blended component unit of the County. On the fund statements, the amounts owed to the County to make the payments for the 2020A LOBs are classified as "Due to the County" in the Water District Operating Fund, and as "Due from the Districts" in the County Water Fund. On the government-wide statements, these amounts are eliminated. Therefore, when Exhibit 1 debt totals are compared to the total debt in the notes, the amount will differ by the amount eliminated for this LOB debt. Of the total 2020A LOBs balance of \$68,090,000 (\$19,445,000 Enterprise Funds portion), \$2,030,000 is recorded as Due from the Districts and is eliminated in Exhibit I.

\$ 19,445,000

\$64,595,000 Taxable Limited Obligation Bonds, Series 2020B due on April 1 in principal installments of \$2,875,000 to \$3,805,000 through April 2039, plus semi-annual interest at a true interest cost of 2.182%. The 2020B LOBs were issued to (1) refund the County's Limited Obligation Bonds, Series 2013, (2) refund the County's Limited Obligation Bonds, Series 2014, and (3) pay certain expenses incurred in connection with the issuance of the 2020B LOBs. The 2020B LOBs are issued under an installment financing contract secured by a deed of trust on real property on which the new County Detention Center is being constructed. The contract contains provisions that upon event of default the trustee may, (a) declare the unpaid portion of the principal components of the installment payments immediately due and payable without notice or demand, (b) proceed by appropriate court action to enforce performance of the applicable covenants of the contract, and (c) exercise all the rights and remedies of a secured party or creditor under the Uniform Commercial Code and the general laws of the State of North Carolina with respect to the enforcement of the security interest granted or reserved under the contract and the deed of trust, including (1) re-enter and take possession of the property securing the installment financing contract and sell, lease, sublease or make other disposition of the same and/or (2) enforcing payment on the District Refunding Contracts and/or selling such District Refunding Contracts.

The 2013 LOBs were issued to refinance an existing installment obligation of the County and to purchase certain general obligation refunding bonds of County water districts. The 2014 LOBs were issued to (a) refinance certain installment payment obligations of the County, (b) refinance certain existing revolving loans of the County, (c) purchase certain general obligation refunding bonds of County water districts, and (d) purchase certain installment financing contracts of water districts.

Note 3 – Detail Notes on All Funds (continued)

8. Long-term obligations (continued)

Limited Obligation Bonds (continued)

When debt service is due on the 2020B LOBs, each of the applicable water districts will remit the debt service payments for their respective general obligation bond and/or installment purchase contract to the County, who will then remit it to the 2020B bondholders. If a district does not pay, the County has the general obligation bonds and/or installment purchase contracts as collateral. The reader should note that this debt issuance of the County is partially offset by the water district refunding obligations as detailed under the General Obligation Indebtedness Section and the Installment Purchase Loans Section above.

The water districts are a blended component unit of the County. On the fund statements, the amounts owed to the County to make the payments for the 2020B LOBs are classified as "Due to the County" in the Water District Operating Fund, and as "Due from the Districts" in the County Water Fund. On the government-wide statements, these amounts are eliminated. Therefore, when Exhibit 1 debt totals are compared to the total debt in the notes, the amount will differ by the amount eliminated for this LOB debt. Of the total 2020B LOBs balance of \$60,790,000, \$55,920,000 is recorded as Due from the Districts and is eliminated in Exhibit I.

	60,790,000
Total Serviced by the Enterprise Funds	\$ 80,235,000

The Limited Obligation Bonds serviced by the Water Districts Fund were budgeted by the Board to be recorded and presented in the Water Fund. Therefore the issuance and purchase of the District's bonds are presented in the Water Fund's budget and actual schedule and exhibits.

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

Year Ending June 30	Governmental Activities		Business Type Activities		Total	
	Principle	Interest	Principle	Interest	Principle	Interest
2022	\$ 5,590,000	\$ 3,171,550	\$ 5,250,000	\$ 2,020,591	\$ 10,840,000	\$ 5,192,141
2023	5,285,000	2,892,050	5,310,000	1,903,899	10,595,000	4,795,949
2024	5,300,000	2,627,800	5,070,000	1,779,449	10,370,000	4,407,249
2025	5,310,000	2,362,800	5,170,000	1,651,193	10,480,000	4,013,993
2026	5,325,000	2,097,300	5,255,000	1,513,221	10,580,000	3,610,521
2027-2031	19,730,000	7,193,050	22,850,000	5,723,044	42,580,000	12,916,094
2032-2036	16,480,000	3,260,900	20,020,000	3,071,911	36,500,000	6,332,811
2037-2041	8,830,000	615,450	10,975,000	700,427	19,805,000	1,315,877
2042-2046	-	-	335,000	15,150	335,000	15,150
	<u>\$ 71,850,000</u>	<u>\$ 24,220,900</u>	<u>\$ 80,235,000</u>	<u>\$ 18,378,882</u>	<u>\$ 152,085,000</u>	<u>\$ 42,599,782</u>

Advance Refundings

On May 12, 2010 the County issued \$54,735,000 of General Obligation refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$59,639,774. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$805,000. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is shorter than the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 14 years by \$2,775,199 and resulted in an economic gain of \$2,397,343.

Note 3 – Detail Notes on All Funds (continued)

8. Long-term obligations (continued)

Advance Refundings (continued)

On November 2, 2010 the County issued \$30,400,000 of General Obligation refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$33,224,500. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price was less than the net carrying amount of the old debt by \$2,467,317. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is the same as the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 15 years by \$2,548,831 and resulted in an economic gain of \$2,447,206.

On March 6, 2012 the County issued \$34,345,000 of General Obligation refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$39,335,616. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$4,375,346. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is the same as the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 13 years by \$2,608,165 and resulted in an economic gain of \$2,559,324.

On April 21, 2015, the County issued \$50,060,000 of General Obligation refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$57,014,407. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the respective statements of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$5,414,407. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is the same as the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 20 years by \$4,309,763 and resulted in an economic gain of \$3,330,818.

On May 17, 2016, the County issued \$11,925,000 of General Obligation refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$13,354,699. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the respective statements of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$1,017,875. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is the same as the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 6 years by \$532,156 and resulted in an economic gain of \$510,698.

On July 8, 2020 the County issued \$71,040,000 of Limited Obligation bonds (\$35,935,000 refunding) to provide resources to currently redeem an outstanding County limited obligation bond, outstanding County water revenue bonds, certain revolving loans of the County, an outstanding revolving loan of a water district, and to acquire certain refunding contracts of water districts. As a result, the refunded obligations are paid in full and the liability has been removed from the respective statements of net position. The net carrying amount of the old debt exceeded the reacquisition price of the new debt by \$5,651,872, as the refunding included a premium of \$6,224,409 that was associated with refunded amounts. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is the same as the life of the new debt issued. This current refunding was undertaken to reduce total debt service payments over the next 31 years by \$4,767,521 and resulted in an economic gain of \$3,313,574.

On July 8, 2020 the County issued \$64,595,000 of Taxable Limited Obligation bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$64,570,625. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the respective statements of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$8,605,000. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is the same as the life of the new debt issued. This advanced refunding was undertaken to reduce total debt service payments over the next 19 years by \$3,918,321 and resulted in an economic gain of \$3,039,017.

Note 3 – Detail Notes on All Funds (continued)

8. Long-term obligations (continued)

Advance Refundings (continued)

On May 27, 2021, the County issued \$13,475,000 of Taxable General Obligation refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$14,451,125. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the respective statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$375,000. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is the same as the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 13 years by \$609,719 and resulted in an economic gain of \$612,713.

Debt Related to Capital Activities - Of the total Governmental Activities debt listed \$35,105,000 relates to assets for which the County holds title. Unspent restricted cash related to the debt that relates to Governmental Activities assets for which the County holds title amounts to \$25,967,267.

Long-Term Obligation Activity - The following is a summary of changes in long-term obligations for the fiscal year ended June 30, 2021:

	Balance 7/1/2020	Increases	Decreases	Balance 6/30/2021	Amounts Due Within One Year
Governmental Activities:					
General Obligation Bonds	\$ 214,200,000	\$ 49,475,000	\$ 36,200,000	\$ 227,475,000	\$ 23,960,000
Unamortized bond premium	22,616,249	16,049,296	6,490,010	32,175,535	3,625,675
Limited Obligation Bonds	43,165,000	49,735,000	21,050,000	71,850,000	5,590,000
Net Pension Liability	21,398,111	6,859,869	-	28,257,980	-
Total Pension Liability (LEOSSA)	4,117,660	2,046,726	-	6,164,386	-
Compensated Absences	4,362,438	3,801,842	3,591,319	4,572,961	1,845,190
Total OPEB Liability	171,006,314	29,753,192	-	200,759,506	-
Total governmental activities	\$ 480,865,772	\$ 157,720,925	\$ 67,331,329	\$ 571,255,368	\$ 35,020,865
Business-type Activities:					
General Obligation Debt	\$ 43,080,000	\$ 6,560,000	\$ 2,545,000	\$ 47,095,000	\$ 2,370,000
Limited Obligation Bonds	55,990,000	29,910,000	5,665,000	80,235,000	5,250,000
Direct borrowing loans	39,980,376	12,811,118	18,494,855	34,296,639	2,184,713
Direct placement installment purchase loans	10,030,053	1,340,157	515,210	10,855,000	480,000
Other notes payable	30,035	-	2,501	27,534	2,602
Revenue Bonds	5,983,398	-	5,983,398	-	-
Unamortized Premium	3,105,610	3,868,169	3,457,130	3,516,649	351,520
Compensated absences	574,012	458,778	383,413	649,377	262,024
Net Pension Liability	2,513,028	805,634	-	3,318,662	-
Total OPEB Liability	22,468,413	3,909,253	-	26,377,666	-
Total business-type activities	\$ 183,754,925	\$ 59,663,109	\$ 37,046,507	\$ 206,371,527	\$ 10,900,859

Compensated absences for governmental activities typically have been liquidated in the general fund and are accounted for on a LIFO basis, assuming that all employees are taking leave time as it is earned. Additionally, other post employment benefits and the net pension obligation are also liquidated by the general fund.

To assist in the reconciliation of Total Government-wide debt to the above note, we offer the following reconciliation:

	Governmental	Business-Type
Debt per Government-wide Statements	\$ 565,090,982	\$ 148,421,538
Reconciling Items:		
2020A LOBS that are eliminated in Exhibit 1	-	2,030,000
2020B LOBS that are eliminated in Exhibit 1	-	55,920,000
Reconciled Balance	\$ 565,090,982	\$ 206,371,538

Note 3 – Detail Notes on All Funds (continued)

8. Long-term obligations (continued)

Conduit Debt Obligation - Johnston 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 one series of industrial revenue bonds outstanding with an aggregate principal amount payable of \$10,887,607.

C. INTERFUND BALANCES AND ACTIVITIES

Receivables and Payables

Due from/to Other funds

	From	To
General Fund	\$ 258	\$ 30,162
Special Revenue Funds		
Voluntary Ag District	-	164
Representative Payee Fund	-	18
Communication Fund	-	76
Heritage Commission	30,162	-
Capital Project Fund		
Industrial Infrastructure Fund	-	70,448
Enterprise Funds		
Administrative Fund	2,575	-
Solid Waste Fund		1,615,006
Water Fund	-	1,348,805
Wastewater Fund	537,438	-
Water District Operating Fund	2,494,246	-
Total	<u>\$ 3,064,679</u>	<u>\$ 3,064,679</u>

All interfund receivables and payables resulted from transfers used to supplement other funding sources.

Transfers

Transfers to/from other funds at June 30, 2021, consists of the following:

From the General fund to the Industrial Development fund to accumulate resources for the construction project.	\$ 5,866,500
From the General fund to the Solid Waste fund to provide additional resources for recycling operations.	400,000
From the General fund to the Heritage Center fund to provide additional resources for operations.	170,624
From the General fund to the Revaluation fund to accumulate resources for the revaluation of real property.	150,000
From the General Fund to the Public Safety Center Project Fund to provide resources for construction of a new detention center.	983,201
From the General Fund to the Communications Fund to cover unallowable expenses.	335
From the Public Safety Center Project Fund to the General Fund to reimburse project costs that were covered by the General Fund pending receipt of bond funds.	557,818

Note 3 – Detail Notes on All Funds (continued)

C. INTERFUND BALANCES AND ACTIVITIES (continued)

Transfers (continued)

From the School Bond Fund to the General Fund to move bond issuance premium and interest earnings on bond proceeds for debt service.	2,695,000
From the School Bond Fund to the Wastewater Capital Projects fund to provide resources for a sewer line project for a new school.	9,485
Total - Governmental Funds	<u>\$ 10,832,963</u>
Enterprise Funds:	
From the Solid Waste Capital Projects Fund to the Solid Waste fund to close out a project (remaining funds not spent).	\$ 2,029
From the Water District Fund to the Water Fund for debt service.	1,734,566
From the Water Fund to the Water Capital Projects fund to provide resources for capital projects.	20,000
From the Water Capital Projects fund to the Water fund to close out a project (remaining funds not spent).	1,700
From the Water District Fund to the Water District Capital Projects fund to provide resources for capital projects.	190,450
From the Water District Capital Project Fund to the Water District fund to close out a project (remaining funds not spent).	30,000
From the Wastewater fund to the Wastewater Capital Project fund to provide resources for capital projects.	900,546
From the Wastewater Capital Projects fund to the Wastewater fund to return funds no longer needed for capital projects.	921,401
From the Water District Fund to the Water District System Development Fee Capital Reserve fund to accumulate resources for capital projects and/or debt service.	8,436,122
From the Wastewater Fund to the Wastewater System Development Fee Capital Reserve fund to accumulate resources for capital projects and/or debt service.	2,673,295
From the Water District System Development Fee Capital Reserve fund to the Water Capital Projects fund to provide resources for capital projects.	844,100
From the Wastewater System Development Fee Capital Reserve fund to the Wastewater Capital Projects fund to provide resources for capital projects.	4,184,150
Total Enterprise Funds	<u>\$ 19,938,359</u>
Total	<u><u>\$ 30,771,322</u></u>

D. NET INVESTMENT IN CAPITAL ASSETS

	<u>Governmental</u>	<u>Business-type</u>
Capital assets	\$ 82,263,689	\$ 273,898,870
less: long-term debt (related to County assets)	(43,314,372)	(176,025,823)
add: Due from Water Districts (LOBs)	-	57,950,000
add: unexpended debt proceeds (related to County assets)	17,084,002	-
Net investment in capital assets	<u>\$ 56,033,319</u>	<u>\$ 155,823,047</u>

Note 3 – Detail Notes on All Funds (continued)**E. FUND BALANCE**

Johnston County has a revenue spending policy that provides for programs with multiple revenue sources. The Finance Officers will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-city funds, city funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the County.

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	\$ 171,023,084
As percentage of budgeted expenditures	58.17%
As percentage of actual expenditures	69.62%
Less:	
Nonspendable items (Inventories, Prepaids)	84,325
Stabilization by State Statute	35,306,220
Inspections	<u>5,681,317</u>
Legally available fund balance	129,951,222
As percentage of budgeted expenditures	44.20%
As percentage of actual expenditures	52.90%
Commitments and Assignments	
Appropriated Fund Balance in 2022 Budget	\$ -
Mental Health Programs	350,000
Automation Enhancement	856,938
Public safety	1,154,064
LEO Separation Allowance	1,278,746
Tax Revaluation	1,130,902
Capital purchases (fee in lieu)	<u>1,320,293</u>
Total Committed and Assigned Fund Balance	6,090,943
Working Capital / Fund Balance Policy (15% of Budgeted Expenditures)	<u>36,846,335</u>
Remaining Fund Balance	<u>\$ 93,104,887</u>

The County currently has an available fund balance of 52.90% of general fund expenditures, while total fund balance represents 69.62% of that same amount. Per their policy, the County Board may, from time-to-time, utilize fund balances that will reduce legally available fund balances below the 15% policy for the purposes of a declared fiscal emergency, financial opportunity to enhance the well-being of Johnston County or other such global purpose as to protect the long-term fiscal security of Johnston County. In such circumstances, after legally available fund balances have been calculated as part of closing-out a fiscal year, the Board will adopt a plan as part of the following year's budget process to restore the legally available fund balances to the policy level within 36 months from the date of the budget adoption. If restoration cannot be accomplished within such time period without severe hardship to the County, then the Board will establish a different but appropriate time period.

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. The General fund had \$7,611,390 in outstanding encumbrances at June 30, 2021.

Note 4 – Joint ventures

The County, in conjunction with the State of North Carolina and the Johnston County Board of Education, participates in a joint venture to operate the Johnston Community College (the "Community College"). The County appoints four members to the Board of Trustees of the Community College. The Community College is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds to provide financing for new and restructured facilities. The County has an ongoing financial responsibility for the Community College because of the statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$5,275,000 to the Community College for operating and capital purposes during the fiscal 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. Financial statements for Johnston Community College can be obtained by contacting the Controller at P.O. Box 2350, Smithfield, NC 27577.

Alliance Behavioral Healthcare is subcontracting with Johnston County to perform certain PIHP and LME functions as permitted by state and federal law and regulations and the MCO Waiver Contract. Subcontracted services will include care coordination and maintaining a local presence in Johnston County and providing an understanding of the complexities of the providers, consumers, and other stakeholders in each County. This agreement became effective in January 2013. Operations that were performed by Johnston County Mental Health Authority (a blended component unit of the County) are now shared between Alliance Behavioral Healthcare and the Johnston County Health Department. The Mental Health Authority still exists, but merely acts as a contractor to perform mental health services.

Note 5 – Jointly governed organization

The County, in conjunction with other counties and municipalities, established the Triangle J Council of Governments (the "Council"). The participating governments established the Council to coordinate various funding received from federal and state agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$88,791 to the Council during the fiscal year ended June 30, 2021.

Note 6 – 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 agreement. 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.

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

Note 7 – Additional Disclosures Concerning Water District Presentation (Exhibits E-1, E-2)

The County no longer has debt funded by USDA, but wishes to continue presenting the information for the Water Districts as previously required by USDA. The County does not present each of the Water District's separated out into individual funds, so adequate information was not available to provide separate schedules for each district. In addition, there was no separate budget prepared for each water district. The County prepared separate balance sheets and revenue and expenditure schedules for each water district based on the following: On the individual Balance Sheets, the amounts for Restricted Cash, Capital Assets, Accrued Interest, and Debt are based on Capital Asset Schedules and Debt Schedules, so these numbers are properly reflected for each district. However, the remaining balance sheet items are allocated based on a proportionate rate determined by the Finance Staff and allocated across the districts based on that proportionate rate. On the Schedule of Revenues and Expenditures, Depreciation Expense and Interest Expense, are based on the Capital Asset Schedules and Debt Schedules. In addition, the grant amounts (capital contributions) are properly reflected in the district for which the grant was received. However, the remaining information was allocated based on the proportionate percentage determined by the Finance Staff.

Note 8 - Subsequent Events

In preparing these financial statements, the County has evaluated events and transactions for potential recognition or disclosure through January 4, 2022, the date the financial statements were available to be issued.

On August 11, 2021, the County executed a Bond Purchase Agreement with Wells Fargo Bank, National Association and Robert W. Baird & Co., for the purchase and sale of \$50,070,000 County of Johnston, NC, Water and Sewer System Revenue Bonds, Series 2021 (the "2021 Revenue Bonds"). The 2021 Revenue Bonds were subsequently executed and delivered on August 27, 2021, to finance (1) the construction of a new wastewater pump station, (2) upgrades to the County's existing equalization and pumping facilities, (3) the construction of various force mains, (4) the purchase of a nitrogen credit allocation to secure additional nitrogen allocation for the County's National Pollutant Discharge Elimination System discharge permit, (5) the construction of several water mains to increase water supply in the County, and (6) to pay certain expenses incurred in connection with the issuance of the 2021 Revenue Bonds.

Note 9 - Restatements

Change in Accounting Principle

The County implement 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. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The statement also describes four fiduciary funds that should be reported if criteria outlined in the statement are met: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private purpose trust funds, and (4) custodial funds. The use of agency funds was eliminated. The statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources.

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

	Governmental activities Net Position - Increase (Decrease)	General Fund Balance - Increase (Decrease)	Nonmajor Special Revenue Fund Balance - Increase (Decrease)	Fiduciary Net Position - Custodial Fund - Increase (Decrease)
Cash related to funds held on behalf of incarcerated inmates was reclassified out of the Agency Fund into a newly created Jail Inmate Pay Custodial Fund. The resulted in a restatement of fund balance of the beginning cash balance of this fund.	\$ -	\$ -	\$ -	\$ 66,706
Cash, taxes receivables and liabilities related to ad valorem and vehicle property taxes collected by the County on behalf of various municipalities were reclassified out of the Agency Fund into a newly created Municipal Tax Custodial Fund. Additionally, the Ad Valorem portion of this fund was previously classified as a Special Revenue Fund. The portion of liabilities attributable taxes receivable at the beginning of the year were restated as custodial net position.	(2,254,102)	-	(2,254,102)	1,358,258

Note 9 - Restatements

Change in Accounting Principle (continued)

	Governmental activities Net Position - Increase (Decrease)	General Fund Balance - Increase (Decrease)	Nonmajor Special Revenue Fund Balance - Increase (Decrease)	Fiduciary Net Position - Custodial Fund - Increase (Decrease)
Cash related to funds held on behalf of the Cooperative Extension Advisory Fund which supports program expenses for Agricultural and Horticultural Programs, Family Consumer Science Programs, and Advisory Council Functions was reclassified out of the Agency Fund into a newly created Cooperative Extension Advisory Fund. This resulted in a restatement of fund balance of the beginning cash balance of this fund.	-	-	-	46,688
Cash related to funds held on behalf of the 4H Development Fund which supports program expenses for 4-H and Youth Extension Programs, was reclassified out of the Agency Fund into a newly created 4H Development Fund. This resulted in a restatement of fund balance of the beginning cash balance of this fund.	-	-	-	16,119
Cash related to funds held on behalf of the Youth Livestock Fund which supports livestock educational programs for youth ages 5-10, was reclassified out of the Agency Fund into a newly created Youth Livestock Fund. This resulted in a restatement of fund balance of the beginning cash balance of this fund.	-	-	-	70,161
Cash received under the Social Security Administration's Representative Payee Program net of liabilities owed for payments on behalf of beneficiaries were reclassified out of the Agency Fund into a newly created Representative Payee Special Revenue Fund. The portion of liabilities in the Agency Fund representing net cash available at the beginning of the year were restated as fund balance.	336,979	-	336,979	-
Cash and receivables from fines and forfeitures net of liabilities owed to the Board of Education were reclassified out of the Agency Fund into a newly created Fines and Forfeitures Special Revenue Fund. Assets equal liabilities, so there was no restated fund balance.	-	-	-	-
Cash and liabilities related to deed of trust fees collected required to be remitted to the State of North Carolina were reclassified out of the Agency Fund into a newly created Deed of Trust Special Revenue Fund. The portion of liabilities in the Agency Fund representing net cash available at the beginning of the year were restated as fund balance.	327,100	-	327,100	-
	<u>\$ (1,590,023)</u>	<u>\$ -</u>	<u>\$ (1,590,023)</u>	<u>\$ 1,557,932</u>

**REQUIRED
SUPPLEMENTAL FINANCIAL DATA**

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

- Schedule of County's Proportionate Share of Net Pension Liability (LGERS)
- Schedule of ABC Board's Proportionate Share of Net Pension Liability (LGERS)
- Schedule of TDA's Proportionate Share of Net Pension Liability (LGERS)
- Schedule of Airport Authority's Proportionate Share of Net Pension Liability (LGERS)

- Schedule of County Contributions (LGERS)
- Schedule of ABC Board Contributions (LGERS)
- Schedule of TDA's Contributions (LGERS)
- Schedule of Airport Authority's Contributions (LGERS)

- Schedule of County's Proportionate Share of Net Pension Asset (ROD)

- Schedule of County Contributions (ROD)

- Schedule of Changes in Total Pension Liability - LEOSSA

- Schedule of Total Pension Liability as a Percentage of Covered Payroll - LEOSSA

Johnston County, North Carolina
Schedule of the County's Proportionate Share of Net Pension Liability (Asset)
Local Government Employees' Retirement System
Last Eight Fiscal Years*

Local Government Employees' Retirement System				
	2021	2020	2019	2018
County's proportion of the net pension liability (asset) (%)	0.88365%	0.87557%	0.84189%	0.82845%
County's proportion of the net pension liability (asset) (\$)	\$ 31,576,642	\$ 23,911,139	\$ 19,972,479	\$ 12,656,356
County's covered payroll	\$ 60,155,404	\$ 55,209,509	\$ 51,670,989	\$ 48,033,625
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	52.49%	43.31%	38.65%	26.35%
Plan fiduciary net position as a percentage of the total pension liability**	88.61%	90.86%	92.00%	94.18%
	2017	2016	2015	2014
County's proportion of the net pension liability (asset) (%)	0.80080%	0.77943%	0.76341%	0.74464%
County's proportion of the net pension liability (asset) (\$)	\$ 16,995,622	\$ 3,498,044	\$ (4,502,181)	\$ 8,975,802
County's covered payroll	\$ 45,263,609	\$ 43,014,900	\$ 41,675,559	\$ 37,262,029
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	37.55%	8.13%	-10.80%	24.09%
Plan fiduciary net position as a percentage of the total pension liability**	91.47%	98.09%	102.64%	94.35%

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

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

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Johnston County, North Carolina
Schedule of the ABC Board's Proportionate Share of Net Pension Liability (Asset)
Local Government Employees' Retirement System
Last Eight Fiscal Years*

Local Government Employees' Retirement System				
	2021	2020	2019	2018
ABC Board's proportion of the net pension liability (asset) (%)	0.01140%	0.01149%	0.00983%	0.01020%
ABC Board's proportion of the net pension liability (asset) (\$)	\$ 407,371	\$ 313,783	\$ 233,201	\$ 155,828
ABC Board's covered payroll	\$ 1,138,639	\$ 1,009,700	\$ 818,009	\$ 771,486
ABC Board's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	35.78%	31.08%	28.51%	20.20%
Plan fiduciary net position as a percentage of the total pension liability**	88.61%	90.86%	92.00%	94.18%
	2017	2016	2015	2014
ABC Board's proportion of the net pension liability (asset) (%)	0.01011%	0.01022%	0.00925%	0.00950%
ABC Board's proportion of the net pension liability (asset) (\$)	\$ 214,567	\$ 45,867	\$ (54,552)	\$ 114,511
ABC Board's covered payroll	\$ 728,162	\$ 819,578	\$ 683,931	\$ 626,884
ABC Board's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	29.47%	5.60%	-7.98%	18.27%
Plan fiduciary net position as a percentage of the total pension liability**	91.47%	98.09%	102.64%	94.35%

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

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

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Johnston County, North Carolina
Schedule of the TDA's Proportionate Share of Net Pension Liability (Asset)
Local Government Employees' Retirement System
Last Eight Fiscal Years*

Local Government Employees' Retirement System				
	2021	2020	2019	2018
TDA's proportion of the net pension liability (asset) (%)	0.00499%	0.00494%	0.00475%	0.00468%
TDA's proportion of the net pension liability (asset) (\$)	\$ 178,216	\$ 134,953	\$ 112,723	\$ 71,432
TDA's covered payroll	\$ 338,922	\$ 327,493	\$ 294,587	\$ 273,930
TDA's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	52.58%	41.21%	38.26%	26.08%
Plan fiduciary net position as a percentage of the total pension liability**	88.61%	90.86%	92.00%	94.18%
	2017	2016	2015	2014
TDA's proportion of the net pension liability (asset) (%)	0.00452%	0.00470%	-0.00408%	0.00814%
TDA's proportion of the net pension liability (asset) (\$)	\$ 95,922	\$ 21,083	\$ (24,067)	\$ 47,981
TDA's covered payroll	\$ 256,756	\$ 230,308	\$ 228,628	\$ 221,274
TDA's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	37.36%	9.15%	-10.53%	21.68%
Plan fiduciary net position as a percentage of the total pension liability**	91.47%	98.09%	102.64%	94.35%

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

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

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Johnston County, North Carolina
Schedule of the Airport Authority's Proportionate Share of Net Pension Liability (Asset)
Local Government Employees' Retirement System
Last Eight Fiscal Years*

Local Government Employees' Retirement System				
	2021	2020	2019	2018
Authority's proportion of the net pension liability (asset) (%)	0.00468%	0.00464%	0.00446%	0.00439%
Authority's proportion of the net pension liability (asset) (\$)	\$ 167,271	\$ 126,665	\$ 105,800	\$ 67,045
Authority's covered payroll	\$ 318,100	\$ 295,551	\$ 276,493	\$ 257,106
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	52.58%	42.86%	38.26%	26.08%
Plan fiduciary net position as a percentage of the total pension liability**	88.61%	90.86%	92.00%	94.18%
	2017	2016	2015	2014
Authority's proportion of the net pension liability (asset) (%)	0.00424%	0.00395%	-0.00418%	0.00833%
Authority's proportion of the net pension liability (asset) (\$)	\$ 90,031	\$ 17,728	\$ (24,649)	\$ 49,142
Authority's covered payroll	\$ 240,987	\$ 235,877	\$ 236,702	\$ 246,325
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	37.36%	7.52%	-10.41%	19.95%
Plan fiduciary net position as a percentage of the total pension liability**	91.47%	98.09%	102.64%	94.35%

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

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

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Johnston County, North Carolina
Schedule of County Contributions
Local Government Employees' Retirement System
Last Eight Fiscal Years

Local Government Employees' Retirement System				
	2021	2020	2019	2018
Contractually required contribution	\$ 6,316,962	\$ 5,463,660	\$ 4,399,528	\$ 3,914,648
Contributions in relation to the contractually required contribution	6,316,962	5,463,660	4,399,528	3,914,648
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 61,471,413	\$ 60,155,404	\$ 55,209,509	\$ 51,670,989
Contributions as a percentage of covered payroll	10.28%	9.08%	7.97%	7.58%
	2017	2016	2015	2014
Contractually required contribution	\$ 3,552,781	\$ 3,066,176	\$ 3,045,991	\$ 2,924,553
Contributions in relation to the contractually required contribution	3,552,781	3,066,176	3,045,991	2,924,553
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 48,033,625	\$ 45,263,609	\$ 43,014,900	\$ 41,675,559
Contributions as a percentage of covered payroll	7.40%	6.77%	7.08%	7.02%

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Johnston County, North Carolina
Schedule of ABC Board Contributions
Local Government Employees' Retirement System
Last Eight Fiscal Years

Local Government Employees' Retirement System				
	2021	2020	2019	2018
Contractually required contribution	\$ 134,583	\$ 103,502	\$ 79,968	\$ 62,741
Contributions in relation to the contractually required contribution	134,583	103,502	79,968	62,741
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ABC Board's covered payroll	\$ 1,307,896	\$ 1,138,639	\$ 1,009,700	\$ 818,009
Contributions as a percentage of covered payroll	10.29%	9.09%	7.92%	7.67%
	2017	2016	2015	2014
Contractually required contribution	\$ 57,398	\$ 49,952	\$ 51,507	\$ 46,400
Contributions in relation to the contractually required contribution	57,398	49,952	51,507	46,400
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ABC Board's covered payroll	\$ 771,486	\$ 728,162	\$ 819,578	\$ 683,931
Contributions as a percentage of covered payroll	7.44%	6.86%	6.28%	6.78%

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Johnston County, North Carolina
Schedule of TDA Contributions
Local Government Employees' Retirement System
Last Eight Fiscal Years

Local Government Employees' Retirement System				
	2021	2020	2019	2018
Contractually required contribution	\$ 37,567	\$ 30,503	\$ 24,562	\$ 22,094
Contributions in relation to the contractually required contribution	37,567	30,503	24,562	22,094
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TDA's covered payroll	\$ 368,304	\$ 338,922	\$ 327,493	\$ 294,587
Contributions as a percentage of covered payroll	10.20%	9.00%	7.50%	7.50%
	2017	2016	2015	2014
Contractually required contribution	\$ 20,052	\$ 24,516	\$ 16,283	\$ 16,164
Contributions in relation to the contractually required contribution	20,052	24,516	16,283	16,164
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TDA's covered payroll	\$ 273,930	\$ 256,756	\$ 230,308	\$ 228,628
Contributions as a percentage of covered payroll	7.32%	9.55%	7.07%	7.07%

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Johnston County, North Carolina
Schedule of Airport Authority Contributions
Local Government Employees' Retirement System
Last Eight Fiscal Years

Local Government Employees' Retirement System				
	2021	2020	2019	2018
Contractually required contribution	\$ 28,072	\$ 28,629	\$ 23,053	\$ 20,737
Contributions in relation to the contractually required contribution	28,072	28,629	23,053	20,737
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll	\$ 275,219	\$ 318,100	\$ 295,551	\$ 276,493
Contributions as a percentage of covered payroll	10.20%	9.00%	7.80%	7.50%
	2017	2016	2015	2014
Contractually required contribution	\$ 18,820	\$ 16,243	\$ 16,677	\$ 16,736
Contributions in relation to the contractually required contribution	18,820	16,243	16,677	16,736
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll	\$ 257,106	\$ 240,987	\$ 235,877	\$ 236,702
Contributions as a percentage of covered payroll	7.32%	6.74%	7.07%	7.07%

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Johnston County, North Carolina
Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Register of Deeds' Supplemental Pension Fund
Last Eight Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
County's proportionate share of the net pension liability (%)	2.4082%	2.0667%	2.1887%	2.1564%
County's proportionate share of the net pension liability (\$)	\$ (551,914)	\$ (408,016)	\$ (362,514)	\$ (368,073)
Plan fiduciary net position as a percentage of the total pension liability	173.62%	164.11%	153.31%	153.77%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportionate share of the net pension liability (%)	1.9846%	1.8983%	1.9272%	1.8320%
County's proportionate share of the net pension liability (\$)	\$ (371,050)	\$ (439,912)	\$ (436,817)	\$ (391,260)
Plan fiduciary net position as a percentage of the total pension liability	160.17%	197.29%	193.88%	190.50%

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

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Johnston County, North Carolina
Schedule of County Contributions
Register of Deeds' Supplemental Pension Fund
Last Eight Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
County's required contribution	\$ 31,209	\$ 23,059	\$ 7,216	\$ 6,556
Contributions in relation to contractually required contribution	31,209	23,059	7,216	6,556
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's required contribution	\$ 6,132	\$ 5,490	\$ 5,633	\$ 5,513
Contributions in relation to contractually required contribution	6,132	5,490	5,633	5,513
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Johnston County, North Carolina
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
For the Year Ended June 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$4,117,660	\$ 3,566,568	\$3,582,285	\$3,242,459	\$ 3,240,517
Service cost	209,952	180,834	171,268	141,680	143,181
Interest on the total pension liability	130,439	126,114	110,100	121,711	112,605
Change in benefit terms	-	-	-	-	-
Difference between expected and actuarial experience in the measurement of the total pension liability	288,912	319,428	44,449	33,971	-
Changes of assumptions and other inputs	1,650,355	128,503	(145,334)	221,095	(81,216)
Benefit payments	(232,932)	(203,787)	(196,200)	(178,631)	(172,628)
Other changes	-	-	-	-	-
Ending balance of total pension liability	<u>\$ 6,164,386</u>	<u>\$ 4,117,660</u>	<u>\$ 3,566,568</u>	<u>\$ 3,582,285</u>	<u>\$ 3,242,459</u>

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

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Johnston County, North Carolina
Schedule of Total Pension Liability as a Percentage of Covered Payroll
Law Enforcement Officers' Special Separation Allowance
For the Year Ended June 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 6,164,386	\$ 4,117,660	\$ 3,566,568	\$ 3,582,285	\$3,242,459
Covered-employee payroll	\$ 7,324,175	\$ 6,687,453	\$ 5,907,408	\$ 5,535,741	\$5,298,253
Total pension liability as a percentage of covered payroll	84.16%	61.57%	60.37%	64.71%	61.20%

Notes to the schedules:

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

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Johnston County, North Carolina
Schedule of Changes in the Total OPEB Liability and Related Ratios
Healthcare Benefits Plan
For the Year Ended June 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service cost	\$ 3,859,081	\$ 3,602,494	\$ 4,226,774	\$ 4,859,492
Interest	6,705,564	6,686,160	5,329,180	4,810,431
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(15,467,931)	(175,373)	24,291,757	475,841
Changes of assumptions	42,340,180	13,238,699	(8,203,041)	(17,064,651)
Benefit payments	(3,774,448)	(3,484,308)	(3,439,077)	(2,969,365)
Net change in total OPEB liability	<u>33,662,446</u>	<u>19,867,672</u>	<u>22,205,593</u>	<u>(9,888,252)</u>
Total OPEB liability - beginning	<u>193,474,666</u>	<u>173,606,994</u>	<u>151,401,401</u>	<u>161,289,653</u>
Total OPEB liability - ending	<u>\$ 227,137,112</u>	<u>\$ 193,474,666</u>	<u>\$ 173,606,994</u>	<u>\$ 151,401,401</u>
 Covered-employee payroll	 \$ 23,071,622	 \$ 23,838,316	 \$ 23,838,316	 \$ 26,077,050
 Total OPEB liability as a percentage of covered payroll	 984.49%	 811.61%	 728.27%	 580.59%

Notes to Schedule

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

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

Johnston County has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75 to pay related benefits.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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.

Johnston County, North Carolina
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Revenues			
Ad Valorem taxes			
Taxes	\$ 157,910,000	\$ 169,472,127	\$ 11,562,127
Penalties and interest	280,000	391,981	111,981
Total	158,190,000	169,864,108	11,674,108
Local option sales tax			
Article 39 one percent	14,964,999	22,081,859	7,116,860
Article 40 one - half of one percent	10,145,000	15,842,568	5,697,568
Article 42 one - half of one percent	10,748,509	12,995,146	2,246,637
Third one - half cent sales tax	2,000,000	8,816,457	6,816,457
Total	37,858,508	59,736,030	21,877,522
Other taxes and licenses			
Privilege licenses	-	-	-
Other licenses and taxes	50,000	-	(50,000)
Total	50,000	-	(50,000)
Unrestricted intergovernmental			
Beer and wine tax	600,000	612,208	12,208
ABC Distribution	600,000	1,162,500	562,500
Food stamp fraud refunds	19,206	21,398	2,192
CSC Interest on Accounts	6,000	547	(5,453)
Miscellaneous tax income	21,000	4,553	(16,447)
ABC 5 Cents per bottle	-	96,169	96,169
Total	1,246,206	1,897,375	651,169
Restricted intergovernmental			
State grants	5,647,111	3,596,756	(2,050,355)
State grants - Mental health	59,494	61,994	2,500
Federal grants	35,100,331	19,916,426	(15,183,905)
Other grants	17,200	26,546	9,346
NC Education Lottery Proceeds	2,300,000	4,292,000	1,992,000
Safety Officer Reimbursement	627,832	627,832	-
ABC Revenue for Deputy	-	-	-
Federal Equitable Sharing	42,654	54,674	12,020
Controlled substances	16,660	16,746	86
Court Facilities fees	376,000	279,179	(96,821)
Links Special Fund	30,000	57,057	27,057
COVID-19 Cares	4,970,612	4,498,155	(472,457)
Total	49,187,894	33,427,365	(15,760,529)

Johnston County, North Carolina
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Permits and fees			
Inspection fees	2,750,000	5,317,413	2,567,413
Fire inspection fees	-	-	-
Register of deeds	4,970,000	7,161,922	2,191,922
Election fees	60,000	11,112	(48,888)
Cable franchise fees	450,000	328,315	(121,685)
Verisign User Fees	40,000	62,794	22,794
Emergency Management	1,050,000	1,829,251	779,251
Environmental fees	750,000	1,107,991	357,991
Subdivision and Zoning Fees	285,250	388,893	103,643
Fee in Lieu of Open Space	-	409,200	409,200
Arrest Fees	65,000	49,407	(15,593)
Sheriff Fees	276,745	305,313	28,568
Concealed Weapons Permit	130,000	307,215	177,215
Conservation Match	25,500	31,057	5,557
Civil Licenses Revocation and Penalties	25,000	13,086	(11,914)
2% Commission on Taxes	600,000	896,218	296,218
Total	11,477,495	18,219,187	6,741,692
Sales and services			
Rental income	146,820	134,552	(12,268)
Interagencies	579,278	534,208	(45,070)
Legal Fees	40,000	5,316	(34,684)
GIS Map Sales	2,000	1,622	(378)
Jail fees	80,000	65,348	(14,652)
Adult Probation	-	1,822	1,822
Housing Assistance	-	3,719	3,719
Mental health	50,000	-	(50,000)
Gasoline	800,000	690,064	(109,936)
Public Utilities	250,000	150,000	(100,000)
Animal Control	50,000	34,279	(15,721)
Insurance recovery	235,780	295,174	59,394
Health Services	2,825,795	4,229,990	1,404,195
Reimbursement - jail canteen	62,000	74,941	12,941
Reimbursement for lockup - jail	175,000	186,186	11,186
Rescue Squad Billings	4,311,000	6,071,896	1,760,896
Sale of capital assets & unclaimed property	145,523	176,383	30,860
Miscellaneous sales / revenues	105,000	104,016	(984)
Total	9,858,196	12,759,516	2,901,320
Investment earnings	900,000	49,297	(850,703)
Investment earnings - Mental Health	-	13	13
Investment earnings - LEO	-	297	297
Total	900,000	49,607	(850,393)

Johnston County, North Carolina
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Miscellaneous:			
Mental health	-	-	-
Other	755,911	225,408	(530,503)
Total	755,911	225,408	(530,503)
Total revenues	269,524,210	296,178,596	26,654,386
Expenditures			
General Government:			
Governing body:			
Salaries and employee benefits	197,315	192,847	4,468
Other operating expenditures	67,430	62,170	5,260
Total	264,745	255,017	9,728
Telephone system operations:			
Operating expenditures	864,337	828,576	35,761
Capital outlay	1,125,000	646,454	478,546
Total	1,989,337	1,475,030	514,307
Administration and finance:			
Salaries and employee benefits	1,417,436	1,389,330	28,106
Other operating expenditures	99,408	87,915	11,493
Professional services	143,200	135,010	8,190
Total	1,660,044	1,612,255	47,789
Elections:			
Salaries and employee benefits	798,089	767,092	30,997
Other operating expenditures	873,975	724,316	149,659
Capital outlay	-	-	-
Total	1,672,064	1,491,408	180,656
Human Resources:			
Salaries and employee benefits	1,082,052	1,060,444	21,608
Other operating expenditures	202,366	108,044	94,322
Capital outlay	-	-	-
Total	1,284,418	1,168,488	115,930
Taxes:			
Salaries and employee benefits	2,191,462	1,826,892	364,570
Other operating expenditures	798,343	480,380	317,963
Tax audits	97,500	71,800	25,700
Professional services	215,715	59,884	155,831
Capital outlay	75,000	-	75,000
Total	3,378,020	2,438,956	939,064

Johnston County, North Carolina
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Legal:			
Salaries and employee benefits	263,378	262,482	896
Professional services	13,800	6,998	6,802
Other operating expenditures	11,750	1,926	9,824
Contracted Services	264,012	187,293	76,719
Capital outlay	9,000	-	9,000
Total	561,940	458,699	103,241
Court facilities:			
Salaries and employee benefits	-	-	-
Other operating expenditures	93,290	50,729	42,561
Total	93,290	50,729	42,561
Register of deeds:			
Salaries and employee benefits	835,730	827,004	8,726
Other operating expenditures	412,297	335,746	76,551
Conveyance excise tax	2,370,000	2,368,161	1,839
Domestic violence center fund	49,000	48,810	190
Children's fund	8,200	8,135	65
Total	3,675,227	3,587,856	87,371
Technology services:			
Salaries and employee benefits	1,494,165	1,368,192	125,973
Other operating expenditures	473,715	259,584	214,131
Capital outlay	-	-	-
Total	1,967,880	1,627,776	340,104
Public Buildings / Housekeeping:			
Salaries and employee benefits	1,385,899	1,357,885	28,014
Other operating expenditures	836,327	601,406	234,921
Capital outlay	1,023,997	554,438	469,559
Total	3,246,223	2,513,729	732,494
COVID:			
Salaries and employee benefits	1,219,754	778,401	441,353
Other operating expenditures	5,880,294	3,847,439	2,032,855
Capital outlay	105,000	30,324	74,676
Total	7,205,048	4,656,164	2,548,884
Nondepartmental:			
Salaries and employee benefits	2,117,848	1,729,902	387,946
Professional services	82,000	48,812	33,188
Other operating expenditures	1,785,378	1,565,820	219,558
Insurance and bonds	1,200,000	1,087,825	112,175
Capital outlay	370,807	-	370,807
Total	5,556,033	4,432,359	1,123,674
Total General Government	32,554,269	25,768,466	6,785,803

Johnston County, North Carolina
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Public safety:			
Sheriff:			
Salaries and employee benefits	12,744,774	11,664,098	1,080,676
Professional services	72,290	68,551	3,739
Other operating expenditures	1,565,198	1,335,808	229,390
Capital outlay	1,806,655	823,909	982,746
Total	16,188,917	13,892,366	2,296,551
LEO Separation			
Salaries and employee benefits	347,786		347,786
Total	347,786	347,784	347,786
Jail:			
Salaries and employee benefits	4,253,960	3,095,145	1,158,815
Professional services	1,028,000	469,986	558,014
Other operating expenditures	1,237,900	981,642	256,258
SCAAP Expenditures	-	-	-
Capital outlay	65,893	65,863	30
Total	6,585,753	4,612,636	1,973,117
Communications:			
Salaries and employee benefits	3,079,262	2,769,240	310,022
Other operating expenditures	473,371	384,487	88,884
Capital outlay	93,000	38,997	54,003
Total	3,645,633	3,192,724	452,909
Volunteer fire and rescue:			
Salaries and employee benefits	628,236	510,606	117,630
Other operating expenditures	558,144	404,145	153,999
Capital outlay	2,500	2,500	-
Total	1,188,880	917,251	271,629
Child support:			
Salaries and employee benefits		1,590,810	(1,590,810)
Professional services	1,630,624	47,188	1,583,436
Other operating expenditures	72,875	178,414	(105,539)
Total	2,017,710	1,816,412	201,298
Animal control:			
Salaries and employee benefits	703,249	678,609	24,640
Professional services	5,000	-	5,000
Other operating expenditures	241,581	163,422	78,159
Capital outlay	-	-	-
Total	949,830	842,031	107,799
Coroner:			
Professional services	143,000	121,850	21,150
Total	143,000	121,850	21,150

Johnston County, North Carolina
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Emergency management:			
Salaries and employee benefits	706,279	612,646	93,633
Other operating expenditures	365,238	150,847	214,391
Capital outlay	150,000	19,839	130,161
Total	1,221,517	783,332	438,185
Inspections:			
Salaries and employee benefits	2,106,595	2,075,894	30,701
Other operating expenditures	579,234	355,888	223,346
Capital Outlay	50,000	-	50,000
Total	2,735,829	2,431,782	304,047
Emergency medical service (EMS):			
Salaries and employee benefits	14,327,216	13,572,113	755,103
Other operating expenditures	3,863,636	3,263,727	599,909
Capital outlay	649,556	575,442	74,114
Total	18,840,408	17,411,282	1,429,126
Hurricane Expenses:			
Salaries and employee benefits	-	-	-
Other operating expenditures	156,109	3,722	152,387
Total	156,109	3,722	152,387
Total public safety	54,021,372	46,373,172	7,995,984
Economic and Physical Development:			
Planning:			
Salaries and employee benefits	553,957	541,014	12,943
Other operating expenditures	237,841	68,282	169,559
Total	791,798	609,296	182,502
Parks, Greenways, and Open Spaces			
Salaries and employee benefits	95,105	94,312	793
Operating expenditures	62,630	4,734	57,896
Capital outlay	1,700,000	1,596,576	103,424
Total	1,857,735	1,695,622	162,113
Cooperative extension:			
Salaries and employee benefits	581,407	566,771	14,636
Other operating expenditures	115,260	83,624	31,636
Capital Outlay	1,542	-	1,542
Total	698,209	650,395	47,814
Soil conservation:			
Salaries and employee benefits	330,636	208,514	122,122
Other operating expenditures	26,741	14,451	12,290
Capital outlay	-	-	-
Total	357,377	222,965	134,412

Johnston County, North Carolina
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Livestock arena:			
Other operating expenditures	21,050	16,004	5,046
Capital outlay	11,500	10,743	757
Total	32,550	26,747	5,803
Special appropriations:			
NC Forest Service	119,115	117,527	1,588
Community and Senior Services	242,395	242,395	-
Triangle J Council of Government	89,000	88,791	209
Institute of Government	26,612	26,612	-
Beaver control	6,000	6,000	-
Harbor, Inc.	75,000	75,000	-
Johnston County Arts Council	10,000	10,000	-
Johnston County Area Transit	233,919	233,919	-
Upper Coastal Plain COG	9,395	9,269	126
JCATS ROAP Grant	11,593	11,593	-
Office of Juvenile Justice	52,000	52,000	-
Jo. Co. Juvenile Crime Prevention	4,349	4,348	1
Jo. Co. Youth Services	226,096	226,054	42
NC 70 Project	25,000	-	25,000
Health Choices, Health Relation	45,000	45,000	-
Preparing to Soar Teen Court	110,000	110,000	-
Open Space Expense	1,048,591	597,825	450,766
Smithfield Rescue Mission	21,000	21,000	-
Revitalization & Econ Dev Grant	15,424	15,424	-
Town of Kenly	-	-	-
Eleventh Judicial District Reentry	5,000	5,000	-
Archer Lodge Veteran Memorial	-	-	-
Clayton Harmony Program	-	-	-
Special Olympics	10,000	10,000	-
Commuter Rail Study	250,000	-	250,000
JC PS for Children	50,000	50,000	-
21st Century Passport to Success	37,170	37,170	-
Cape Fear River Assembly	1,000	1,000	-
Kenly Tobacco Museum	1,000	1,000	-
Total	2,724,659	1,996,927	727,732
Industrial development:			
Salaries and employee benefits	224,674	223,928	746
Professional Services	121,000	107,705	13,295
Other operating expenditures	203,613	139,063	64,550
Capital outlay	5,000	-	5,000
Total	554,287	470,696	83,591
Airport (Component Unit)	-	-	-
Total Economic and Physical Development	7,016,615	5,672,648	1,343,967

Johnston County, North Carolina
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Human Services:			
Health:			
Administration:			
Salaries and employee benefits	1,195,436	1,181,178	14,258
Professional Services	4,850	4,837	13
Other operating expenditures	57,114	46,396	10,718
Capital outlay	844	844	-
Total	1,258,244	1,233,255	24,989
Epidemiology:			
Salaries and employee benefits	563,561	510,425	53,136
Professional Services	2,000	1,956	44
Other operating expenditures	3,388,513	238,870	3,149,643
Capital outlay	1,477	1,477	-
Total	3,955,551	752,728	3,202,823
Family Planning:			
Salaries and employee benefits	581,885	557,609	24,276
Professional services	2,500	1,626	874
Other operating expenditures	267,257	120,401	146,856
Capital outlay	1,583	1,583	-
Total	853,225	681,219	172,006
Maternal and child:			
Salaries and employee benefits	3,393,788	3,100,144	293,644
Professional services	27,200	25,206	1,994
Other operating expenditures	1,310,540	285,018	1,025,522
School health	110,886	100,036	10,850
Capital outlay	11,954	2,954	9,000
Total	4,854,368	3,513,358	1,341,010
Wellness center:			
Salaries and employee benefits	206,354	197,748	8,606
Other operating expenditures	274,675	39,357	235,318
Capital outlay	-	-	-
Total	481,029	237,105	243,924
Women, infants and children:			
Salaries and employee benefits	953,251	810,619	142,632
Other operating expenditures	122,960	98,881	24,079
Capital outlay	2,110	2,110	-
Total	1,078,321	911,610	166,711
Adult health:			
Salaries and employee benefits	1,529,624	1,280,860	248,764
Professional services	30,500	26,456	4,044
Other operating expenditures	383,197	137,544	245,653
Capital outlay	1,583	1,583	-
Total	1,944,904	1,446,443	498,461

Johnston County, North Carolina
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Environmental health:			
Salaries and employee benefits	1,547,545	1,529,195	18,350
Other operating expenditures	225,393	163,932	61,461
Total	1,772,938	1,693,127	79,811
Mental Health - Outpatient			
Salaries and employee benefits	2,219,946	1,996,676	223,270
Other operating expenditures	960,759	751,876	208,883
Capital Outlay	46,322	46,322	-
Total	3,227,027	2,794,874	432,153
Total Health	19,425,607	13,263,719	6,161,888
Social services:			
Administration:			
Salaries and employee benefits	18,452,059	18,220,050	232,009
Professional services	305,000	301,917	3,083
Other operating expenditures	3,179,021	2,113,807	1,065,214
Capital outlay	-	-	-
Total	21,936,080	20,635,774	1,300,306
Building maintenance:			
Salaries and employee benefits	212,939	207,204	5,735
Other operating expenditures	383,638	276,942	106,696
Capital outlay	108,140	35,335	72,805
Total	704,717	519,481	185,236
Public assistance:			
AFDC program			
County participation only	3,365,891	2,322,908	1,042,983
Adult Transportation:			
Operating expenditures	340,092	173,535	166,557
Capital outlay	-	-	-
Total	340,092	173,535	166,557
Crisis assistance:			
Operating expenditures	1,635,868	1,629,129	6,739
CDBG-CV Grant Expenditures	900,000	210,868	
US Treasury Rental Assistance Grant Exp	11,309,882	270,311	
Total	13,845,750	2,110,308	6,739

Johnston County, North Carolina
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Public Assistance SF:			
Operating Expenditures	1,751,455	1,643,565	107,890
Work First Program			
Salaries and employee benefits	431,267	421,974	9,293
Operating expenditures	1,663,650	292,217	1,371,433
Total	2,094,917	714,191	1,380,726
Community alternative programs for disabled adults:			
Salaries and employee benefits	212,939	196,586	16,353
Operating expenditures	40,000	21,580	18,420
Total	252,939	218,166	34,773
Therapeutic Foster Care Service			
Operating expenditures	75,000	-	75,000
Aging:			
Operating expenditures	1,245,460	1,182,164	63,296
Total Social Services	45,612,301	29,520,092	4,363,506
Veterans services:			
Salaries and employee benefits	179,378	174,694	4,684
Other operating expenditures	21,892	12,898	8,994
Total	201,270	187,592	13,678
Total Human Services	65,239,178	42,971,403	10,539,072
Cultural and recreational:			
Libraries:			
Assistance to local libraries	589,000	589,000	-
Other Appropriations:			
Black and Brown Cultural Exchange	6,870	6,870	-
My Kids Club	75,000	75,000	-
Total cultural and recreational	670,870	670,870	-
Education:			
Public schools	72,800,000	72,800,000	-
Community colleges	5,250,000	5,250,000	-
School Fees	-	-	-
Total Education	78,050,000	78,050,000	-

Johnston County, North Carolina
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Debt service:			
Principal retirement	27,475,000	27,475,000	-
Interest and fees	12,128,242	11,173,832	954,410
Total debt service	39,603,242	38,648,832	954,410
Total expenditures	277,155,546	238,155,391	27,619,236
Revenue over (under) expenditures	(7,631,336)	58,023,205	65,654,541
Other Financing Sources (Uses):			
Transfers to other funds:			
Revaluation fund	(150,000)	(150,000)	-
Heritage commission fund	(170,624)	(170,624)	-
Communications fund	-	(335)	(335)
Industrial development fund	(5,866,500)	(5,866,500)	-
RTZ	(1,268,201)	(983,201)	285,000
School Capital Project Fund	(9,000,000)	-	9,000,000
Public Utilities - Recycling	(400,000)	(400,000)	-
Public Safety Project Fund	-	-	-
Total	(16,855,325)	(7,570,660)	9,284,665
Transfers from other funds:			
School bond fund	17,209,166	2,695,000	(14,514,166)
Other funds	557,818	557,817	(1)
Total	17,766,984	3,252,817	(14,514,167)
Installment Purchase Proceeds	-	-	-
Refunding bonds issued	-	13,475,000	13,475,000
Payment to refunded bond escrow agent	-	(14,364,078)	(14,364,078)
Premium on Refunding Bonds	-	1,061,574	1,061,574
Total	-	172,496	172,496
Appropriated fund balance			
Fund balance - Non-departmental	5,552,325	-	(5,552,325)
Fund balance - Reserved for Open Space	1,029,566	-	(1,029,566)
Fund balance - LEO	137,786	-	(137,786)
Total appropriated fund balance	6,719,677	-	(6,719,677)
Total other financing sources (uses)	7,631,336	(4,145,347)	(11,776,683)
Net change in fund balance	\$ -	53,877,858	\$ 53,877,858
Fund balance, beginning		116,014,324	
Fund balance, ending		\$ 169,892,182	

Johnston County, North Carolina
Revaluation Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 203	\$ 203
Total Revenues	-	203	203
Expenditures			
General Government			
Salaries & Benefits	2,500	-	2,500
Operating expenses	848,202	66,180	782,022
Capital Outlay	-	-	-
Total Expenditures	850,702	66,180	784,522
Revenues over expenditures	(850,702)	(65,977)	784,725
Other financing sources (uses):			
Appropriated fund balance	700,702	-	(700,702)
Transfers from general fund	150,000	150,000	-
Total other financing sources	850,702	150,000	(700,702)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	84,023	\$ 84,023
Fund balance, beginning		1,046,879	
Fund balance, ending		\$ 1,130,902	

Johnston County, North Carolina
Capital Projects Fund - School Bond Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Current Year	Closed out Projects	Total To Date	Variance Positive (Negative)
Revenues						
Investment earnings	\$ 600,000	\$ 840,929	\$ 3,822	\$ (231,399)	\$ 613,352	\$ 13,352
Sales tax refunds	644,087	932,281	255,294	(543,491)	644,084	(3)
Total revenues	<u>1,244,087</u>	<u>1,773,210</u>	<u>259,116</u>	<u>(774,890)</u>	<u>1,257,436</u>	<u>13,349</u>
Expenditures						
Intergovernmental:						
Education - Community College	15,000,000	6,500,000	1,112,366	(5,470,021)	2,142,345	12,857,655
County schools	91,741,557	71,304,779	25,159,389	(22,451,052)	74,013,116	17,728,441
Total	<u>106,741,557</u>	<u>77,804,779</u>	<u>26,271,755</u>	<u>(27,921,073)</u>	<u>76,155,461</u>	<u>30,586,096</u>
Total Expenditures	<u>106,741,557</u>	<u>77,804,779</u>	<u>26,271,755</u>	<u>(27,921,073)</u>	<u>76,155,461</u>	<u>30,586,096</u>
Revenue over (under) expenditures	<u>(105,497,470)</u>	<u>(76,031,569)</u>	<u>(26,012,639)</u>	<u>27,146,183</u>	<u>(74,898,025)</u>	<u>30,599,445</u>
Other Financing Sources (Uses)						
Transfers to general fund	(24,531,095)	(7,366,472)	(2,695,000)	2,716,810	(7,344,662)	17,186,433
Transfers from general fund	14,050,000	2,377,733	-	-	2,377,733	(11,672,267)
Transfers to Utility Capital Project Fund	(1,002,530)	(32,828)	(9,485)	-	(42,313)	960,217
Refunding bonds issued	-	-	14,630,000	-	14,630,000	14,630,000
Payment to refunded bond escrow agent	-	-	(16,869,397)	-	(16,869,397)	(16,869,397)
Premium on Refunding Bonds	-	-	2,356,240	-	2,356,240	2,356,240
School Bond Proceeds \$27 M	-	27,000,000	-	(27,000,000)	-	-
School Bond Proceeds \$30.5 M	26,750,000	26,750,000	-	-	26,750,000	-
School Bond Proceeds \$20 M	20,000,000	20,000,000	-	-	20,000,000	-
School Bond Proceeds \$20 M	20,000,000	20,000,000	-	-	20,000,000	-
School Bond Proceeds \$22.5M	22,500,000	-	22,500,000	-	22,500,000	-
Community College Bonds \$13.5M	13,500,000	-	13,500,000	-	13,500,000	-
Premium on Issuance	14,231,095	11,488,672	5,459,166	(2,862,993)	14,084,845	(146,250)
Total other financing sources	<u>105,497,470</u>	<u>100,217,105</u>	<u>38,871,524</u>	<u>(27,146,183)</u>	<u>111,942,446</u>	<u>6,444,976</u>
Revenue and other financing sources over (under) expenditures	\$ <u>-</u>	\$ <u>24,185,536</u>	12,858,885	\$ <u>-</u>	\$ <u>37,044,421</u>	\$ <u>37,044,421</u>
Fund balance, beginning			<u>24,185,536</u>			
Fund balance, ending			\$ <u>37,044,421</u>			

Johnston County, North Carolina
Special Revenue Funds - ARPA Coronavirus SLFRF
Industrial Development Infrastructure
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
ARPA Coronavirus SLFRF	\$ 40,661,647	\$ -	\$ -	\$ -	\$ (40,661,647)
Investment Income	-	-	5	5	5
Total revenues	<u>40,661,647</u>	<u>-</u>	<u>5</u>	<u>5</u>	<u>(40,661,642)</u>
Expenditures					
ARPA Coronavirus SLFRF Expense	<u>39,011,847</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,011,847</u>
Total expenditures	<u>39,011,847</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,011,847</u>
Revenue over (under) expenditures	<u>1,649,800</u>	<u>-</u>	<u>5</u>	<u>5</u>	<u>(1,649,795)</u>
Other Financing Sources (Uses)					
Transfer to Utility Capital Project Fund	<u>(1,649,800)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,649,800</u>
Total other financing sources	<u>(1,649,800)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,649,800</u>
Revenue and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>5</u>	<u>\$ 5</u>	<u>\$ 5</u>
Fund balance, beginning			<u>-</u>		
Fund balance, ending			<u>\$ 5</u>		

NON-MAJOR GOVERNMENTAL FUNDS

Non-Major Governmental Funds are Special Revenue Funds and Capital Projects Funds

Johnston County, North Carolina
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2021

	Special Revenue Funds	Capital Project Funds	Totals June 30, 2021
ASSETS			
Cash and cash equivalents	\$ 2,767,970	\$ 8,021,260	\$ 10,789,230
Restricted cash	-	20,575,664	20,575,664
Accounts receivable	99,115	-	99,115
Due from other governments	20,516	-	20,516
Due from other funds	258	70,448	70,706
Total assets	<u>\$ 2,887,859</u>	<u>\$ 28,667,372</u>	<u>\$ 31,555,231</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 213,036	\$ 13,303	\$ 226,339
Due to other funds	30,162	-	30,162
Total liabilities	<u>243,198</u>	<u>13,303</u>	<u>256,501</u>
Fund balances:			
Committed:			
Economic Development	341,310	8,078,405	8,419,715
Public Safety	1,708,874	20,575,664	22,284,538
Unassigned	594,477	-	594,477
Total fund balances	<u>2,644,661</u>	<u>28,654,069</u>	<u>31,298,730</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,887,859</u>	<u>\$ 28,667,372</u>	<u>\$ 31,555,231</u>

Johnston County, North Carolina
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
For the Year Ended June 30, 2021

	Special Revenue Funds	Capital Project Funds	Totals June 30, 2021
Revenues			
Ad valorem taxes	\$ 1,131,405	\$ -	\$ 1,131,405
Other taxes and licenses	1,184,578	-	1,184,578
Restricted intergovernmental	488,034	715,000	1,203,034
Sales and services	167,813	-	167,813
Permits and fees	251,493	-	251,493
Investment earnings	-	8,461	8,461
Miscellaneous	86,275	-	86,275
Total revenues	<u>3,309,598</u>	<u>723,461</u>	<u>4,033,059</u>
Expenditures			
Current:			
General Government	239,053	-	239,053
Public safety	1,178,464	22,197,798	23,376,262
Economic and physical development	366,869	4,060,126	4,426,995
Education	1,362,767	-	1,362,767
Human services	538,351	-	538,351
Total expenditures	<u>3,685,504</u>	<u>26,257,924</u>	<u>29,943,428</u>
Excess (deficiency) of revenues over expenditures	<u>(375,906)</u>	<u>(25,534,463)</u>	<u>(25,910,369)</u>
Other financing sources:			
Transfers in (out)	170,959	6,291,883	6,462,842
Limited Obligation Bond Proceeds	-	35,105,000	35,105,000
Premium on LOBS	-	7,172,316	7,172,316
Total other financing sources (uses)	<u>170,959</u>	<u>48,569,199</u>	<u>48,740,158</u>
Net change in fund balance	(204,947)	23,034,736	22,829,789
Fund balances, beginning	4,439,631	5,619,333	10,058,964
Prior Period Restatement - change in accounting principle	<u>(1,590,023)</u>	<u>-</u>	<u>(1,590,023)</u>
Fund balance, beginning, as restated	<u>2,849,608</u>	<u>5,619,333</u>	<u>8,468,941</u>
Fund balances, ending	<u>\$ 2,644,661</u>	<u>\$ 28,654,069</u>	<u>\$ 31,298,730</u>

Johnston County, North Carolina
Non-Major Special Revenue Funds
Combining Balance Sheet
June 30, 2021

	Moccasin Creek Drainage District	Special Tax Districts Fund	Heritage Commission Fund	Communication Fund	Research Training Zone	Voluntary Ag District	Fines and Forfeitures	Representative Payee Fund	Deed of Trust Fund	Totals June 30, 2021
ASSETS										
Cash and cash equivalents	\$ 157,926	\$ -	\$ 105,432	\$ 1,463,411	\$277,808	\$ 1,121	\$ 167,813	\$ 254,919	\$ 339,540	\$ 2,767,970
Taxes receivable (net)	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	400	98,715	-	-	-	-	-	99,115
Due from other governments	-	-	2,012	15,467	3,037	-	-	-	-	20,516
Due from other funds	-	-	-	76	-	164	-	18	-	258
Prepaid expenses	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 157,926</u>	<u>\$ -</u>	<u>\$ 107,844</u>	<u>\$ 1,577,669</u>	<u>\$280,845</u>	<u>\$ 1,285</u>	<u>\$ 167,813</u>	<u>\$ 254,937</u>	<u>\$ 339,540</u>	<u>\$ 2,887,859</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable and accrued liabilities	\$ 3,247	\$ -	\$ 18,502	\$ 23,474	\$ -	\$ -	\$ 167,813	\$ -	\$ -	\$ 213,036
Due to other funds	-	-	30,162	-	-	-	-	-	-	30,162
Total liabilities	<u>3,247</u>	<u>-</u>	<u>48,664</u>	<u>23,474</u>	<u>-</u>	<u>-</u>	<u>167,813</u>	<u>-</u>	<u>-</u>	<u>243,198</u>
Fund balances:										
Committed:										
General Government	-	-	-	-	-	-	-	-	339,540	339,540
Economic Development	-	-	59,180	-	280,845	1,285	-	-	-	341,310
Human Services	-	-	-	-	-	-	-	254,937	-	254,937
Public Safety	154,679	-	-	1,554,195	-	-	-	-	-	1,708,874
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	<u>154,679</u>	<u>-</u>	<u>59,180</u>	<u>1,554,195</u>	<u>280,845</u>	<u>1,285</u>	<u>-</u>	<u>254,937</u>	<u>339,540</u>	<u>2,644,661</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 157,926</u>	<u>\$ -</u>	<u>\$ 107,844</u>	<u>\$ 1,577,669</u>	<u>\$ 280,845</u>	<u>\$ 1,285</u>	<u>\$ 167,813</u>	<u>\$ 254,937</u>	<u>\$ 339,540</u>	<u>\$ 2,887,859</u>

Johnston County, North Carolina
Non-Major Special Revenue Funds
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2021

	Moccasin Creek Drainage District	Special Tax Districts Funds	Heritage Commission Fund	Communication Fund	Research Training Zone	Voluntary Ag District	Fines and Forfeitures	Representative Payee Fund	Deed of Trust Fund	Totals June 30, 2021
Revenues										
Ad valorem taxes	\$ 28,837	\$ -	\$ -	\$ -	\$1,102,568	\$ -	\$ -	\$ -	\$ -	\$ 1,131,405
Other taxes and licenses	-	-	-	1,184,578	-	-	-	-	-	1,184,578
Restricted intergovernmental	31,725	-	-	-	-	-	-	456,309	-	488,034
Sales and services	-	-	-	-	-	-	167,813	-	-	167,813
Permits and fees	-	-	-	-	-	-	-	-	251,493	251,493
Miscellaneous	-	-	86,205	-	-	70	-	-	-	86,275
Total	60,562	-	86,205	1,184,578	1,102,568	70	167,813	456,309	251,493	3,309,598
Expenditures										
Current:										
General government	-	-	-	-	-	-	-	-	239,053	239,053
Public safety	-	-	-	1,178,464	-	-	-	-	-	1,178,464
Economic and physical development	58,725	-	308,089	-	-	55	-	-	-	366,869
Education	-	-	-	-	1,194,954	-	167,813	-	-	1,362,767
Human Services	-	-	-	-	-	-	-	538,351	-	538,351
Total	58,725	-	308,089	1,178,464	1,194,954	55	167,813	538,351	239,053	3,685,504
Excess (deficiency) of revenues over expenditures	1,837	-	(221,884)	6,114	(92,386)	15	-	(82,042)	12,440	(375,906)
Other financing sources (uses):										
Transfers in	-	-	170,624	335	-	-	-	-	-	170,959
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	170,624	335	-	-	-	-	-	170,959
Net change in fund balance	1,837	-	(51,260)	6,449	(92,386)	15	-	(82,042)	12,440	(204,947)
Fund balances, beginning	152,842	2,254,102	110,440	1,547,746	373,231	1,270	-	-	-	4,439,631
Prior Period Restatement - change in accounting principle	-	(2,254,102)	-	-	-	-	-	336,979	327,100	(1,590,023)
Fund balance, beginning, as restated	152,842	-	110,440	1,547,746	373,231	1,270	-	336,979	327,100	2,849,608
Fund balances, ending	\$ 154,679	\$ -	\$ 59,180	\$ 1,554,195	\$ 280,845	\$ 1,285	\$ -	\$ 254,937	\$ 339,540	\$ 2,644,661

Johnston County, North Carolina
Special Revenue Funds - Moccasin Creek Drainage District
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Revenues			
Ad valorem taxes	\$ 23,000	\$ 28,837	\$ 5,837
Restricted intergovernmental	193,435	31,725	(161,710)
Total	<u>216,435</u>	<u>60,562</u>	<u>(155,873)</u>
Expenditures			
Economic and physical development			
Maintenance	35,000	27,000	8,000
Grant Expenditures	193,435	31,725	161,710
Total	<u>228,435</u>	<u>58,725</u>	<u>169,710</u>
Revenue over (under) expenditures	\$ <u>(12,000)</u>	\$ 1,837	\$ 13,837
Other Financing Sources (Uses):			
Fund balance appropriated	\$ 12,000	\$ -	\$ (12,000)
Total other financing sources (uses)	<u>12,000</u>	<u>-</u>	<u>(12,000)</u>
Revenues and other sources over (under) expenditures	\$ <u>-</u>	1,837	\$ <u>1,837</u>
Fund balance, beginning		152,842	
Fund balance, ending		<u>\$ 154,679</u>	

Johnston County, North Carolina
Special Revenue Funds - Heritage Commission Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Revenues			
Book and souvenir sales	\$ 11,000	\$ 6,087	\$ (4,913)
Donations	63,000	40,238	(22,762)
Restricted intergovernmental	30,000	15,000	(15,000)
Fines and fees	7,000	2,010	(4,990)
Holding endowment	22,000	22,870	870
Total revenues	<u>133,000</u>	<u>86,205</u>	<u>(46,795)</u>
Expenditures			
Economic and physical development			
Salaries and fringe benefits	\$ 240,874	\$ 230,382	\$ 10,492
Operating expenditures	131,960	69,867	62,093
Capital outlay	7,890	7,840	50
Total expenditures	<u>380,724</u>	<u>308,089</u>	<u>72,635</u>
Revenue over (under) expenditures	<u>\$ (247,724)</u>	<u>\$ (221,884)</u>	<u>\$ 25,840</u>
Other Financing Sources (Uses)			
Fund Balance Appropriated	\$ 61,100	\$ -	\$ (61,100)
Lease Proceeds	16,000	-	(16,000)
Transfer from general fund	170,624	170,624	-
Total other financing sources (uses)	<u>247,724</u>	<u>170,624</u>	<u>(77,100)</u>
Revenue and other sources over (under) expenditures	<u>\$ -</u>	<u>(51,260)</u>	<u>\$ (51,260)</u>
Fund balance, beginning		110,440	
Fund balance, ending		<u>\$ 59,180</u>	

Johnston County, North Carolina
Special Revenue Funds - Communication Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Revenues			
Other taxes and licenses:			
Enhanced 9-1-1	\$ 1,184,000	\$ 1,184,578	\$ 578
Miscellaneous	-	-	-
Total revenues	<u>1,184,000</u>	<u>1,184,578</u>	<u>578</u>
Expenditures			
Enhanced 9-1-1			
Salaries and fringe benefits	\$ -	\$ -	\$ -
Operating expenditures	1,125,930	1,120,394	5,536
Capital outlay	58,070	58,070	-
Total	<u>1,184,000</u>	<u>1,178,464</u>	<u>5,536</u>
Total Expenditures	<u>1,184,000</u>	<u>1,178,464</u>	<u>5,536</u>
Revenue over (under) expenditures	\$ -	\$ 6,114	\$ 6,114
Other Financing Sources (Uses)			
Transfer from (to) Other Funds	\$ -	\$ 335	\$ 335
Fund balance appropriated	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>335</u>	<u>335</u>
Revenue and other sources over (under) expenditures	<u>\$ -</u>	6,449	<u>\$ 6,449</u>
Fund balance, beginning		<u>1,547,746</u>	
Fund balance, ending		<u>\$ 1,554,195</u>	

Johnston County, North Carolina
Special Revenue Funds - Research Training Zone
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	2021		
	Budget	Actual	Variance Positive (Negative)
Revenues			
Restricted intergovernmental revenues	\$ -	\$ -	\$ -
Ad Valorem Taxes	815,000	1,102,568	287,568
Miscellaneous Revenue	-	-	-
Total Revenues	<u>815,000</u>	<u>1,102,568</u>	<u>287,568</u>
Expenditures			
Education	\$ <u>1,100,000</u>	\$ <u>1,194,954</u>	\$ <u>(94,954)</u>
Revenue over (under) expenditures	\$ <u>(285,000)</u>	\$ <u>(92,386)</u>	\$ <u>192,614</u>
Other Financing Sources (Uses):			
Transfers In	\$ <u>285,000</u>	\$ -	\$ <u>(285,000)</u>
Total other financing sources (uses)	<u>285,000</u>	<u>-</u>	<u>(285,000)</u>
Revenues and other sources over (under) expenditures	\$ <u>-</u>	\$ <u>(92,386)</u>	\$ <u>(92,386)</u>
Fund balance, beginning		<u>373,231</u>	
Fund balance, ending		\$ <u><u>280,845</u></u>	

Johnston County, North Carolina
Special Revenue Funds - Voluntary Ag District
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	2021		
	Budget	Actual	Variance Positive (Negative)
Revenues			
Restricted intergovernmental revenues	\$ -	\$ -	\$ -
District Sales	70	70	-
Donations	-	-	-
Total Revenues	<u>70</u>	<u>70</u>	<u>-</u>
Expenditures			
Department Supplies	\$ <u>70</u>	\$ <u>55</u>	\$ <u>15</u>
Revenue over (under) expenditures	\$ <u>-</u>	\$ <u>15</u>	\$ <u>15</u>
Other Financing Sources (Uses):			
Fund Balance Appropriated	\$ -	\$ -	\$ -
Transfers In	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other sources over (under) expenditures	\$ <u>-</u>	15	\$ <u>15</u>
Fund balance, beginning		<u>1,270</u>	
Fund balance, ending		\$ <u>1,285</u>	

Johnston County, North Carolina
Special Revenue Funds - Fines and Forfeitures Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Revenues			
Sales and Services:			
Penalties, fines, and forfeitures	\$ -	\$ 167,813	\$ (167,813)
Total Revenues	-	167,813	167,813
Expenditures			
Education			
Payments of penalties, fines and forfeitures to the Board of Education	\$ -	\$ 167,813	\$ (167,813)
Revenue over (under) expenditures	\$ -	\$ -	\$ -
Other Financing Sources (Uses):			
Fund Balance Appropriated	\$ -	\$ -	\$ -
Transfers In	-	-	-
Total other financing sources	-	-	-
Net change in fund balance	\$ -	-	\$ -
Fund balance, beginning, as previously reported		-	
Prior Period Restatement - change in accounting principle		-	
Fund balance, beginning, as restated		-	
Fund balance, ending		\$ -	

Johnston County, North Carolina
Special Revenue Funds - Representative Payee Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Revenues			
Restricted intergovernmental revenues	\$ -	\$ 456,309	\$ (456,309)
Total Revenues	<u>-</u>	<u>456,309</u>	<u>456,309</u>
Expenditures			
Human Services:			
Payments made for the benefit of			
beneficiaries	\$ -	\$ 538,351	\$ (538,351)
Revenue over (under) expenditures	\$ -	\$ (82,042)	\$ (82,042)
Other Financing Sources (Uses):			
Fund Balance Appropriated	\$ -	\$ -	\$ -
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(82,042)</u>	<u>\$ (82,042)</u>
 Fund balance, beginning, as previously reported		-	
 Prior Period Restatement - change in			
accounting principle		<u>336,979</u>	
Fund balance, beginning, as restated		<u>336,979</u>	
Fund balance, ending		<u>\$ 254,937</u>	

Johnston County, North Carolina
Special Revenue Funds - Deed of Trust Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Revenues			
Permits and Fees:			
Register of Deeds	\$ -	\$ 251,493	\$ (251,493)
Total Revenues	-	251,493	251,493
Expenditures			
General Government:			
Payments of fees collected to the State of North Carolina	-	239,053	(239,053)
Revenue over (under) expenditures	-	12,440	12,440
Other Financing Sources (Uses):			
Fund Balance Appropriated	-	-	-
Transfers In	-	-	-
Total other financing sources	-	-	-
Net change in fund balance	\$ -	12,440	\$ 12,440
Fund balance, beginning, as previously reported		-	
Prior Period Restatement - change in accounting principle		327,100	
Fund balance, beginning, as restated		327,100	
Fund balance, ending		\$ 12,440	

CAPITAL PROJECTS FUND

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

Johnston County, North Carolina
Non-Major Capital Projects Funds
Combining Balance Sheet
June 30, 2021

	Industrial Infrastructure Fund	Public Safety Center Project	Totals June 30, 2021
ASSETS			
Cash and cash equivalents	\$ 8,021,260	\$ -	\$ 8,021,260
Restricted cash	-	20,575,664	20,575,664
Due from Other Funds	70,448	-	70,448
Total assets	<u>\$ 8,091,708</u>	<u>\$ 20,575,664</u>	<u>\$ 28,667,372</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 13,303	\$ -	\$ 13,303
Total liabilities	<u>13,303</u>	<u>-</u>	<u>13,303</u>
Fund balances:			
Committed :			
Economic Development	8,078,405	-	8,078,405
Public Safety	-	20,575,664	20,575,664
Total fund balances	<u>8,078,405</u>	<u>20,575,664</u>	<u>28,654,069</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,091,708</u>	<u>\$ 20,575,664</u>	<u>\$ 28,667,372</u>

Johnston County, North Carolina
Non-Major Capital Projects Funds
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2021

	Industrial Infrastructure Fund	Public Safety Center Project	Totals June 30, 2021
Revenues			
Investment earnings	\$ -	\$ 8,461	\$ 8,461
Miscellaneous Revenue	-	-	-
Restricted Intergovernmental	715,000	-	715,000
Total	715,000	8,461	723,461
Expenditures			
Current:			
General Government	-	-	-
Public Safety	-	22,197,798	22,197,798
Economic and physical development	4,060,126	-	4,060,126
Education	-	-	-
Total	4,060,126	22,197,798	26,257,924
Excess (deficiency) of revenues over expenditures	(3,345,126)	(22,189,337)	(25,534,463)
Other financing sources (uses):			
Transfers from General Fund	5,866,500	983,201	6,849,701
Transfer to General Fund	-	(557,818)	(557,818)
Limited Obligation Bond Proceeds	-	35,105,000	35,105,000
Premium on LOBS	-	7,172,316	7,172,316
Total other financing sources (uses)	5,866,500	42,702,699	48,569,199
Net change in fund balances	2,521,374	20,513,362	23,034,736
Fund balances, beginning	5,557,031	62,302	5,619,333
Fund balances, ending	\$ 8,078,405	\$ 20,575,664	\$ 28,654,069

Johnston County, North Carolina
Capital Projects Fund
Industrial Development Infrastructure
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Current Year	Total To Date	Variance Positive (Negative)
Revenues					
State Grant	\$ 715,000	\$ -	\$ 715,000	\$ 715,000	\$ -
Total revenues	<u>715,000</u>	<u>-</u>	<u>715,000</u>	<u>715,000</u>	<u>-</u>
Expenditures					
Blue Line Aviation	100,000	-	-	-	100,000
Linamar	25,000	-	-	-	25,000
Penn Compression	25,000	-	-	-	25,000
Eastfield Development	1,520,000	-	-	-	1,520,000
Broad River	171,000	-	-	-	171,000
SHARP/Sound Station	13,304	-	13,303	13,303	1
Kenly Truckstop / Corbett Partners	40,000	-	-	-	40,000
Grifols	1,065,000	-	-	-	1,065,000
Norvo Nordisk	4,410,000	-	4,044,174	4,044,174	365,826
CAT Connector	50,000	-	-	-	50,000
Iowa 80	45,000	-	-	-	45,000
Talecris	3,125,500	-	-	-	3,125,500
OPW	25,000	-	2,649	2,649	22,351
Total expenditures	<u>10,614,804</u>	<u>-</u>	<u>4,060,126</u>	<u>4,060,126</u>	<u>6,554,678</u>
Revenue over (under) expenditures	<u>(9,899,804)</u>	<u>-</u>	<u>(3,345,126)</u>	<u>(3,345,126)</u>	<u>6,554,678</u>
Other Financing Sources (Uses)					
Fund Balance Appropriated	4,033,304	-	-	-	(4,033,304)
Transfer from General Fund	5,866,500	-	5,866,500	5,866,500	-
Transfer to Other Funds	-	-	-	-	-
Total other financing sources	<u>9,899,804</u>	<u>-</u>	<u>5,866,500</u>	<u>5,866,500</u>	<u>(4,033,304)</u>
Revenue and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>2,521,374</u>	<u>\$ 2,521,374</u>	<u>\$ 2,521,374</u>
Fund balance, beginning			<u>5,557,031</u>		
Fund balance, ending			<u>\$ 8,078,405</u>		

Johnston County, North Carolina
Capital Projects Fund
Public Safety Center Project
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Investment earnings	\$ -	\$ -	\$ 8,461	8,461	\$ 8,461
Miscellaneous Revenue	-	-	-	-	-
Total revenues	-	-	8,461	8,461	8,461
Expenditures					
Public Safety					
Phase 1					
Technical Service	\$ 3,827,632	\$ 2,486,625	\$ 634,877	\$ 3,121,502	\$ 706,130
Furniture and Fixtures	992,372	-	-	-	992,372
Land	508,891	508,891	-	508,891	-
Construction	36,895,126	-	20,432,280	20,432,280	16,462,846
Contingency	1,855,979	-	-	-	1,855,979
Cost of Issuance	420,000	-	251,928	251,928	168,072
Phase 2					
Technical Service	983,201	-	878,713	878,713	104,488
Total expenditures	45,483,201	2,995,516	22,197,798	25,193,314	20,289,887
Revenue over (under) expenditures	(45,483,201)	(2,995,516)	(22,189,337)	(25,184,853)	20,298,348
Other Financing Sources (Uses)					
Limited Obligation Bond Proceeds	34,827,684	-	35,105,000	35,105,000	277,316
Premium on LOBS	7,172,316	-	7,172,316	7,172,316	-
Transfer from General Fund	3,482,201	2,499,000	983,201	3,482,201	-
Transfer from Other Funds	558,818	558,818	-	558,818	-
Transfer to General Fund	(557,818)	-	(557,818)	(557,818)	-
Total other financing sources	45,483,201	3,057,818	42,702,699	45,760,517	277,316
Revenue and other sources over (under) expenditures	\$ -	\$ 62,302	20,513,362	\$ 20,575,664	\$ 20,575,664
Fund balance, beginning			62,302		
Fund balance, ending			\$ 20,575,664		

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs 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.

Johnston County, North Carolina
Combining Statement of Net Position - Non-Major Enterprise Funds
Proprietary Funds
June 30, 2021

	NON-MAJOR		Total
	Section 8 Housing Assistance	Administrative Fund	Non-Major Proprietary Funds
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,609,057	\$ 2,523,212	\$ 4,132,269
Restricted cash	-	1,138,537	1,138,537
Due from other governments	507	389,909	390,416
Prepaid items	1,876	-	1,876
Total current assets	<u>1,611,440</u>	<u>4,051,658</u>	<u>5,663,098</u>
Noncurrent assets:			
Capital assets, net	<u>119,256</u>	<u>210,000</u>	<u>329,256</u>
Total noncurrent assets	<u>119,256</u>	<u>210,000</u>	<u>329,256</u>
Total assets	<u>1,730,696</u>	<u>4,261,658</u>	<u>5,992,354</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related deferrals	75,695	190,613	266,308
OPEB related deferrals	<u>110,215</u>	<u>564,179</u>	<u>674,394</u>
Total deferred outflows of resources	<u>185,910</u>	<u>754,792</u>	<u>940,702</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	2,800	4,556	7,356
Due to other funds	-	2,575	2,575
Other deposits	-	1,138,537	1,138,537
Compensated Absences Payable	<u>6,598</u>	<u>36,742</u>	<u>43,340</u>
Total current liabilities	<u>9,398</u>	<u>1,182,410</u>	<u>1,191,808</u>
Long-term liabilities:			
Total OPEB Liability	297,337	2,573,130	2,870,467
Net Pension Liability	139,563	351,443	491,006
Compensated absences payable	<u>9,753</u>	<u>54,317</u>	<u>64,070</u>
Total long-term liabilities	<u>446,653</u>	<u>2,978,890</u>	<u>3,425,543</u>
Total liabilities	<u>456,051</u>	<u>4,161,300</u>	<u>4,617,351</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related deferrals	303	762	1,065
OPEB related deferrals	<u>26,092</u>	<u>225,804</u>	<u>251,896</u>
Total deferred inflows of resources	<u>26,395</u>	<u>226,566</u>	<u>252,961</u>
NET POSITION			
Net investment in capital assets	119,256	210,000	329,256
Restricted			
Housing Assistance Program	1,023,518	-	1,023,518
Unrestricted	<u>291,386</u>	<u>418,584</u>	<u>709,970</u>
Total net position	<u>\$ 1,434,160</u>	<u>\$ 628,584</u>	<u>\$ 2,062,744</u>

Johnston County, North Carolina
Combining Statement of Revenues, Expenses, and Changed in Fund Net Position -
Non-Major Enterprise Funds - Proprietary Funds
For the Year Ended June 30, 2021

	NON-MAJOR		Total
	Section 8	Administrative	Non-Major
	Housing	Fund	Proprietary
	Assistance		Funds
Operating revenues:			
Charges for services	\$ -	\$ 1,623,291	\$ 1,623,291
Total operating revenues	-	1,623,291	1,623,291
Operating expenses:			
General operating	4,816,434	1,397,973	6,214,407
Depreciation and amortization	5,060	-	5,060
Total operating expenses	4,821,494	1,397,973	6,219,467
Operating income (loss)	(4,821,494)	225,318	(4,596,176)
Nonoperating revenues (expenses):			
Restricted Intergovernmental	391,145	-	391,145
Investment earnings	1,249	1,505	2,754
Miscellaneous	144,300	-	144,300
Operating subsidy - HUD	4,552,494	-	4,552,494
Fraud recovery	23,692	-	23,692
Total nonoperating revenues (expenses)	5,112,880	1,505	5,114,385
Change in net position	291,386	226,823	518,209
Total net position, beginning	1,142,774	401,761	1,544,535
Total net position - beginning (as restated)	1,142,774	401,761	1,544,535
Total net position, ending	\$ 1,434,160	\$ 628,584	\$ 2,062,744

Johnston County, North Carolina
Combining Statement of Cash Flows - Non-Major Enterprise Funds
All Proprietary Fund Types
For the Year Ended June 30, 2021

	NON-MAJOR		Total Non-Major Proprietary Funds
	Section 8 Housing Assistance	Administrative Fund	
Cash Flows From Operating Activities			
Cash received from customers	\$ -	\$ 1,604,241	\$ 1,604,241
Cash paid for goods and services	(422,392)	(99,395)	(521,787)
Cash paid to employees	(389,088)	(1,033,977)	(1,423,065)
Cash paid for housing assistance	(3,955,856)	-	(3,955,856)
Miscellaneous	126,717	-	126,717
Net cash provided by (used in) operating activities	(4,640,619)	470,869	(4,169,750)
Cash Flows From Noncapital Financing Activities			
Operating subsidy - HUD	4,552,494	-	4,552,494
Net cash provided by (used in) financing activities	4,552,494	-	4,552,494
Cash Flows From Capital and Related Financing Activities			
Restricted intergovernmental	391,145	-	391,145
Net cash provided by (used in) capital and related financing activities	391,145	-	391,145
Cash Flows From Investing Activities			
Investment Income	1,249	1,505	2,754
Net cash provided by (used in) investing activities	1,249	1,505	2,754
Net increase (decrease) in cash and cash equivalents/investments	304,269	472,374	776,643
Cash and cash equivalents/investments			
Beginning of year	1,304,788	3,189,375	4,494,163
End of year	\$ 1,609,057	\$ 3,661,749	\$ 5,270,806

Johnston County, North Carolina
Statement of Cash Flows
All Proprietary Fund Types
For the Year Ended June 30, 2021

	NON-MAJOR		Total Non-
	Section 8		Major
	Housing	Administrative	Proprietary
	Assistance	Fund	Funds
Reconciliation of operating income (loss)			
to net cash provided by (used in)			
operating activities			
Operating income (loss)	\$ (4,821,494)	\$ 225,318	\$ (4,596,176)
Nonoperating (miscellaneous)	167,992	-	167,992
Depreciation	5,060	-	5,060
(Increase) decrease in:			
Accounts receivable	(162)	(97,826)	(97,988)
Prepaid expenses	(265)	-	(265)
Deferred Outflows for pensions	(13,724)	(34,558)	(48,282)
Deferred Outflows for OPEB	(29,052)	(265,042)	(294,094)
Increase (decrease) in:			
Compensated absences payable	4,177	17,391	21,568
Other deposits	-	78,776	78,776
Deferred Inflows for Pensions	(129)	(326)	(455)
Deferred Inflows for OPEB	8,803	76,183	84,986
Net Pension Liability	33,881	85,316	119,197
Accounts payable and accrued expenses	1,503	4,291	5,794
Deferred Revenue	(41,275)	-	(41,275)
Total OPEB liability	44,066	381,346	425,412
Total adjustments	180,875	245,551	426,426
Net cash provided by (used in)			
operating activities	\$ (4,640,619)	\$ 470,869	\$ (4,169,750)

Johnston County, North Carolina
Enterprise Funds - Public Utilities Funds
Administrative Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Operating Revenues			
Sales and Services	\$ 621,655	\$ 621,655	\$ -
Plan review fees	383,750	556,476	172,726
Erosion Control Permit fee	283,870	445,008	161,138
Miscellaneous	-	152	152
Total Operating Revenues	1,289,275	1,623,291	334,016
Nonoperating Revenues (Expenditures)			
Interest on investments	-	1,505	1,505
Total Nonoperating revenues	-	1,505	1,505
Operating Expenditures			
Administration			
Salaries and employee benefits	419,960	407,840	12,120
Other	19,000	18,607	393
Total Administration	438,960	426,447	12,513
Engineer/Construction			
Salaries and employee benefits	415,971	399,539	16,432
Other	80,933	26,369	54,564
Total Engineer/Construction	496,904	425,908	70,996
Storm water management			
Salaries and employee benefits	295,780	243,989	51,791
Other	561,200	58,710	502,490
Total Storm water management	856,980	302,699	554,281
Total Operating expenditures	1,792,844	1,155,054	637,790
Revenues over (under) expenditures	(503,569)	469,742	971,806
Other financing sources (uses):			
Fund balance appropriated	503,569	-	(503,569)
Total Other financing sources	503,569	-	(503,569)
Revenues and other sources over (under) expenditures	\$ -	469,742	\$ 468,237
Reconciliation from budgetary basis (modified accrual) to full accrual basis:			
Total OPEB liability		(381,346)	
Deferred outflows of resources - pensions		34,558	
Deferred outflows of resources - OPEB		265,042	
Net pension liability		(85,316)	
Deferred inflows of resources - pensions		326	
Deferred inflows of resources - OPEB		(76,183)	
Change in net position		\$ 226,823	

Johnston County, North Carolina
Enterprise Funds - Public Utilities Funds
Solid Waste Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Operating Revenues			
Charges for services			
Yard waste	\$ 153,000	\$ 141,342	\$ (11,658)
Recycling	89,000	161,149	72,149
Landfill fees	5,775,000	6,510,004	735,004
Decals	1,450,000	1,293,200	(156,800)
Total Operating Revenues	<u>7,467,000</u>	<u>8,105,695</u>	<u>638,695</u>
Nonoperating Revenues (Expenditures)			
Interest on investments	-	4,982	4,982
Disposal taxes	170,000	247,322	77,322
Late fees collected	-	7,750	7,750
Gain (loss) on disposal of assets	-	169,615	169,615
Miscellaneous	-	(2,481)	(2,481)
State Solid Waste Fee	330,000	359,744	29,744
State Electronics Fund	12,000	-	(12,000)
Landfill Gas to Energy Proceeds	90,000	85,265	(4,735)
State 1% tax on tires	240,000	297,661	57,661
Total Nonoperating revenues	<u>842,000</u>	<u>1,169,858</u>	<u>327,858</u>
Total Revenues	<u>8,309,000</u>	<u>9,275,553</u>	<u>966,553</u>
Operating Expenditures			
Sanitation			
Salaries and employee benefits	826,590	821,376	5,214
Other	1,077,955	1,054,663	23,292
Total Sanitation	<u>1,904,545</u>	<u>1,876,039</u>	<u>28,506</u>
Landfill			
Salaries and employee benefits	-	39	(39)
Other	-	-	-
Total Landfill	<u>-</u>	<u>39</u>	<u>(39)</u>
Solid waste			
Salaries and employee benefits	1,468,055	1,040,457	427,598
Other	2,725,614	2,235,241	490,373
Total Solid waste	<u>4,193,669</u>	<u>3,275,698</u>	<u>917,971</u>
Tire disposal			
Salaries and employee benefits	29,250	29,760	(510)
Other	177,500	176,491	1,009
Total Tire disposal	<u>206,750</u>	<u>206,251</u>	<u>499</u>

Johnston County, North Carolina
Enterprise Funds - Public Utilities Funds
Solid Waste Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Appliances/White goods			
Salaries and employee benefits	133,045	132,407	638
Other	1,000	-	1,000
Total Appliances/White goods	134,045	132,407	1,638
Yard and wood waste			
Salaries and employee benefits	29,150	28,674	476
Other	117,745	70,522	47,223
Total Yard and wood waste	146,895	99,196	47,699
Electronics Recycling			
Salaries and employee benefits	-	-	-
Other	58,000	53,573	4,427
Total Electronics Recycling	58,000	53,573	4,427
SW Recycling Program			
Salaries and employee benefits	484,685	424,327	60,358
Other	190,800	87,654	103,146
Total SW Recycling Program	675,485	511,981	163,504
Capital outlay	1,580,600	962,488	618,112
Total Operating expenditures	8,899,989	7,117,672	1,782,317
Revenues over expenditures	(590,989)	2,157,881	2,748,870
Other financing sources (uses):			
Fund balance appropriated	188,960	-	(188,960)
Transfers to other funds	-	-	-
Transfers from other funds	402,029	402,029	-
Total other financing sources	590,989	402,029	(188,960)
Revenues and other sources over (under) expenditures	\$ -	2,559,910	\$ 2,559,910
Reconciliation from budgetary basis (modified accrual) to full accrual basis			
Capital outlay		962,488	
Capital reserve for post-closure		(1,949,327)	
Total OPEB liability		(1,002,658)	
Deferred outflows of resources - pensions		84,667	
Deferred outflows of resources - OPEB		696,864	
Net pension liability		(209,026)	
Deferred inflows of resources - pensions		800	
Deferred inflows of resources - OPEB		(200,305)	
Depreciation		(832,510)	
Transfer to (from) project (Ex D-5a, 5b, 5c)		(2,029)	
Change in net position		\$ 108,874	

Johnston County, North Carolina
Public Utilities Capital Project Fund
Landfill Construction Fund - Landfill Entrance & Attendant Facilities
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical service	75,950	73,973	1,800	75,773	177
Construction of Project	1,595,915	-	1,465,773	1,465,773	130,142
Contingency Construction	79,796	-	-	-	79,796
Total Expenditures	1,751,661	73,973	1,467,573	1,541,546	210,115
Other Financing Sources (Uses)					
Transfer from other funds	1,751,661	1,751,661	-	1,751,661	-
Total Other Financing Sources	1,751,661	1,751,661	-	1,751,661	-
Revenues and other sources over (under) expenditures	\$ -	\$ 1,677,688	\$ (1,467,573)	\$ 210,115	\$ 210,115

Johnston County, North Carolina
Public Utilities Capital Project Fund
Landfill Construction Fund - Phase 4-A Landfill Site Improvements
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project	Actual			Total	Variance
	Authorization	Prior	Current	Completed	To Date	Positive
		Years	Year	Project		(Negative)
Revenues						
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-	-
Expenditures						
Technical service	29,472	24,388	5,084	(29,472)	-	-
Construction of Project	128,564	128,564	-	(128,564)	-	-
Total Expenditures	158,036	152,952	5,084	(158,036)	-	-
Other Financing Sources (Uses)						
Transfer from other funds	160,065	160,065	-	(160,065)	-	-
Transfer to other funds	(2,029)	-	(2,029)	2,029	-	-
Total Other Financing Sources	158,036	160,065	(2,029)	(158,036)	-	-
Revenues and other sources over						
(under) expenditures	\$ -	\$ 7,113	\$ (7,113)	\$ -	\$ -	\$ -

Johnston County, North Carolina
Public Utilities Capital Project Fund
Landfill Construction Fund - Phase 6-A MSW Landfill Site Improvements
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Construction of Project	4,993,817	-	4,144,337	4,144,337	849,480
Stream & Wetland Mitigation Credits	1,884,541	1,884,541	-	1,884,541	-
Total Expenditures	6,878,358	1,884,541	4,144,337	6,028,878	849,480
Other Financing Sources (Uses)					
Transfer from other funds	6,878,358	6,878,358	-	6,878,358	-
Total Other Financing Sources	6,878,358	6,878,358	-	6,878,358	-
Revenues and other sources over (under) expenditures					
	\$ -	\$ 4,993,817	\$ (4,144,337)	\$ 849,480	\$ 849,480

Johnston County, North Carolina
Enterprise Funds - Public Utilities Funds
Water Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Operating Revenues			
Charges for services			
Water taps	425,000	536,857	111,857
Capacity fees	2,150,000	3,250,850	1,100,850
Contracted services	3,138,681	2,694,063	(444,618)
Water - wholesale	11,974,000	11,594,388	(379,612)
Reconnect Fees	160,000	176,739	16,739
Miscellaneous	-	8,137	8,137
Total Operating Revenues	<u>17,847,681</u>	<u>18,261,034</u>	<u>413,353</u>
Nonoperating Revenues (Expenditures)			
Investment income	2,280,563	963,184	(1,317,379)
Gain on sale of capital assets	-	736	736
Total Nonoperating revenues	<u>2,280,563</u>	<u>963,920</u>	<u>(1,316,643)</u>
Total Revenues	<u>20,128,244</u>	<u>19,224,954</u>	<u>(903,290)</u>
Operating Expenditures			
Public utilities operations			
Salaries and employee benefits	305,500	289,170	16,330
Other	785,190	244,647	540,543
Total	<u>1,090,690</u>	<u>533,817</u>	<u>556,873</u>
Water transmission			
Salaries and employee benefits	683,775	667,134	16,641
Other	1,401,895	867,874	534,021
Total	<u>2,085,670</u>	<u>1,535,008</u>	<u>550,662</u>
Retail water			
Salaries and employee benefits	1,087,845	1,072,378	15,467
Other	1,077,924	955,124	122,800
Total	<u>2,165,769</u>	<u>2,027,502</u>	<u>138,267</u>
Water treatment and transmission			
Salaries and employee benefits	1,118,850	1,077,622	41,228
Other	7,971,428	6,589,408	1,382,020
Total	<u>9,090,278</u>	<u>7,667,030</u>	<u>1,423,248</u>
Laboratory services			
Salaries and employee benefits	94,985	90,633	4,352
Other	126,900	101,087	25,813
Total	<u>221,885</u>	<u>191,720</u>	<u>30,165</u>
Waterline Construction			
Salaries and employee benefits	914,760	887,741	27,019
Other	588,900	481,129	107,771
Total	<u>1,503,660</u>	<u>1,368,870</u>	<u>134,790</u>

Johnston County, North Carolina
Enterprise Funds - Public Utilities Funds
Water Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Capital outlay	723,349	628,451	94,898
Debt service			
Principal retirement	4,524,716	4,524,716	-
Interest	1,557,125	1,700,462	(143,337)
Bond Issuance Cost	-	47,509	(47,509)
Total Debt service	6,081,841	6,272,687	(190,846)
Total Operating expenditures	22,963,142	20,225,085	2,738,057
Revenues over expenditures	(2,834,898)	(1,000,131)	1,834,767
Other financing sources (uses):			
Transfers (to) other funds	(20,000)	(20,000)	-
Transfers from other funds	1,821,266	1,736,266	(85,000)
Proceeds from long-term debt	346,500	-	(346,500)
Refunding bonds issued	-	12,365,000	12,365,000
Payment to refunded bond escrow agent	-	(13,725,118)	(13,725,118)
Premium on Refunding Bonds	-	1,454,725	1,454,725
Fund Balance Appropriated	687,132	-	(687,132)
Total Other financing sources	2,834,898	1,810,873	(1,024,025)
Revenues and other sources			
over (under) expenditures	\$ -	810,742	\$ 810,742
Reconciliation from budgetary basis (modified accrual) to full accrual basis			
Capital outlay		628,451	
Debt service principal retirement		4,524,716	
Amortize Bond Premium and Deferred Charges		64,072	
Refunding bonds issued		(12,365,000)	
Payment to refunded bond escrow agent		13,725,118	
Premium on Refunding Bonds		(1,454,725)	
Deferred Charges on Refunding		47,509	
Total OPEB Liability		(1,720,616)	
Deferred outflows of resources - pensions		134,512	
Deferred outflows of resources - OPEB		1,195,857	
Net pension liability		(332,083)	
Deferred inflows of resources - pensions		1,271	
Deferred inflows of resources - OPEB		(343,735)	
Depreciation and Amortization		(2,619,266)	
DOT Reimbursement (Ex D-6b)		198,874	
Restricted Intergovernmental (Ex D-6d)		-	
Transfer to Projects (Ex D-6f, D-6h, D-6i, D-6j)		864,100	
Transfer from Projects (Ex D-6f)		(1,700)	
Change in net position		\$ 3,358,097	

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water Construction Fund - WTP 2.5 MGD Exp / Future Planning
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Earnings	-	-	-	-	-
Total Revenues	-	-	-	-	-
Expenditures					
Technical service	185,000	54,987	31,400	86,387	98,613
Total Expenditures	185,000	54,987	31,400	86,387	98,613
Other Financing Sources (Uses)					
Transfer from other funds	185,000	185,000	-	185,000	-
Total Other Financing Sources	185,000	185,000	-	185,000	-
Revenues and other sources over (under) expenditures	\$ -	\$ 130,013	\$ (31,400)	\$ 98,613	\$ 98,613

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water Construction Fund - NCDOT Waterline Projects
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
NCDOT Reimbursements	369,176	12,593	198,874	211,467	(157,709)
Total Revenues	<u>369,176</u>	<u>12,593</u>	<u>198,874</u>	<u>211,467</u>	<u>(157,709)</u>
Expenditures					
Technical service	199,381	124,667	3,110	127,777	71,604
Construction of Project	193,047	35,808	147,409	183,217	9,830
Total Expenditures	<u>392,428</u>	<u>160,475</u>	<u>150,519</u>	<u>310,994</u>	<u>81,434</u>
Other Financing Sources (Uses)					
Transfer from other funds	23,252	23,252	-	23,252	-
Total Other Financing Sources	<u>23,252</u>	<u>23,252</u>	<u>-</u>	<u>23,252</u>	<u>-</u>
Revenues and other sources over (under) expenditures	\$ <u>-</u>	\$ <u>(124,630)</u>	\$ <u>48,355</u>	\$ <u>(76,275)</u>	\$ <u>(76,275)</u>

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water Construction Fund - WTP 2.0 MGD Upgrade
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical service	482,300	353,769	71,813	425,582	56,718
Construction of Project	3,948,637	2,221,009	1,770,316	3,991,325	(42,688)
Loan Closing	66,000	66,000	-	66,000	-
Contingency Construction	197,513	-	-	-	197,513
Total Expenditures	4,694,450	2,640,778	1,842,129	4,482,907	211,543
Other Financing Sources (Uses)					
Revolving Loan	3,300,000	1,975,393	1,303,151	3,278,544	(21,456)
Transfer from other funds	1,394,450	1,394,450	-	1,394,450	-
Total Other Financing Sources	4,694,450	3,369,843	1,303,151	4,672,994	(21,456)
Revenues and other sources over (under) expenditures	\$ -	\$ 729,065	\$ (538,978)	\$ 190,087	\$ 190,087

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water Construction Fund - WTP Efficiency Project
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical service	592,000	379,975	201,925	581,900	10,100
Construction of Project	3,770,000	-	-	-	3,770,000
Loan closing	90,200	-	-	-	90,200
Contingency	148,000	-	-	-	148,000
Total Expenditures	4,600,200	379,975	201,925	581,900	4,018,300
Other Financing Sources (Uses)					
Revolving loan funds	4,510,000	-	-	-	(4,510,000)
Transfer from other funds	90,200	90,200	-	90,200	-
Total Other Financing Sources	4,600,200	90,200	-	90,200	(4,510,000)
Revenues and other sources over (under) expenditures	\$ -	\$ (289,775)	\$ (201,925)	\$ (491,700)	\$ (491,700)

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water Construction Fund - Post Clearwell Chemical Feed Improvements
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical service	15,000	-	-	-	15,000
Construction of Project	336,000	130,778	128,052	258,830	77,170
Contingency Construction	-	-	-	-	-
Total Expenditures	351,000	130,778	128,052	258,830	92,170
Other Financing Sources (Uses)					
Transfer from other funds	351,000	351,000	-	351,000	-
Total Other Financing Sources	351,000	351,000	-	351,000	-
Revenues and other sources over (under) expenditures	\$ -	\$ 220,222	\$ (128,052)	\$ 92,170	\$ 92,170

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water Construction Fund - AWIA Risk & Resiliency Assessment
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical service	268,300	171,600	96,700	268,300	-
Total Expenditures	268,300	171,600	96,700	268,300	-
Other Financing Sources (Uses)					
Transfer from other funds	270,000	250,000	20,000	270,000	-
Transfer to other funds	(1,700)	-	(1,700)	(1,700)	-
Total Other Financing Sources	268,300	250,000	18,300	268,300	-
Revenues and other sources over (under) expenditures	\$ -	\$ 78,400	\$ (78,400)	\$ -	\$ -

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water Construction Fund - NC 96 Economic Development Water Main Extension
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental					
CDBG Grant	\$ 500,000	\$ -	\$ -	\$ -	\$ (500,000)
Golden Leaf Grant	250,000	-	-	-	(250,000)
EDA Grant	750,000	-	-	-	(750,000)
Total Revenues	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,500,000)</u>
Expenditures					
Technical service	284,926	9,800	156,064	165,864	119,062
Construction of Project	1,282,927	37,409	-	37,409	1,245,518
Contingency Construction	11,556	-	-	-	11,556
Total Expenditures	<u>1,579,409</u>	<u>47,209</u>	<u>156,064</u>	<u>203,273</u>	<u>1,376,136</u>
Other Financing Sources (Uses)					
Transfer from other funds	79,409	79,409	-	79,409	-
Total Other Financing Sources	<u>79,409</u>	<u>79,409</u>	<u>-</u>	<u>79,409</u>	<u>-</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 32,200</u>	<u>\$ (156,064)</u>	<u>\$ (123,864)</u>	<u>\$ (123,864)</u>

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water Construction Fund - Buffalo Road BPS & Transmission Main
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical service	604,100	159,670	303,446	463,116	140,984
Easements	80,000	-	36,900	36,900	43,100
Total Expenditures	684,100	159,670	340,346	500,016	184,084
Other Financing Sources (Uses)					
Transfer from other funds	684,100	400,000	284,100	684,100	-
Total Other Financing Sources	684,100	400,000	284,100	684,100	-
Revenues and other sources over (under) expenditures	\$ -	\$ 240,330	\$ (56,246)	\$ 184,084	\$ 184,084

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water Construction Fund - 385 West Transmission Improvements
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical service	600,000	323,505	97,667	421,172	178,828
Construction of Project	4,408,783	-	-	-	4,408,783
Easements	165,000	-	134,575	134,575	30,425
Contingency Construction	220,439	-	-	-	220,439
Total Expenditures	5,394,222	323,505	232,242	555,747	4,838,475
Other Financing Sources (Uses)					
Transfer from SDF Reserve Fund	735,000	500,000	235,000	735,000	-
Water & Sewer Sysetm Revenue Bonds	4,659,222	-	-	-	(4,659,222)
Total Other Financing Sources	5,394,222	500,000	235,000	735,000	(4,659,222)
Revenues and other sources over (under) expenditures	\$ -	\$ 176,495	\$ 2,758	\$ 179,253	\$ 179,253

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water Construction Fund - White Memorial Church Road Water Main
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical service	275,000	-	100,994	100,994	174,006
Easements	50,000	-	-	-	50,000
Total Expenditures	325,000	-	100,994	100,994	224,006
Other Financing Sources (Uses)					
Transfer from SDF Reserve Fund	325,000	-	325,000	325,000	-
Total Other Financing Sources	325,000	-	325,000	325,000	-
Revenues and other sources over (under) expenditures	\$ -	\$ -	\$ 224,006	\$ 224,006	\$ 224,006

Johnston County, North Carolina
Enterprise Funds - Public Utilities Funds
Wastewater Treatment Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Operating Revenues			
Charges for services			
Wholesale water treatment sales	\$ 7,319,515	\$ 9,542,570	\$ 2,223,055
Sewer sales	4,227,000	5,450,390	1,223,390
Sewer taps	10,000	(950)	(10,950)
Septic tank dumping	250,000	483,452	233,452
Leachate Revenue	42,000	38,108	(3,892)
Pretreatment fees	10,000	13,940	3,940
Pump Station Fees	30,000	11,901	(18,099)
Total Operating Revenues	<u>11,888,515</u>	<u>15,539,411</u>	<u>3,650,896</u>
Nonoperating Revenues (Expenditures)			
System Development Fees	2,673,295	2,673,295	-
Developer Contributions	-	2,340,491	2,340,491
Interest on investments	-	10,374	10,374
Sale of Assets	-	644	644
Capacity Fees	300,000	-	(300,000)
FEMA Grant	-	1,455,250	1,455,250
Miscellaneous	-	249	249
Total Nonoperating revenues (expenditures)	<u>2,973,295</u>	<u>6,480,303</u>	<u>3,507,008</u>
Total Revenues	<u>14,861,810</u>	<u>22,019,714</u>	<u>7,157,904</u>
Other Expenditures			
FEMA			
Other expenses	35,727	-	35,727
Total	<u>35,727</u>	<u>-</u>	<u>35,727</u>
Operations			
Salaries and employee benefits	171,860	160,328	11,532
Other expenses	379,965	152,103	227,862
Total	<u>551,825</u>	<u>312,431</u>	<u>239,394</u>
Wastewater treatment			
Salaries and employee benefits	883,535	827,417	56,118
Other expenses	2,630,048	2,384,866	245,182
Total	<u>3,513,583</u>	<u>3,212,283</u>	<u>301,300</u>
Wastewater transmission			
Salaries and employee benefits	857,970	796,806	61,164
Other expenses	1,257,864	1,015,761	242,103
Total	<u>2,115,834</u>	<u>1,812,567</u>	<u>303,267</u>

Johnston County, North Carolina
Enterprise Funds - Public Utilities Funds
Wastewater Treatment Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2021

Laboratory services			
Salaries and employee benefits	206,145	169,124	37,021
Other expenses	74,900	46,686	28,214
Total	<u>281,045</u>	<u>215,810</u>	<u>65,235</u>
Retail sewer			
Salaries and employee benefits	281,690	127,468	154,222
Other expenses	850,420	555,100	295,320
Total	<u>1,132,110</u>	<u>682,568</u>	<u>449,542</u>
Capital Outlay	<u>1,358,280</u>	<u>645,639</u>	<u>712,641</u>
Debt service			
Principal retirement	2,235,111	2,235,111	-
Interest	1,259,079	788,863	470,216
Bond issuance cost	-	48,219	(48,219)
Total	<u>3,494,190</u>	<u>3,072,193</u>	<u>421,997</u>
Total operating expenditures	<u>12,482,594</u>	<u>9,953,491</u>	<u>2,529,103</u>
Revenues over expenditures	<u>2,379,216</u>	<u>12,066,223</u>	<u>9,687,007</u>
Other Financing sources (uses)			
Transfer to other funds	(3,573,841)	(3,573,841)	-
Transfer from other funds	921,401	921,401	-
Refunding bonds issued	-	12,550,000	12,550,000
Payment to refunded bond escrow agent	-	(14,472,009)	(14,472,009)
Premium on Refunding Bonds	-	2,021,742	2,021,742
Fund balance appropriated	273,224	-	(273,224)
Total other financing sources (uses)	<u>(2,379,216)</u>	<u>(2,552,707)</u>	<u>(173,491)</u>
Revenues and other sources over (under) expenditures	\$ <u>-</u>	9,513,516	<u>9,513,516</u>
Reconciliation from budgetary basis (modified accrual) to full accrual basis			
Capital outlay		645,639	
Debt service principal retirement		2,235,111	
Refunding bonds issued		(12,550,000)	
Payment to refunded bond escrow agent		14,472,009	
Premium on Refunding Bonds		(2,021,742)	
Deferred Charges on Refunding		48,219	
Total OPEB liability		(760,566)	
Deferred outflows of resources - pensions		58,867	
Deferred outflows of resources - OPEB		528,606	
Net pension liability		(145,332)	
Deferred inflows of resources - pensions		556	
Deferred inflows of resources - OPEB		(151,941)	
Amortize Bond Premium and Deferred Charges		234,792	
Depreciation		(2,237,008)	
Restricted Intergovernmental from Projects (Ex D-7h)		932,210	
Settlement with Engineer (Ex D-7f)		125,000	
Transfers to (from) capital reserve fund (Ex D-7a)		(1,510,855)	
Transfer to project funds (Ex D-7g, D-7j, D-7l, D-7n, D-7q, D-7r, D-7s, D-7t, D-7u)		5,354,182	
Transfer from project funds (Ex D-7b, D-7c, D-7h, D-7i)		<u>(1,181,401)</u>	
Change in net position		\$ <u>13,589,862</u>	

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater SDF Capital Reserve Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

Exhibit D-7a

From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Other Financing Sources (Uses)					
Transfer of System Development Fees	8,512,315	5,839,020	2,673,295	8,512,315	-
Transfer to Capital Project Fund	(8,512,315)	(1,205,000)	(4,184,150)	(5,389,150)	3,123,165
Total Other Financing Sources (Uses)	-	4,634,020	(1,510,855)	3,123,165	3,123,165
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 4,634,020</u>	<u>\$ (1,510,855)</u>	<u>\$ 3,123,165</u>	<u>\$ 3,123,165</u>

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Biosolids Facilities Improvement
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7b

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Construction of project	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Other Financing Sources (Uses)					
Transfer from other funds	-	260,000	-	260,000	260,000
Transfer to other funds	-	-	(260,000)	(260,000)	(260,000)
Total Other Financing Sources (Uses)	-	260,000	(260,000)	-	-
Revenues and other sources over (under) expenditures	\$ -	\$ 260,000	\$ (260,000)	\$ -	\$ -

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Buffalo WWPS Upgrade / Force Main
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical service	570,000	474,915	16,183	491,098	78,902
Construction	2,562,384	195	66,288	66,483	2,495,901
Loan Closing	88,100	-	66,518	66,518	21,582
Easements	65,000	-	1,900	1,900	63,100
Contingency Construction	128,516	-	-	-	128,516
Total Expenditures	3,414,000	475,110	150,889	625,999	2,788,001
Other Financing Sources (Uses)					
Transfer from other funds	792,800	792,800	-	792,800	-
Transfer to other funds	(704,700)	-	(704,700)	(704,700)	-
State revolving loan fund	3,325,900	-	-	-	(3,325,900)
Total Other Financing Sources (Uses)	3,414,000	792,800	(704,700)	88,100	(3,325,900)
Revenues and other sources over (under) expenditures	\$ -	\$ 317,690	\$ (855,589)	\$ (537,899)	\$ (537,899)

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Pine Level Wastewater Pump Station Improvements
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical service	392,344	168,176	168,085	336,261	56,083
Construction of Project	26,977	591	-	591	26,386
Easements	30,679	25,678	4,000	29,678	1,001
Total Expenditures	450,000	194,445	172,085	366,530	83,470
Other Financing Sources (Uses)					
Transfer from other funds	450,000	450,000	-	450,000	-
Total Other Financing Sources (Uses)	450,000	450,000	-	450,000	-
Revenues and other sources over (under) expenditures	\$ -	\$ 255,555	\$ (172,085)	\$ 83,470	\$ 83,470

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - McGee's Crossroads Sewer Consolidation / Middle Creek Interceptor
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical service	93,000	10,741	6,000	16,741	76,259
Construction of Project	7,936,872	6,150	5,394,485	5,400,635	2,536,237
Loan Closing	166,920	-	166,920	166,920	-
Easements	141,000	128,057	6,500	134,557	6,443
Contingency Construction	359,128	22,500	217,450	239,950	119,178
Total Expenditures	8,696,920	167,448	5,791,355	5,958,803	2,738,117
Other Financing Sources (Uses)					
Transfer from other funds	350,920	350,920	-	350,920	-
State revolving loan fund	8,346,000	-	4,640,153	4,640,153	(3,705,847)
Total Other Financing Sources (Uses)	8,696,920	350,920	4,640,153	4,991,073	(3,705,847)
Revenues and other sources over (under) expenditures	\$ -	\$ 183,472	\$ (1,151,202)	\$ (967,730)	\$ (967,730)

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Swift Creek Interceptor
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical service	187,246	139,373	44,586	183,959	3,287
Construction of Project	4,350,000	2,708,976	788,481	3,497,457	852,543
Loan Closing	63,760	63,760	-	63,760	-
Easements	100,000	91,290	-	91,290	8,710
Contingency Construction	72,554	-	-	-	72,554
Total Expenditures	4,773,560	3,003,399	833,067	3,836,466	937,094
Other Financing Sources (Uses)					
Transfer from other funds	1,460,553	1,585,553	-	1,585,553	125,000
Settlement with Engineer	125,000	-	125,000	125,000	-
State revolving loan fund	3,188,007	2,380,014	560,190	2,940,204	(247,803)
Total Other Financing Sources (Uses)	4,773,560	3,965,567	685,190	4,650,757	(122,803)
Revenues and other sources over (under) expenditures	\$ -	\$ 962,168	\$ (147,877)	\$ 814,291	\$ 814,291

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water and Sewer Construction Fund - WWTP 4MGD Expansion
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7g

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
CWMTF Grant	-	-	-	-	-
Total Revenues	-	-	-	-	-
Expenditures					
Technical Service	4,532,069	3,179,977	1,175,839	4,355,816	176,253
Construction of Project	32,930,000	-	-	-	32,930,000
Nitrogen Credits	500,000	-	490,000	490,000	10,000
Loan Closing	783,000	-	-	-	783,000
Loan Closing	65,000	-	49,775	49,775	15,225
Contingency Construction	1,882,931	100	-	100	1,882,831
Total Expenditures	40,693,000	3,180,077	1,715,614	4,895,691	35,797,309
Other Financing Sources (Uses)					
Transfer from other funds	1,543,000	1,283,000	260,000	1,543,000	-
Revolving Loan	39,150,000	-	-	-	(39,150,000)
Total Other Financing Sources					
(Uses)	40,693,000	1,283,000	260,000	1,543,000	(39,150,000)
Revenues and other sources over					
(under) expenditures	\$ -	\$ (1,897,077)	\$ (1,455,614)	\$ (3,352,691)	\$ (3,352,691)

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Selma Equalization & WWPS Facilities
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7h

		Actual				Variance
	Project Authorization	Prior Years	Current Year	Completed Project	Total To Date	Positive (Negative)
Revenues						
Restricted intergovernmental	\$ 1,060,000	\$ 127,790	\$ 932,210	\$ (1,060,000)	\$ -	\$ -
Total Revenues	<u>1,060,000</u>	<u>127,790</u>	<u>932,210</u>	<u>(1,060,000)</u>	<u>-</u>	<u>-</u>
Expenditures						
Technical Service	219,892	144,066	75,826	(219,892)	-	-
Construction of Project	1,298,076	-	1,298,076	(1,298,076)	-	-
Easements	12,500	12,500	-	(12,500)	-	-
Contingency Construction	-	-	-	-	-	-
Total Expenditures	<u>1,530,468</u>	<u>156,566</u>	<u>1,373,902</u>	<u>(1,530,468)</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)						
Transfer from other funds	572,500	572,500	-	(572,500)	-	-
Transfer to other funds	(102,032)		(102,032)	102,032	-	-
Total Other Financing Sources						
(Uses)	<u>470,468</u>	<u>572,500</u>	<u>(102,032)</u>	<u>(470,468)</u>	<u>-</u>	<u>-</u>
Revenues and other sources over						
(under) expenditures	\$ <u>-</u>	\$ <u>543,724</u>	\$ <u>(543,724)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - 20" 70 BUS / 70 Bypass Force Main
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7i

			Actual			Variance
	Project Authorization	Prior Years	Current Year	Completed Project	Total To Date	Positive (Negative)
Revenues						
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-	-
Expenditures						
Technical Service	133,570	133,570	-	(133,570)	-	-
Construction of Project	1,102,481	1,102,481	-	(1,102,481)	-	-
Contingency Construction	-	-	-	-	-	-
Total Expenditures	1,236,051	1,236,051	-	(1,236,051)	-	-
Other Financing Sources (Uses)						
Transfer from other funds	1,796,000	1,796,000	-	(1,796,000)	-	-
Transfer to other funds	(559,949)	(445,280)	(114,669)	559,949	-	-
Total Other Financing Sources (Uses)	1,236,051	1,350,720	(114,669)	(1,236,051)	-	-
Revenues and other sources over (under) expenditures	\$ -	\$ 114,669	\$ (114,669)	\$ -	\$ -	\$ -

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - East Clayton WWPS Improvements
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7j

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Technical Service	200,000	148,830	11,700	160,530	39,470
Construction of Project	1,318,000	-	-	-	1,318,000
Contingency Construction	65,900	-	-	-	65,900
Total Expenditures	<u>1,583,900</u>	<u>148,830</u>	<u>11,700</u>	<u>160,530</u>	<u>1,423,370</u>
Other Financing Sources (Uses)					
Transfer from other funds	1,583,900	200,000	1,383,900	1,583,900	-
Total Other Financing Sources (Uses)	<u>1,583,900</u>	<u>200,000</u>	<u>1,383,900</u>	<u>1,583,900</u>	<u>-</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 51,170</u>	<u>\$ 1,372,200</u>	<u>\$ 1,423,370</u>	<u>\$ 1,423,370</u>

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Landfill Equalization & WWPS Improvements
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7k

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Technical Service	505,000	297,150	134,950	432,100	72,900
Construction of Project	-	-	-	-	-
Contingency Construction	-	-	-	-	-
Total Expenditures	<u>505,000</u>	<u>297,150</u>	<u>134,950</u>	<u>432,100</u>	<u>72,900</u>
Other Financing Sources (Uses)					
Transfer from other funds	<u>505,000</u>	<u>505,000</u>	<u>-</u>	<u>505,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>505,000</u>	<u>505,000</u>	<u>-</u>	<u>505,000</u>	<u>-</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 207,850</u>	<u>\$ (134,950)</u>	<u>\$ 72,900</u>	<u>\$ 72,900</u>

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Reedy Branch WWPS & FM
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-71

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical Service	618,195	142,951	329,903	472,854	145,341
Easements	74,805	-	38,251	38,251	36,554
Total Expenditures	693,000	142,951	368,154	511,105	181,895
Other Financing Sources (Uses)					
Transfer from SDF Reserve Fund	693,000	500,000	193,000	693,000	-
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 357,049</u>	<u>\$ (175,154)</u>	<u>\$ 181,895</u>	<u>\$ 181,895</u>

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Reedy Branch WWPS & FM
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7I

	Project	Actual			Variance
	Authorization	Prior	Current	Total	Positive
		Years	Year	To Date	(Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Technical Service	618,195	142,951	329,903	472,854	145,341
Easements	<u>74,805</u>	<u>-</u>	<u>38,251</u>	<u>38,251</u>	<u>36,554</u>
Total Expenditures	<u>693,000</u>	<u>142,951</u>	<u>368,154</u>	<u>511,105</u>	<u>181,895</u>
Other Financing Sources (Uses)					
Transfer from SDF Reserve Fund	<u>693,000</u>	<u>500,000</u>	<u>193,000</u>	<u>693,000</u>	<u>-</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 357,049</u>	<u>\$ (175,154)</u>	<u>\$ 181,895</u>	<u>\$ 181,895</u>

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - WWTP Flood Mitigation (FEMA)
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7m

	Project	Actual		Total	Variance
	Authorization	Prior	Current	To Date	Positive
		Years	Year		(Negative)
Revenues					
FEMA Disaster Payment	\$ 2,143,500	\$ -	\$ -	\$ -	\$ (2,143,500)
Total Revenues	<u>2,143,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,143,500)</u>
Expenditures					
Technical Service	49,000	-	38,646	38,646	10,354
Construction of Project	2,040,726	-	1,601,861	1,601,861	438,865
Contingency Construction	53,774	-	-	-	53,774
Total Expenditures	<u>2,143,500</u>	<u>-</u>	<u>1,640,507</u>	<u>1,640,507</u>	<u>502,993</u>
Other Financing Sources (Uses)					
Transfer from Other Funds	-	-	-	-	-
Revenues and other sources over					
(under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,640,507)</u>	<u>\$ (1,640,507)</u>	<u>\$ (1,640,507)</u>

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - NC 42 Sewer Line (School Bond Project)
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7n

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Technical Service	42,314	32,828	9,486	42,314	-
Construction of Project	872,923	-	-	-	872,923
Contingency Construction	<u>87,292</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,292</u>
Total Expenditures	<u>1,002,529</u>	<u>32,828</u>	<u>9,486</u>	<u>42,314</u>	<u>960,215</u>
Other Financing Sources (Uses)					
Transfer from School Bond Fund	<u>1,002,529</u>	<u>32,828</u>	<u>9,486</u>	<u>42,314</u>	<u>(960,215)</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Sewer Rehabilitation / Sewer
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7o

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Construction of Project	250,000	62,024	-	62,024	187,976
Total Expenditures	<u>250,000</u>	<u>62,024</u>	<u>-</u>	<u>62,024</u>	<u>187,976</u>
Other Financing Sources (Uses)					
Transfer from Other Funds	250,000	250,000	-	250,000	-
Revenues and other sources over (under) expenditures	\$ <u>-</u>	\$ <u>187,976</u>	\$ <u>-</u>	\$ <u>187,976</u>	\$ <u>187,976</u>

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Olive Branch WWPS & FM Improvements
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7p

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Construction of Project	610,597	-	-	-	610,597
Total Expenditures	610,597	-	-	-	610,597
Other Financing Sources (Uses)					
Transfer from Other Funds	610,597	610,597	-	610,597	-
Revenues and other sources over (under) expenditures	\$ -	\$ 610,597	\$ -	\$ 610,597	\$ 610,597

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - ECIA Transmission Improvements
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7g

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ 840,454	\$ -	\$ -	\$ -	\$ (840,454)
Total Revenues	<u>840,454</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(840,454)</u>
Expenditures					
Technical Service	404,000	-	77,606	77,606	326,394
Construction of Project	<u>1,127,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,127,000</u>
Total Expenditures	<u>1,531,000</u>	<u>-</u>	<u>77,606</u>	<u>77,606</u>	<u>1,453,394</u>
Other Financing Sources (Uses)					
Transfer from Other Funds	<u>690,546</u>	<u>-</u>	<u>690,546</u>	<u>690,546</u>	<u>-</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 612,940</u>	<u>\$ 612,940</u>	<u>\$ 612,940</u>

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Wilson's Mills WWPS Upgrades
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7r

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical Service	215,000	-	34,942	34,942	180,058
Construction of Project	-	-	-	-	-
Total Expenditures	215,000	-	34,942	34,942	180,058
Other Financing Sources (Uses)					
Transfer from Other Funds	215,000	-	215,000	215,000	-
Revenues and other sources over (under) expenditures	\$ -	\$ -	\$ 180,058	\$ 180,058	\$ 180,058

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Wastewater Hydraulic Modeling
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7s

	Project	Actual			Variance
	Authorization	Prior	Current	Total	Positive
		Years	Year	To Date	(Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical Service	210,000	-	43,970	43,970	166,030
Total Expenditures	210,000	-	43,970	43,970	166,030
Other Financing Sources (Uses)					
Transfer from Other Funds	210,000	-	210,000	210,000	-
Revenues and other sources over (under) expenditures	\$ -	\$ -	\$ 166,030	\$ 166,030	\$ 166,030

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Selma Flow Equalization & WWPS Facilities
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7t

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical Service	90,000	-	-	-	90,000
Total Expenditures	90,000	-	-	-	90,000
Other Financing Sources (Uses)					
Transfer from Other Funds	90,000	-	90,000	90,000	-
Revenues and other sources over (under) expenditures	\$ -	\$ -	\$ 90,000	\$ 90,000	\$ 90,000

Johnston County, North Carolina
Public Utilities Capital Project Fund
Wastewater Construction Fund - Utility Capital Reimbursement - Eastfield
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-7u

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
50% Reimbursement for WWPS/FM	2,185,100	-	-	-	2,185,100
Reimbursement for Flow Diversion	117,150	-	-	-	117,150
Total Expenditures	2,302,250	-	-	-	2,302,250
Other Financing Sources (Uses)					
Transfer from Other Funds	2,302,250	-	2,302,250	2,302,250	-
Revenues and other sources over (under) expenditures	\$ -	\$ -	\$ 2,302,250	\$ 2,302,250	\$ 2,302,250

Johnston County, North Carolina
Enterprise Funds - Public Utilities Funds
Combined Water District Operating Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Operating Revenues			
Charges for services			
Water sales	\$ 5,905,200	\$ 6,243,093	\$ 337,893
New meter fees	446,250	736,431	290,181
Monthly base fees	11,107,950	12,116,509	1,008,559
Total Operating Revenues	<u>17,459,400</u>	<u>19,096,033</u>	<u>1,636,633</u>
Nonoperating Revenues			
Investment Earnings	-	11,177	11,177
System Development Fees	8,436,122	8,436,122	-
Rents and Concessions	31,000	29,696	(1,304)
FEMA Grant Reimbursements	-	110,202	110,202
Developer Contributions	-	2,757,745	2,757,745
Miscellaneous	-	20,756	20,756
Total Nonoperating revenues	<u>8,467,122</u>	<u>11,365,698</u>	<u>2,898,576</u>
Total Revenues	<u>25,926,522</u>	<u>30,461,731</u>	<u>4,535,209</u>
Expenditures			
Service meters	1,370,000	1,283,616	86,384
Water purchase	5,740,000	5,573,641	166,359
Contract service	3,138,681	2,694,063	444,618
Administrative Cost	50,000	63,200	(13,200)
Debt service:			
Principal retirement	3,624,108	3,624,108	-
Interest	1,980,511	1,377,199	603,312
Cost of Issuance	-	234,315	(234,315)
Total	<u>15,903,300</u>	<u>14,850,142</u>	<u>1,053,158</u>
Revenues over expenditures	<u>10,023,222</u>	<u>15,611,589</u>	<u>5,588,367</u>
Other Financing Sources (Uses)			
Transfers from other Funds	30,000	30,000	-
Transfers to other Funds	(10,711,138)	(10,361,138)	350,000
Refunding bonds issued	-	60,985,000	60,985,000
Payment to refunded bond escrow agent	-	(60,956,895)	(60,956,895)
Premium on Refunding Bonds	-	391,702	391,702
Fund Balance Appropriated	657,916	-	(657,916)
Total other financing sources (uses)	<u>(10,023,222)</u>	<u>(9,911,331)</u>	<u>111,891</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>5,700,258</u>	<u>\$ 5,700,258</u>
Reconciliation from budgetary basis (modified accrual) to full accrual basis			
Debt service principal retirement		3,624,108	
Amortize Bond Premium and Deferred Charges		(222,410)	
Refunding bonds issued		(60,985,000)	
Payment to refunded bond escrow agent		60,956,895	
Premium on Refunding Bonds		(391,702)	
Deferred Charges on Refunding		234,315	
Depreciation		(2,571,011)	
Amortization		(634,326)	
Transfer to (from) capital reserve funds (Ex D-8a)		7,592,022	
Transfer to project funds (Ex D-8h)		190,450	
Transfer from project funds (Ex D-8b)		<u>(30,000)</u>	
Change in net position		<u>\$ 13,463,599</u>	

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water District SDF Capital Reserve Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)

Exhibit D-8a

From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Other Financing Sources (Uses)					
Transfer of System Development Fees	14,434,482	5,998,360	8,436,122	14,434,482	-
Transfer to Capital Project Fund	(11,042,782)	(900,000)	(844,100)	(1,744,100)	9,298,682
Transfer for Capacity Purchase	(3,391,700)	-	-	-	3,391,700
Total Other Financing Sources (Uses)	-	5,098,360	7,592,022	12,690,382	12,690,382
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 5,098,360</u>	<u>\$7,592,022</u>	<u>\$12,690,382</u>	<u>\$ 12,690,382</u>

Johnston County, North Carolina
Public Utilities Capital Project Fund

Exhibit D-8b

Water District Construction Fund - Elevation Water District FY 18 Hydraulic Improvements
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

			Actual			Variance
	Project Authorization	Prior Years	Current Year	Completed Project	Total To Date	Positive (Negative)
Revenues						
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-	-
Expenditures						
Technical Service	144,082	144,082	-	(144,082)	-	-
Construction of Project	1,067,766	1,067,766	-	(1,067,766)	-	-
Loan Closing	30,000	30,000	-	(30,000)	-	-
Easements	5,815	5,815	-	(5,815)	-	-
Contingency Construction	-	-	-	-	-	-
Total Expenditures	1,247,663	1,247,663	-	(1,247,663)	-	-
Other Financing Sources (Uses)						
Transfer from other funds	30,000	30,000	-	(30,000)	-	-
State Revolving Loan	1,247,663	1,125,194	122,469	(1,247,663)	-	-
Transfer to other funds	(30,000)		(30,000)	30,000	-	-
Total Other Financing Sources (Uses)	1,247,663	1,155,194	92,469	(1,247,663)	-	-
Revenues and other sources over (under) expenditures						
	\$ -	\$ (92,469)	\$ 92,469	\$ -	\$ -	\$ -

Public Utilities Capital Project Fund

Water District Construction Fund - Buffalo Water District FY 18 Hydraulic Improvements

Schedule of Revenues and Expenditures

Budget and Actual (Non-GAAP)

From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical Service	203,664	181,226	669	181,895	21,769
Construction of Project	2,252,760	1,792,961	(5)	1,792,956	459,804
Loan Closing	50,600	50,600	-	50,600	-
Easements	11,080	11,071	-	11,071	9
Contingency Construction	74,976	-	-	-	74,976
Total Expenditures	2,593,080	2,035,858	664	2,036,522	556,558
Other Financing Sources (Uses)					
Transfer from other funds	63,080	63,080	-	63,080	-
State Revolving Loan	2,530,000	1,817,137	101,021	1,918,158	(611,842)
Total Other Financing Sources (Uses)	2,593,080	1,880,217	101,021	1,981,238	(611,842)
Revenues and other sources over (under) expenditures	\$ -	\$ (155,641)	\$ 100,357	\$ (55,284)	\$ (55,284)

Public Utilities Capital Project Fund

Water District Construction Fund - Wilson's Mills Water District FY 18 Hydraulic Improvements

Schedule of Revenues and Expenditures

Budget and Actual (Non-GAAP)

From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical Service	170,000	154,671	11,327	165,998	4,002
Construction of Project	2,329,655	1,984,707	288,171	2,272,878	56,777
Loan Closing	49,940	49,940	-	49,940	-
Easements	250	100	-	100	150
Contingency Construction	94,913	-	-	-	94,913
Total Expenditures	2,644,758	2,189,418	299,498	2,488,916	155,842
Other Financing Sources (Uses)					
Transfer from other funds	147,758	147,758	-	147,758	-
State Revolving Loan	2,497,000	2,050,245	106,697	2,156,942	(340,058)
Total Other Financing Sources (Uses)	2,644,758	2,198,003	106,697	2,304,700	(340,058)
Revenues and other sources over (under) expenditures	\$ -	\$ 8,585	\$ (192,801)	\$ (184,216)	\$ (184,216)

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water District Construction Fund - Wilson's Mills Water District WTP Service Line
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-8e

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical Service	436,900	345,481	70,805	416,286	20,614
Construction of Project	4,429,586	1,726,011	2,244,277	3,970,288	459,298
Loan Closing	99,000	97,123	-	97,123	1,877
Easements	33,255	32,393	-	32,393	862
Contingency Construction	21,409	-	-	-	21,409
Total Expenditures	5,020,150	2,201,008	2,315,082	4,516,090	504,060
Other Financing Sources (Uses)					
Transfer from other funds	65,000	65,000	-	65,000	-
State Revolving Loan	4,955,150	777,672	3,373,233	4,150,905	(804,245)
Total Other Financing Sources (Uses)	5,020,150	842,672	3,373,233	4,215,905	(804,245)
Revenues and other sources over (under) expenditures	\$ -	\$ (1,358,336)	\$ 1,058,151	\$ (300,185)	\$ (300,185)

Public Utilities Capital Project Fund

Water District Construction Fund - Archer Lodge Water District 500,000 Gallon Elevated Storage Tank

Schedule of Revenues and Expenditures

Budget and Actual (Non-GAAP)

From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical Service	120,000	2,481	16,245	18,726	101,274
Construction of Project	1,410,000	-	-	-	1,410,000
Loan Closing	34,020	-	-	-	34,020
Easements	30,000	-	-	-	30,000
Contingency Construction	141,000	-	-	-	141,000
Total Expenditures	1,735,020	2,481	16,245	18,726	1,716,294
Other Financing Sources (Uses)					
Transfer from other funds	34,020	34,020	-	34,020	-
State Revolving Loan	1,701,000	-	-	-	(1,701,000)
Total Other Financing Sources (Uses)	1,735,020	34,020	-	34,020	(1,701,000)
Revenues and other sources over (under) expenditures	\$ -	\$ 31,539	\$ (16,245)	\$ 15,294	\$ 15,294

Johnston County, North Carolina
Public Utilities Capital Project Fund
Water District Construction Fund - Ingram's Water District 2018 Hydraulic Improvements
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

Exhibit D-8g

	Project Authorization	Prior Years	Actual Current Year	Completed Project	Total To Date	Variance Positive (Negative)
Revenues						
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Technical Service	222,785	196,714	19,036	-	215,750	7,035
Construction of Project	2,442,000	-	-	-	-	2,442,000
Loan Closing	59,000	-	-	-	-	59,000
Easements	96,305	-	78,305	-	78,305	18,000
Contingency Construction	188,910	-	-	-	-	188,910
Total Expenditures	<u>3,009,000</u>	<u>196,714</u>	<u>97,341</u>	<u>-</u>	<u>294,055</u>	<u>2,714,945</u>
Other Financing Sources (Uses)						
Transfer from other funds	59,000	59,000	-	-	59,000	-
State Revolving Loan	2,950,000	-	-	-	-	(2,950,000)
Total Other Financing Sources (Uses)	<u>3,009,000</u>	<u>59,000</u>	<u>-</u>	<u>-</u>	<u>59,000</u>	<u>(2,950,000)</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ (137,714)</u>	<u>\$ (97,341)</u>	<u>\$ -</u>	<u>\$ (235,055)</u>	<u>\$ (235,055)</u>

Public Utilities Capital Project Fund

Water District Construction Fund - McGee's Water District Ph 1 & 2 - NC 210 WM Improvements

Schedule of Revenues and Expenditures

Budget and Actual (Non-GAAP)

From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues					
Restricted Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures					
Technical Service	490,000	432,656	11,079	443,735	46,265
Construction of Project	4,992,500	-	2,807,838	2,807,838	2,184,662
Loan Closing	111,720	-	111,720	111,720	-
Easements	49,325	44,325	1,500	45,825	3,500
Contingency Construction	244,625	-	-	-	244,625
Total Expenditures	5,888,170	476,981	2,932,137	3,409,118	2,479,052
Other Financing Sources (Uses)					
Transfer from other funds	302,170	111,720	190,450	302,170	-
State Revolving Loan	5,586,000	-	2,604,204	2,604,204	(2,981,796)
Total Other Financing Sources (Uses)	5,888,170	111,720	2,794,654	2,906,374	(2,981,796)
Revenues and other sources over (under) expenditures	\$ -	\$ (365,261)	\$ (137,483)	\$ (502,744)	\$ (502,744)

Johnston County, North Carolina
Section 8 Housing Assistance Payments Fund
Project No. NC19-V164-006
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP)
For the Year Ended June 30, 2021

	2021		Variance
	Budget	Actual	Positive (Negative)
Revenues			
Nonoperating revenues			
Operating subsidy - HUD	\$ 4,665,000	\$ 4,552,494	\$ (112,506)
CARES Act Funding	-	391,145	391,145
Investment earnings	100	1,249	1,149
Fraud recovery	16,000	23,692	7,692
Other	140,000	144,300	4,300
Total Revenues	4,821,100	5,112,880	291,780
Expenditures			
Administration			
Salaries and benefits	404,100	393,103	10,997
Operating expenditures	217,000	203,347	13,653
Total administration	621,100	596,450	24,650
Housing assistance payments	3,960,000	3,955,856	4,144
HAPS Portable Out	240,000	220,283	19,717
Total Housing Assistance Payments	4,200,000	4,176,139	23,861
Total expenditures	4,821,100	4,772,589	48,511
Other Financing Sources (Uses)			
Transfer from General Funds	-	-	-
Total other financing sources (uses)	-	-	-
Revenues over (under) expenditures	\$ -	340,291	\$ 340,291
Reconciliation from budgetary basis (modified accrual) to full accrual basis			
Capital Outlay		-	
Total OPEB Liability		(44,066)	
Deferred outflows of resources - pensions		13,724	
Deferred outflows of resources - OPEB		29,052	
Net pension liability		(33,881)	
Deferred inflows of resources - pensions		129	
Deferred inflows of resources - OPEB		(8,803)	
Depreciation		(5,060)	
Change in net position		\$ 291,386	

WATER DISTRICTS - CONSOLIDATING INFORMATION

USDA has requested that the County break out each water district separately. The County only has one water district operating fund. See Note 24 for additional information concerning the following schedules.

Johnston County, North Carolina
Statement of Net Position - Combined Water District Operating Fund
Proprietary Funds
June 30, 2021

Exhibit E-1

	Archer's Lodge Water District	Brodgen Water District	Buffalo Water District	Clayton Water District	Cleveland Water District	Elevation Water District	Hopewell- Pisgah Water District	Ingrams Township Water District	Little Creek Water District
Assets									
Current assets:									
Cash and cash equivalents	\$ 1,015,759	\$ 653,100	\$ 1,179,034	\$ 599,722	\$ 3,929,591	\$ 670,370	\$ 1,131,936	\$ 343,820	\$ 1,168,045
Restricted cash	930,056	597,996	1,079,555	549,121	3,598,038	613,808	1,036,430	314,810	1,069,493
Receivables (net):									
Accounts	195,755	125,864	227,221	115,577	757,304	129,192	218,145	66,260	225,104
Interest	3	2	3	1	10	2	3	1	3
Due from other governments	5,675	3,649	6,588	3,351	21,956	3,746	6,324	1,921	6,526
Due from other funds	-	-	-	-	6,111,983	-	1,053,915	-	304,781
Total current assets	<u>2,147,248</u>	<u>1,380,611</u>	<u>2,492,401</u>	<u>1,267,772</u>	<u>14,418,882</u>	<u>1,417,118</u>	<u>3,446,753</u>	<u>726,812</u>	<u>2,773,952</u>
Noncurrent assets:									
Capital assets, net	<u>5,834,957</u>	<u>5,734,405</u>	<u>7,898,348</u>	<u>3,107,196</u>	<u>8,142,865</u>	<u>7,030,099</u>	<u>4,468,656</u>	<u>4,038,907</u>	<u>4,512,289</u>
Total noncurrent assets	<u>5,834,957</u>	<u>5,734,405</u>	<u>7,898,348</u>	<u>3,107,196</u>	<u>8,142,865</u>	<u>7,030,099</u>	<u>4,468,656</u>	<u>4,038,907</u>	<u>4,512,289</u>
Total assets	<u>\$ 7,982,205</u>	<u>\$ 7,115,016</u>	<u>\$ 10,390,749</u>	<u>\$ 4,374,968</u>	<u>\$ 22,561,747</u>	<u>\$ 8,447,217</u>	<u>\$ 7,915,409</u>	<u>\$ 4,765,719</u>	<u>\$ 7,286,241</u>
Deferred Outflows of Resources									
Deferred charges on refunding	\$ 356,796	\$ 259,348	\$ 220,857	\$ 213,235	\$ 462,074	\$ 279,465	\$ 143,561	\$ 237,332	\$ 273,339
Total deferred outflows of resources	<u>\$ 356,796</u>	<u>\$ 259,348</u>	<u>\$ 220,857</u>	<u>\$ 213,235</u>	<u>\$ 462,074</u>	<u>\$ 279,465</u>	<u>\$ 143,561</u>	<u>\$ 237,332</u>	<u>\$ 273,339</u>
Liabilities									
Current liabilities:									
Accounts payable and accrued liabilities	\$ 9,069	\$ 5,831	\$ 10,527	\$ 5,355	\$ 35,086	\$ 5,986	\$ 10,107	\$ 3,070	\$ 10,430
Due to other funds	80,233	1,066,120	58,899	252,072	-	260,813	-	541,520	-
Current maturities of long-term debt	-	16,135	128,348	-	-	64,985	-	1,895	-
Due to the County (LOBs)	230,000	210,000	100,000	170,000	290,000	145,000	115,000	125,000	185,000
Utility deposits	108,988	70,076	126,507	64,349	421,635	71,929	121,454	36,891	125,328
Accrued interest	20,326	19,590	21,193	11,294	26,481	20,408	7,535	15,938	15,445
Total current liabilities	<u>448,616</u>	<u>1,387,752</u>	<u>445,474</u>	<u>503,070</u>	<u>773,202</u>	<u>569,121</u>	<u>254,096</u>	<u>724,314</u>	<u>336,203</u>
Long-term liabilities:									
Long-term debt	-	81,658	1,715,828	-	-	1,147,829	-	51,966	-
Due to the County (LOBs)	<u>4,180,000</u>	<u>3,020,000</u>	<u>2,685,000</u>	<u>2,435,000</u>	<u>5,430,000</u>	<u>3,350,000</u>	<u>1,645,000</u>	<u>2,850,000</u>	<u>3,185,000</u>
Total long-term liabilities	<u>4,180,000</u>	<u>3,101,658</u>	<u>4,400,828</u>	<u>2,435,000</u>	<u>5,430,000</u>	<u>4,497,829</u>	<u>1,645,000</u>	<u>2,901,966</u>	<u>3,185,000</u>
Total liabilities	<u>\$ 4,628,616</u>	<u>\$ 4,489,410</u>	<u>\$ 4,846,302</u>	<u>\$ 2,938,070</u>	<u>\$ 6,203,202</u>	<u>\$ 5,066,950</u>	<u>\$ 1,899,096</u>	<u>\$ 3,626,280</u>	<u>\$ 3,521,203</u>
Net Position									
Net investment in capital assets	1,424,957	2,406,612	3,269,172	502,196	2,422,865	2,322,285	2,708,656	1,010,046	1,142,289
Unrestricted	<u>2,285,428</u>	<u>478,342</u>	<u>2,496,132</u>	<u>1,147,937</u>	<u>14,397,754</u>	<u>1,337,447</u>	<u>3,451,218</u>	<u>366,725</u>	<u>2,896,088</u>
Total net position	<u>\$ 3,710,385</u>	<u>\$ 2,884,954</u>	<u>\$ 5,765,304</u>	<u>\$ 1,650,133</u>	<u>\$ 16,820,619</u>	<u>\$ 3,659,732</u>	<u>\$ 6,159,874</u>	<u>\$ 1,376,771</u>	<u>\$ 4,038,377</u>

Johnston County, North Carolina
Statement of Net Position - Combined Water District Operating Fund
Proprietary Funds
June 30, 2021

Exhibit E-1

	Little River Water District	McGee's Crossroads Water District	Meadow Water District	O'Neals Water District	Princeton-Kenly Water District	Southeast Lowgrounds Water District	Wilson's Mills Water District	Total Operating Fund
Assets								
Current assets:								
Cash and cash equivalents	\$ 511,804	\$ 2,315,680	\$ 405,048	\$ 510,235	\$ 507,095	\$ 210,374	\$ 547,911	\$ 15,699,524
Restricted cash	468,622	2,120,298	370,872	467,184	464,309	192,624	501,686	14,374,902
Receivables (net):								
Accounts	98,634	446,274	78,060	98,332	97,726	40,543	105,593	3,025,584
Interest	1	6	1	1	1	1	1	40
Due from other governments	2,860	12,938	2,263	2,851	2,833	1,175	3,061	87,717
Due from other funds	-	1,250,766	-	-	-	-	66,282	8,787,727
Total current assets	<u>1,081,921</u>	<u>6,145,962</u>	<u>856,244</u>	<u>1,078,603</u>	<u>1,071,964</u>	<u>444,717</u>	<u>1,224,534</u>	<u>41,975,494</u>
Noncurrent assets:								
Capital assets, net	9,649,895	11,490,125	4,756,764	9,767,538	3,584,832	1,674,912	8,551,468	100,243,256
Total noncurrent assets	<u>9,649,895</u>	<u>11,490,125</u>	<u>4,756,764</u>	<u>9,767,538</u>	<u>3,584,832</u>	<u>1,674,912</u>	<u>8,551,468</u>	<u>100,243,256</u>
Total assets	<u>\$ 10,731,816</u>	<u>\$ 17,636,087</u>	<u>\$ 5,613,008</u>	<u>\$ 10,846,141</u>	<u>\$ 4,656,796</u>	<u>\$ 2,119,629</u>	<u>\$ 9,776,002</u>	<u>\$ 142,218,750</u>
Deferred Outflows of Resources								
Deferred charges on refunding	\$ 659,996	\$ 461,308	\$ 245,091	\$ 570,321	\$ 183,716	\$ 2,680	\$ 98,004	\$ 4,667,123
Total deferred outflows of resources	<u>\$ 659,996</u>	<u>\$ 461,308</u>	<u>\$ 245,091</u>	<u>\$ 570,321</u>	<u>\$ 183,716</u>	<u>\$ 2,680</u>	<u>\$ 98,004</u>	<u>\$ 4,667,123</u>
Liabilities								
Current liabilities:								
Accounts payable and accrued liabilities	\$ 4,570	\$ 20,676	\$ 3,617	\$ 4,556	\$ 4,528	\$ 1,878	\$ 4,892	\$ 140,178
Due to other funds	3,688,607	-	304,881	3,069,993	212,199	1,746,636	-	11,281,973
Current maturities of long-term debt	-	-	2,416	1,491	1,792	-	372,514	589,576
Due to the County (LOBs)	340,000	310,000	125,000	330,000	110,000	-	65,000	2,850,000
Utility deposits	54,915	248,467	43,461	54,747	54,410	22,573	58,790	1,684,520
Accrued interest	40,183	25,912	16,941	35,638	12,373	-	26,665	315,922
Total current liabilities	<u>4,128,275</u>	<u>605,055</u>	<u>496,316</u>	<u>3,496,425</u>	<u>395,302</u>	<u>1,771,087</u>	<u>527,861</u>	<u>16,862,169</u>
Long-term liabilities:								
Long-term debt	-	2,604,204	66,251	40,879	49,124	-	5,562,820	11,320,559
Due to the County (LOBs)	7,920,000	5,375,000	2,950,000	6,760,000	2,170,000	-	1,145,000	55,100,000
Total long-term liabilities	<u>7,920,000</u>	<u>7,979,204</u>	<u>3,016,251</u>	<u>6,800,879</u>	<u>2,219,124</u>	<u>-</u>	<u>6,707,820</u>	<u>66,420,559</u>
Total liabilities	<u>\$ 12,048,275</u>	<u>\$ 8,584,259</u>	<u>\$ 3,512,567</u>	<u>\$ 10,297,304</u>	<u>\$ 2,614,426</u>	<u>\$ 1,771,087</u>	<u>\$ 7,235,681</u>	<u>\$ 83,282,728</u>
Net Position								
Net investment in capital assets	1,389,895	3,200,921	1,613,097	2,635,168	1,253,916	1,674,912	1,406,134	30,383,121
Unrestricted	(2,046,358)	6,312,215	732,435	(1,516,010)	972,170	(1,323,690)	1,232,191	33,220,024
Total net position	<u>\$ (656,463)</u>	<u>\$ 9,513,136</u>	<u>\$ 2,345,532</u>	<u>\$ 1,119,158</u>	<u>\$ 2,226,086</u>	<u>\$ 351,222</u>	<u>\$ 2,638,325</u>	<u>\$ 63,603,145</u>

Johnston County, North Carolina
Schedule of Revenues and Expenditures - Combined Water District Operating Fund
Proprietary Funds
For the Year Ended June 30, 2021

Exhibit E-2

	Archer's Lodge Water District	Brodgen Water District	Buffalo Water District	Clayton Water District	Cleveland Water District	Elevation Water District	Hopewell- Pisgah Water District	Ingrams Township Water District	Little Creek Water District
Operating revenues:									
Charges for services	\$ 1,235,513	\$ 794,395	\$ 1,434,112	\$ 729,468	\$ 4,779,737	\$ 815,401	\$ 1,376,824	\$ 418,203	\$ 1,420,745
Total operating revenues	<u>1,235,513</u>	<u>794,395</u>	<u>1,434,112</u>	<u>729,468</u>	<u>4,779,737</u>	<u>815,401</u>	<u>1,376,824</u>	<u>418,203</u>	<u>1,420,745</u>
Operating expenses:									
General operating	622,059	399,964	722,050	367,275	2,406,514	410,540	693,207	210,558	715,320
Depreciation and amortization	219,870	215,898	215,242	130,004	301,937	229,644	176,769	146,195	158,663
Total operating expenses	<u>841,929</u>	<u>615,862</u>	<u>937,292</u>	<u>497,279</u>	<u>2,708,451</u>	<u>640,184</u>	<u>869,976</u>	<u>356,753</u>	<u>873,983</u>
Operating income	\$ <u>393,584</u>	\$ <u>178,533</u>	\$ <u>496,820</u>	\$ <u>232,189</u>	\$ <u>2,071,286</u>	\$ <u>175,217</u>	\$ <u>506,848</u>	\$ <u>61,450</u>	\$ <u>546,762</u>
Nonoperating revenues (expenses):									
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Developer Contributions	499,330	38,320	164,095	-	379,030	182,315	229,725	-	267,585
System Development Fees	545,817	350,943	633,553	322,260	2,111,561	360,222	608,244	184,751	627,647
FEMA Grant	7,130	4,584	8,276	4,210	27,584	4,706	7,946	2,413	8,199
Investment earnings	723	465	839	427	2,798	477	806	245	832
Late fees collected	-	-	-	-	-	-	-	-	-
Miscellaneous	3,264	2,099	3,789	1,927	12,628	2,154	3,638	1,105	3,754
Interest and fees	(103,676)	(89,521)	(109,058)	(58,588)	(135,031)	(109,599)	(39,244)	(77,075)	(78,797)
Total nonoperating revenues (expenses)	<u>952,588</u>	<u>306,890</u>	<u>701,494</u>	<u>270,236</u>	<u>2,398,570</u>	<u>440,275</u>	<u>811,115</u>	<u>111,439</u>	<u>829,220</u>
Revenues over (under) expenditures	\$ <u>1,346,172</u>	\$ <u>485,423</u>	\$ <u>1,198,314</u>	\$ <u>502,425</u>	\$ <u>4,469,856</u>	\$ <u>615,492</u>	\$ <u>1,317,963</u>	\$ <u>172,889</u>	\$ <u>1,375,982</u>
Other Financing Sources (Uses)									
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers out	(166,838)	(107,273)	(193,656)	(98,505)	(645,439)	(110,109)	(185,923)	(56,473)	(191,853)
Capital Contributions	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(166,838)</u>	<u>(107,273)</u>	<u>(193,656)</u>	<u>(98,505)</u>	<u>(645,439)</u>	<u>(110,109)</u>	<u>(185,923)</u>	<u>(56,473)</u>	<u>(191,853)</u>
Change in net position	\$ <u>1,179,334</u>	\$ <u>378,150</u>	\$ <u>1,004,658</u>	\$ <u>403,920</u>	\$ <u>3,824,417</u>	\$ <u>505,383</u>	\$ <u>1,132,040</u>	\$ <u>116,416</u>	\$ <u>1,184,129</u>
Net position, beginning	<u>2,531,051</u>	<u>2,506,804</u>	<u>4,760,646</u>	<u>1,246,213</u>	<u>12,996,202</u>	<u>3,154,349</u>	<u>5,027,834</u>	<u>1,260,355</u>	<u>2,854,248</u>
Net position, ending	\$ <u><u>3,710,385</u></u>	\$ <u><u>2,884,954</u></u>	\$ <u><u>5,765,304</u></u>	\$ <u><u>1,650,133</u></u>	\$ <u><u>16,820,619</u></u>	\$ <u><u>3,659,732</u></u>	\$ <u><u>6,159,874</u></u>	\$ <u><u>1,376,771</u></u>	\$ <u><u>4,038,377</u></u>

Johnston County, North Carolina
Schedule of Revenues and Expenditures - Combined Water District Operating Fund
Proprietary Funds
For the Year Ended June 30, 2021

Exhibit E-2

	Little River Water District	McGee's Crossroads Water District	Meadow Water District	O'Neals Water District	Princeton-Kenly Water District	Southeast Lowgrounds Water District	Wilson's Mills Water District	Total Operating Fund
Operating revenues:								
Charges for services	\$ 622,531	\$ 2,816,665	\$ 492,678	\$ 620,621	\$ 616,802	\$ 255,887	\$ 666,451	\$ 19,096,033
Total operating revenues	<u>622,531</u>	<u>2,816,665</u>	<u>492,678</u>	<u>620,621</u>	<u>616,802</u>	<u>255,887</u>	<u>666,451</u>	<u>19,096,033</u>
Operating expenses:								
General operating	313,433	1,418,142	248,055	312,472	310,549	128,835	335,547	9,614,520
Depreciation and amortization	331,695	300,999	179,890	313,809	153,980	70,513	60,229	3,205,337
Total operating expenses	<u>645,128</u>	<u>1,719,141</u>	<u>427,945</u>	<u>626,281</u>	<u>464,529</u>	<u>199,348</u>	<u>395,776</u>	<u>12,819,857</u>
Operating income	\$ (22,597)	\$ 1,097,524	\$ 64,733	\$ (5,660)	\$ 152,273	\$ 56,539	\$ 270,675	\$ 6,276,176
Nonoperating revenues (expenses):								
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Developer Contributions	9,755	535,470	-	374,670	35,200	-	42,250	2,757,745
System Development Fees	275,018	1,244,328	217,652	274,174	272,487	113,044	294,421	8,436,122
FEMA Grant	3,593	16,255	2,843	3,582	3,560	1,477	3,846	110,204
Investment earnings	364	1,649	288	363	361	150	390	11,177
Late fees collected	-	-	-	-	-	-	-	-
Miscellaneous	1,645	7,442	1,302	1,640	1,630	676	1,759	50,452
Interest and fees	(202,423)	(132,535)	(81,280)	(177,481)	(59,250)	(325)	(145,726)	(1,599,609)
Total nonoperating revenues (expenses)	<u>87,952</u>	<u>1,672,609</u>	<u>140,805</u>	<u>476,948</u>	<u>253,988</u>	<u>115,022</u>	<u>196,940</u>	<u>9,766,091</u>
Revenues over (under) expenditures	\$ 65,355	\$ 2,770,133	\$ 205,538	\$ 471,288	\$ 406,261	\$ 171,561	\$ 467,615	\$ 16,042,267
Other Financing Sources (Uses)								
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers out	(84,066)	(380,354)	(66,530)	(83,806)	(83,293)	(34,553)	(89,997)	(2,578,668)
Capital Contributions	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(84,066)</u>	<u>(380,354)</u>	<u>(66,530)</u>	<u>(83,806)</u>	<u>(83,293)</u>	<u>(34,553)</u>	<u>(89,997)</u>	<u>(2,578,668)</u>
Change in net position	\$ (18,711)	\$ 2,389,779	\$ 139,008	\$ 387,482	\$ 322,968	\$ 137,008	\$ 377,618	\$ 13,463,599
Net position, beginning	<u>(637,752)</u>	<u>7,123,357</u>	<u>2,206,524</u>	<u>731,676</u>	<u>1,903,118</u>	<u>214,214</u>	<u>2,260,707</u>	<u>50,139,546</u>
Net position, ending	<u>\$ (656,463)</u>	<u>\$ 9,513,136</u>	<u>\$ 2,345,532</u>	<u>\$ 1,119,158</u>	<u>\$ 2,226,086</u>	<u>\$ 351,222</u>	<u>\$ 2,638,325</u>	<u>\$ 63,603,145</u>

CUSTODIAL FUNDS

Custodial funds are used to account for assets held by the county as an agent for individuals, private organizations, other governments, and/or other funds.

Johnston County, North Carolina
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2021

	Municipal Tax Fund	Jail Inmate Trust Fund	Cooperative Extension Advisory	4H Development Fund	Youth Livestock Fund	Totals June 30, 2021
ASSETS						
Cash and cash equivalents	\$ 1,861,420	\$ 74,748	\$ 41,199	\$ 20,135	\$ 69,498	\$ 2,067,000
Taxes receivable for other governments, net	168,290	-	-	-	-	168,290
Accounts Receivable	509,914	-	4,337	70	50	514,371
Total assets	<u>\$ 2,539,624</u>	<u>\$ 74,748</u>	<u>\$ 45,536</u>	<u>\$ 20,205</u>	<u>\$ 69,548</u>	<u>\$ 2,749,661</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	-	-	-	-	-
Due to other governments	957,040	-	-	-	-	957,040
Total liabilities	<u>\$ 957,040</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 957,040</u>
NET POSITION						
Restricted for:						
Individuals, organizations, and other governments	\$ 1,582,584	\$ 74,748	\$ 45,536	\$ 20,205	\$ 69,548	\$ 1,792,621
Total net position	<u>\$ 1,582,584</u>	<u>\$ 74,748</u>	<u>\$ 45,536</u>	<u>\$ 20,205</u>	<u>\$ 69,548</u>	<u>\$ 1,792,621</u>

Johnston County, North Carolina
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2021

	Municipal Tax Fund	Jail Inmate Trust Fund	Cooperative Extension Advisory	4H Development Fund	Youth Livestock Fund	Totals June 30, 2021
ADDITIONS						
Ad valorem taxes for other governments	\$53,799,937	\$ -	\$ -	\$ -	\$ -	\$53,799,937
Collections on behalf of inmates	-	696,537	-	-	-	696,537
Collections on behalf of other organizations	-	-	20,529	9,958	134,583	165,070
Total additions	<u>\$53,799,937</u>	<u>\$ 696,537</u>	<u>\$ 20,529</u>	<u>\$ 9,958</u>	<u>\$ 134,583</u>	<u>\$54,661,544</u>
DEDUCTIONS						
Tax distributions to other governments	\$53,575,611	\$ -	\$ -	\$ -	\$ -	\$53,575,611
Payments on behalf of inmates	-	688,495	-	-	-	688,495
Payments on behalf of other organizations	-	-	21,681	5,872	135,196	162,749
Total deductions	<u>\$53,575,611</u>	<u>\$ 688,495</u>	<u>\$ 21,681</u>	<u>\$ 5,872</u>	<u>\$ 135,196</u>	<u>\$54,426,855</u>
Net increase (decrease) in fiduciary net position	224,326	8,042	(1,152)	4,086	(613)	234,689
NET POSITION						
Net Position, beginning, as previously reported	-	-	-	-	-	-
Prior Period Restatement - Change in Accounting Principle	<u>1,358,258</u>	<u>66,706</u>	<u>46,688</u>	<u>16,119</u>	<u>70,161</u>	<u>1,557,932</u>
Net Position, beginning, as restated	<u>1,358,258</u>	<u>66,706</u>	<u>46,688</u>	<u>16,119</u>	<u>70,161</u>	<u>1,557,932</u>
Net Position, ending	<u>\$ 1,582,584</u>	<u>\$ 74,748</u>	<u>\$ 45,536</u>	<u>\$ 20,205</u>	<u>\$ 69,548</u>	<u>\$ 1,792,621</u>

OTHER SCHEDULES

This section includes additional information on property taxes.

Johnston County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
For the Year Ended June 30, 2021

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2020</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2021</u>
2020-2021	\$ -	\$ 169,692,259	\$ 169,351,376	\$ 340,883
2019-2020	809,801	-	653,948	155,853
2018-2019	54,302	-	13,214	41,088
2017-2018	44,555	-	11,005	33,550
2016-2017	9,802	-	1,027	8,775
2015-2016	8,917	-	933	7,984
2014-2015	10,251	-	836	9,415
2013-2014	49,658	-	916	48,742
2012-2013	82,445	-	1,135	81,310
2011-2012	85,674	-	945	84,729
2010-2011	75,851	-	75,851	-
	<u>\$ 1,231,256</u>	<u>\$ 169,692,259</u>	<u>\$ 170,111,186</u>	<u>\$ 812,329</u>
Less: allowance for uncollectible accounts:				
General Fund				<u>482,000</u>
Ad valorem taxes receivable - net:				
General Fund				<u>\$ 330,329</u>
<u>Reconciliation with revenues:</u>				
Ad valorem taxes - General Fund				\$ 169,864,108
Reconciling items:				
Interest collected				(391,981)
Releases and adjustments				(50,098)
NCVTS Collection Cost				613,761
Taxes written off				<u>75,396</u>
Total reconciling items				<u>247,078</u>
Total collections and credits				<u>\$ 170,111,186</u>

Johnston County, North Carolina
Analysis of Current Tax Levy
County - wide Levy
For the Year Ended June 30, 2021

	County - wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
General Fund - Real property	\$ 17,579,448,916	0.76	\$ 133,603,812	\$ 133,603,812	\$ -
General Fund - Personal property	1,810,898,406	0.76	13,762,828	13,762,828	-
General Fund - Motor vehicles	24,443,233	0.76	18,576,857	-	18,576,857
Penalties	-		184,041	184,041	-
Total	\$ 19,414,790,555		\$ 166,127,538	\$ 147,550,681	\$ 18,576,857
Public service levy:					
General Fund - Real property	432,602,954	0.76	3,287,782	3,287,782	-
Total	\$ 432,602,954		\$ 3,287,782	\$ 3,287,782	\$ -
Discoveries:					
Current year taxes	\$ 50,880,961	0.76	\$ 386,695	\$ 386,695	\$ -
Prior years taxes	50,565,761	various	389,959	389,959	-
Motor vehicles	551,905	0.76	4,194	-	4,194
Penalties	2,092,796	various	15,905	15,905	-
Total	\$ 104,091,423		\$ 796,753	\$ 792,559	\$ 4,194
Abateements/Releases:					
General Fund - Real property	\$ (63,507,462)	0.76	\$ (482,657)	\$ (482,657)	\$ -
General Fund - Motor Vehicles	(55,828)	0.76	(424)	-	(424)
Penalties	(4,833,409)	0.76	(36,734)	(36,734)	-
Total	\$ (68,396,699)		\$ (519,815)	\$ (519,391)	\$ (424)
Total Property Valuation	\$ 19,883,088,233				
Net levy			169,692,259	151,111,631	18,580,627
Uncollected taxes at June 30, 2021 (County Only)			340,883	340,883	-
Current year's taxes collected (includes penalty)			\$ 169,351,376	\$ 150,770,748	\$ 18,580,627
Current levy collection percentage			99.80%	99.77%	100.00%

Johnston County, North Carolina
Analysis of Current Tax Levy
For the Fiscal Year Ended June 30, 2021

Secondary Market Disclosures:

Assessed Valuation:

Assessment Ratio ¹		100 %
Real Property	\$	17,645,509,071
Personal Property		1,846,339,750
Motor Vehicles		2,444,875,194
Public Service Companies ²		432,602,954
Less Releases		(63,563,290)
Total Assessed Valuation	\$	22,305,763,679
Tax Rate per \$100		0.76
Levy (includes discoveries, releases and abatements) ³	\$	169,523,804

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:

Fire Protection Districts	\$	14,416,278,460
Sanitation Districts		251,627,174
Smithfield Redevelopment		49,048,724
Research Training Zone		1,378,424,143
Total	\$	<u>16,095,378,501</u>

¹ Percentage of appraised value has been established by statute.

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

³ The levy includes interest and penalties.

Johnston County, North Carolina
Ten Largest Taxpayers
For the Fiscal Year Ended June 30, 2021

Taxpayer	Type of Business	2020 Assessed Valuation	Percentage of Total Assessed Valuation
Novo Nordisk Pharmaceutical	Pharmaceuticals	\$ 760,409,315	3.82%
Grifols Therapeutics Inc	Pharmaceuticals	653,014,009	3.28%
Duke Energy Progress	Utility	182,680,136	0.92%
Piedmont Natural Gas Co	Utility	109,628,523	0.55%
Sysco Food Services	Food Services / Distribution	64,508,291	0.32%
Caterpillar Inc	Construction	48,565,408	0.24%
Carolina Premium Outlets	Retail	43,040,630	0.22%
Chicopee Inc	Nonwovens	42,057,812	0.21%
Stallings Mill Apartments LLC	Real Estate Investment	38,612,060	0.19%
LWB Clayton Apartments	Real Estate Investment	37,392,860	0.19%
Total		\$ <u>1,979,909,044</u>	<u>9.96%</u>

COMPLIANCE SECTION



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

P.O. Box 398

1626 S Madison Street

Whiteville, NC 28472

Telephone (910) 642-2109

Fax (910) 642-5958

Alan W. Thompson, CPA

R. Bryon Scott, CPA

Gregory S. Adams, CPA

**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 Auditors' Report

To the Board of County Commissioners
Johnston County, North Carolina
Smithfield, 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 the Johnston 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 Johnston County basic financial statements, and have issued our report thereon dated January 4, 2022. Our report includes a reference to other auditors who audited the financial statements of the Johnston County ABC Board, as described in our report on the County of Johnston's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Johnston County ABC Board were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Johnston 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 Johnston 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.

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Our consideration of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items [2021-001] that we consider to be significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Johnston 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, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as items [2021-001].

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 results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
January 4, 2022



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

P.O. Box 398

1626 S Madison Street

Whiteville, NC 28472

Telephone (910) 642-2109

Fax (910) 642-5958

Alan W. Thompson, CPA

R. Bryon Scott, CPA

Gregory S. Adams, CPA

**Report On Compliance With Requirements Applicable To Each Major Federal
Program And Internal Control Over Compliance In Accordance With OMB
Uniform Guidance and the State Single Audit Implementation Act**

Independent Auditors' Report

To the Board of County Commissioners
Johnston County, North Carolina
Smithfield, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Johnston County, North Carolina's, compliance 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 the Johnston County's major federal programs for the year ended June 30, 2021. Johnston County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Johnston 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 Comptroller General of the United States; and 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 noncompliance 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 Johnston 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 Johnston County's compliance.

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Opinion on Each Major Federal Program

In our opinion, Johnston 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items [2021-002]. Our opinion on each major federal program is not modified with respect to these matters.

Johnston County's response to the noncompliance findings identified in our audit is described in the accompanying Corrective Action Plan. Johnston 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.

Report on Internal Control Over Compliance

Management of Johnston 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 the Johnston County internal control over compliance with the types of requirements that could have direct and material effect on major federal program to determine the auditing procedures that are appropriate in the circumstance 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 OMB 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 the 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, noncompliance 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance 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 combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than 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 significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items [2021-002, 2021-003, 2021-004, 2021-005] that we consider to be significant deficiencies.

Johnston County's response to the internal control over compliance findings identified in our audit are described in the accompanying Corrective Action Plan. Johnston 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 OMB Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
January 4, 2022



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

P.O. Box 398

1626 S Madison Street

Whiteville, NC 28472

Telephone (910) 642-2109

Fax (910) 642-5958

Alan W. Thompson, CPA

R. Bryon Scott, CPA

Gregory S. Adams, CPA

**Report On Compliance With Requirements Applicable To Each Major State
Program And Internal Control Over Compliance In Accordance With
OMB Uniform Guidance and the State Single Audit Implementation Act**

Independent Auditors' Report

To the Board of County Commissioners
Johnston County, North Carolina
Smithfield, North Carolina

Report on Compliance for Each Major State Program

We have audited Johnston County, North Carolina's, compliance 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 Johnston County's major state programs for the year ended June 30, 2021. Johnston County's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings 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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Johnston 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, and applicable sections of *Title 2 US 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, Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance 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 Johnston 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 Johnston County's compliance.

Members

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

Opinion on Each Major State Program

In our opinion, Johnston 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 Johnston 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 Johnston County's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program to determine the 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 the 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, noncompliance 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance 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 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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items [2021-004, 2021-005] that we consider to be significant deficiencies.

Johnston County's response to the internal control over compliance findings identified in our audit are described in the accompanying Corrective Action Plan. Johnston 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.

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
January 4, 2022

Johnston County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section I. Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material Weakness(es) identified? ___ yes X no
- Significant Deficiencies identified? X yes ___none reported
- Noncompliance material to financial statements noted ___yes X no

Federal Awards

Internal control over major federal programs:

- Material Weakness(es) identified? ___yes X no
- Significant Deficiency(s) identified? X yes ___none reported

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 2CFR 20.516(a) X yes ___no

Identification of major federal programs:

<u>CFDA #</u>	<u>Program Name</u>
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Progra
14.228	Community Development Block Grants - Infrastructure Fund
21.019	Coronavirus Relief Fund
66.458	Capitalization Grants for Clean Water State Revolving Loan
93.558	Temporary Assistance for Needy Families (TANF) Cluster
93.563	Child Support Enforcement
93.778	Medical Assistance Program

Dollar threshold used to distinguish between Type A and Type B Programs \$ 1,175,170

Auditee qualified as low-risk auditee? ___ yes X no

State Awards

Internal control over major State programs:

- Material Weakness(es) identified? ___yes X no
- Significant Deficiency(s) identified? X yes ___none reported

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 X yes ___no

Johnston County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section I. Summary of Auditors' Results (continued)

Identification of major State programs:

Program Name

Child Support Enforcement
Medical Assistance Program
Connect NC Bond
One NC Grant
Public School Building Capital Fund-Lottery Proceeds

Section II. Financial Statement Findings

Finding 2021-001

Budget Violation

SIGNIFICANT DEFICIENT / NONCOMPLIANCE

Criteria: GASB 84 identifies criteria when fiduciary activities should be reported as a special revenue fund. G.S. 159-8(a) states that all moneys received and expended by a local government or public authority should be included in the budget ordinance.

Condition: County did not establish budgets for the three special revenue funds (Fines and Forfeitures, and Representative Payee Fund, Deed of Trusts) created as a result of the implementation of GASB 84.

Effect: Moneys were spent that had not been obligated and appropriated.

Cause: County oversight on the new accounting standard.

Recommendation: The finance office should review the General Statutes and GASB Statement more carefully to ensure funds are properly authorized and are properly accounted for.

Views of Responsible officials and planned corrective action: The County agrees with this finding.

Section III. Federal Award Findings and Questioned Costs

US Department of Health and Human Services

Passed through the NC Dept. of Health and Human Services
Program Name: Temporary Assistance for Needy Families (TANF) Cluster
CFDA # 93.558

Finding: 2021-002

Inaccurate Information Entry

SIGNIFICANT DEFICIENCY / NONCOMPLIANCE

Eligibility

Criteria: In accordance with the Temporary Assistance For Needy Families Work First Program eligibility requirements and the Work First User Manual, a household must also be financially eligible to receive cash assistance.

Condition: There were 2 errors discovered during our procedures that family net income was entered incorrectly causing the overpayment of cash assistance.

Johnston County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section III. Federal Award Findings and Questioned Costs (continued)

Questioned Costs: \$412. This amount was determined by totaling all the overpayment received by the 2 families whose net income was entered incorrectly.

Context: We examined 25 TANF recipients from the TANF Eligibility Population Report provided by NC DHHS. The finding is being reported with the financial statement audit as it relates to TANF administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST and participant could have been approved for benefits for which they were not eligible.

Cause: Ineffective documentation and case review process.

Recommendation: Case files should be reviewed internally to ensure proper documentation is in place for eligibility. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

Views of responsible officials and planned corrective actions: The County agrees with the finding.

US Department of Health and Human Services

Passed through the NC Dept. of Health and Human Services

Program Name: Temporary Assistance for Needy Families (TANF) Cluster

CFDA # 93.558

Finding: 2021-003 Inadequate Request for Information

SIGNIFICANT DEFICIENCY

Eligibility

Criteria: In accordance with the Temporary Assistance For Needy Families Work First Program eligibility requirements and the Work First User Manual, recertifications must be processed within 60 calendars days prior to the last day of the current certification period.

Condition: There were 3 errors discovered during our procedures that recertification was not processed timely.

Questioned Costs: There was no known affect to eligibility and there were no known questioned costs.

Context: We examined 25 TANF recipients from the TANF Eligibility Population Report provided by NC DHHS. The finding is being reported with the financial statement audit as it relates to TANF administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST and participant could have been approved for benefits for which they were not eligible

Cause: Ineffective documentation and case review process.

Johnston County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section III. Federal Award Findings and Questioned Costs (continued)

Recommendation: Case files should be reviewed internally to ensure timely recertification is processed and proper documentation is in place for eligibility. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

Views of responsible officials The County agrees with the finding.
and planned corrective
actions:

US Department of Health and Human Services

Passed through the NC Dept. of Health and Human Services

Program Name: Medical Assistance Program (Medicaid; Title XIX)

CFDA # 93.778

Finding: 2021-004 Inaccurate Information Entry

SIGNIFICANT DEFICIENCY

Eligibility

Criteria: In accordance with 42 CFR 435, documentation must be obtained as needed to determine if a recipient meets specific standards, and documentation must be maintained to support eligibility determinations. In accordance with 2 CFR 200, management should have an adequate system of internal controls procedures in place to ensure an applicant is properly determined or redetermined for benefits.

Condition: There were 5 errors discovered during our procedures that inaccurate information was entered when determining eligibility.

Questioned Costs: There was no known affect to eligibility and there were no known questioned costs.

Context: We examined 60 Medicaid recipients from the Medicaid Beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST and a participant could have been approved for benefits for which they were not eligible

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2020-002.

Cause: Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.

Recommendation: Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

Views of responsible officials The County agrees with the finding.
and planned corrective
actions:

Johnston County, North Carolina
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section III. Federal Award Findings and Questioned Costs (continued)

US Department of Health and Human Services

Passed through the NC Dept. of Health and Human Services

Program Name: Medical Assistance Program (Medicaid; Title XIX)

CFDA # 93.778

Finding: 2021-005 Inadequate Request for Information

SIGNIFICANT DEFICIENCY

Eligibility

Criteria:	In accordance with 42 CFR 435, documentation must be obtained as needed to determine if a recipient meets specific standards, and documentation must be maintained to support eligibility determinations. Electronic matches are required at applications and redeterminations.
Condition:	There were 21 errors discovered during our procedures that inadequate information was requested at applications and/or redeterminations.
Questioned Costs:	There was no known affect to eligibility and there were no known questioned costs.
Context:	We examined 60 Medicaid applicants from the Medicaid Beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.
Effect:	For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST which could affect countable resource. Therefore, applicants could have received assistance for which they were not eligible.
Cause:	Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.
Recommendation:	Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources and income and those amounts agree to information in NC FAST. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

Views of responsible officials The County agrees with the finding.
and planned corrective
actions:

Section IV. State Award Findings and Questioned Costs

Program Name: Medical Assistance Program (Medicaid; Title XIX)

CFDA # 93.778

SIGNIFICANT DEFICENCY: Finding 2021-004 and 2021-005 also apply to State requirements and State Awards.

Johnston County
POST OFFICE BOX 1049
SMITHFIELD, N.C. 27577

J. Chad McLamb, CPA
Asst. County Manager/Director of Finance
(919) 989-5112
FAX (919) 989-5179

Corrective Action Plan
For the Year Ended June 30, 2021

Section II - Financial Statement Findings

Finding: 2021-001

Name of contact person: Chad McLamb, Finance Director

Corrective Action: The County will monitor General Statutes and GASB pronouncements more regularly to ensure funds are properly accounted for. We have had discussions and training sessions to ensure budgets are properly adopted to meet the standards of this new requirement.

Proposed Completion Date: Immediately.

Section III - Federal Award Findings and Question Costs

Finding: 2021-002

Name of contact person: Cathy Renfrow, Work First Supervisor

Corrective Action: Caseworker will ensure all Bendix, SOX, and SOLQ verifications reviewed before eligibility is determined. Worker will ensure that correct income is entered into NCFASST system. Worker will ensure all OVS verifications will be requested and reviewed no earlier than 2 months prior to the recertification date.

Proposed Completion Date: Immediately.

Finding: 2021-003

Name of contact person: Cathy Renfrow, Work First Supervisor

Corrective Action: All reports regarding Worker First will be monitored by the supervisor to ensure recertifications are processed timely. Supervisor will monitor all recertifications monthly for accuracy.

Proposed Completion Date: Immediately.

Finding: 2021-004

Name of contact person: LeeAnn Casey, QA/PI Income Maintenance Supervisor II
Vynette Duncan, Economic Services Program Administrator I
Renee Smith, Economic Services Program Administrator II
Scott Sabatino, Director

Corrective Action: Caseworkers will have refresher training on policy MA-3300 Income and MA-3305 Budgeting, from the Family and Children's Medicaid Manual. Caseworkers will review the Job Aide "Create Household Evidence" in NC FAST HELP.

Proposed Completion Date: Caseworkers will complete this review by the DEADLINE of November 12, 2021.

Johnston County
POST OFFICE BOX 1049
SMITHFIELD, N.C. 27577

J. Chad McLamb, CPA
Asst. County Manager/Director of Finance
(919) 989-5112
FAX (919) 989-5179

Corrective Action Plan
For the Year Ended June 30, 2021

Section III - Federal Award Findings and Question Costs (continued)

Finding: 2021-005

Name of contact person: LeeAnn Casey, QA/PI Income Maintenance Supervisor II
Vynette Duncan, Economic Services Program Administrator I
Renee Smith, Economic Services Program Administrator II
Scott Sabatino, Director

Corrective Action: Caseworkers will review The Work Number (TWN) Job Aide in NC FAST HELP, last updated November 12, 2019. The Job Aide describes how to make a request for Employment and Income details via The Work Number (TWN) also referred to as TALX or Equifax.

Proposed Completion Date: Caseworkers will complete this review by the DEADLINE of November 12, 2021.

Section IV - State Award Findings and Question Costs

Corrective Actions for Finding 2021-004 and 2021-005 also apply to the State Award Findings.

Johnston County, North Carolina
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2021

Finding: 2020-001

Status: Corrected

Finding: 2020-002

Status: This finding is repeated as 2021-004

Finding: 2020-003

Status: Corrected

Finding: 2020-004

Status: Corrected

Johnston County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Year Ended June 30, 2021

Grantor/Pass-through Grantor/Program Title	AL# Federal CFDA Number	State/ Pass-through Grantor's Number	Fed (Direct & Pass-through Expenditures	State Expenditures	Provided to Subrecipients	Local Expenditures
Federal Awards:						
<u>U. S. Department of Agriculture</u>						
Passed-through N.C. Dept of Health and Human Services: Division of Social Services: Administration: State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		\$ 2,160,928	\$ -	\$ -	\$ 2,160,927
Passed-through N.C. Dept of Health and Human Services: Division of Public Health: Administration: Special Supplemental Nutrition Program for Women, Infants and Children	10.557		850,652	-	-	-
Total U.S. Dept. of Agriculture			3,011,580	-	-	2,160,927
<u>U.S. Dept. of Housing and Urban Development</u>						
Lower Income Housing Assistance Program - Section 8 Housing Voucher Program	14.871		4,381,444	-	-	-
CARES Act Funding - Section 8 Housing Voucher Program	14.871		391,145	-	-	-
Total Section 8 Housing Voucher Program			4,772,589	-	-	-
Community Development Block Grants - CV	14.225		210,868			
Passed-through N.C. Department of Environmental Quality Division of Water Infrastructure Community Development Block Grants - Infrastructure Fund	14.228		927,414	-	-	-
Total U.S. Dept. of Housing and Urban Development			5,910,871	-	-	-
<u>U.S. Department of Justice</u>						
Passed-through N.C. Department of Public Safety Crime Victim Compensation	16.576		392	-	-	-
Edward Byrne Memorial Justice Assistance Grant	16.738		27,326	-	-	-
Federal Equitable Sharing	16.922		54,674	-	-	-
Total U.S. Department of Justice			82,392	-	-	-
<u>U.S. Dept. of Treasury</u>						
COVID-19 - Emergency Rental Assistance	21.023		270,311	-	-	-
Passed-through the Office of State Budget and Management: NC Pandemic Recovery Office Coronavirus Relief Fund	21.019		4,061,402	-	-	-
Passed-through N.C. Department of Health and Human Services Division of Public Health Coronavirus Relief Fund	21.019		246,577	-	-	-
Total Coronavirus Relief Fund			4,307,979	-	-	-
Total U.S. Dept. of Treasury			4,578,290	-	-	-
<u>U.S. Environmental Protection Agency</u>						
Passed- through N.C Department of Environment and Natural Resources Division of Water Resources Capitalization Grants for Clean Water State Revolving Loan	66.458	CS370560-17	560,190	-	-	-
Capitalization Grants for Clean Water State Revolving Loan	66.458	CS370560-16	5,607,883	-	-	-
Capitalization Grants for Clean Water State Revolving Loan	66.458	CS370560-18	1,455,614	-	-	-
Total Capitalization Grants for Clean Water State Revolving Loan			7,623,687	-	-	-
Capitalization Grants for Drinking Water State Revolving Loan	66.468	WIF1948	201,925	-	-	-
Total U.S. Environmental Protection Agency			7,825,612	-	-	-
<u>U.S. Election Assistance Commission</u>						
Passed-through N.C. State Board of Elections COVID-19 HAVA Election Security Grants	90.404		170,300	-	-	-
Total U.S. Election Assistance Commission			170,300	-	-	-
<u>U.S. Dept. of Health and Human Services</u>						
COVID-19 - Provider Relief Fund	93.498		250,971	-	-	-

Johnston County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Year Ended June 30, 2021

Grantor/Pass-through Grantor/Program Title	AL# Federal CFDA Number	State/ Pass-through Grantor's Number	Fed (Direct & Pass-through Expenditures	State Expenditures	Provided to Subrecipients	Local Expenditures
Passed-through N.C. Department of Health and Human Services: Division of Public Health:						
Public Health Emergency Preparedness	93.069		53,123	-	-	-
Maternal and Child Health Federal Consolidated Programs	93.110		2,405	-	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116		24,712	-	-	-
Family Planning Services	93.217		73,880	-	-	-
Immunization Grants	93.268		39,631	-	-	-
COVID-19 - Immunization Grants	93.268		346,386	-	-	-
Total Immunization Grants			386,017	-	-	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323		820,746	-	-	-
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323		69,230	-	-	-
Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)			889,976	-	-	-
Well-Integrated Screening and Evaluation for Women Across the Nation (Wisewomen)	93.436		34,010	-	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898		39,423	-	-	-
Preventive Health Services Sexually Transmitted Disease Control Grants	93.977		42	-	-	-
Preventive Health and Health Services Block Grant	93.991		30,607	-	-	-
Maternal and Child Health Services Block Grant	93.994		94,319	14,772	-	-
Passed-through Triangle J Council of Governments Division of Aging and Adult Services:						
<u>Aging Cluster</u>						
Special Programs for the Aging - Title III B						
Grants for Supportive Services and Senior Centers	93.044		82,175	4,834	-	-
COVID-19 Special Programs for the Aging - Title III B	93.044		59,110	-	-	-
Special Programs for the Aging - Title III C						
Nutrition Services	93.045		268,194	15,776	-	-
COVID-19 Special Programs for the Aging - Title III C	93.045		125,876	-	-	-
Families First Nutrition Services	93.045		120,342	-	-	-
Nutrition Services Incentive Program	93.053		48,126	-	-	-
Total Aging Cluster			703,823	20,610	-	-
Preventative Health	93.043		12,072	710	-	-
Family Caregiver Services	93.052		59,418	3,961	-	-
COVID-19 Family Caregiver Services	93.052		33,776	-	-	-
Total Family Caregiver Services			93,194	3,961	-	-
Passed-through N.C. Department of Health and Human Services: Division of Social Services						
Temporary Assistance for Needy Families (TANF) Cluster Work First	93.558		1,135,330	-	-	1,417,391
Division of Public Health						
Temporary Assistance for Needy Families	93.558		18,254	-	-	-
Total TANF Cluster			1,153,584	-	-	1,417,391
AFDC Payments & Penalties	93.560		(2)	(1)	-	-
Family Preservation	93.556		45,759	-	-	-
<u>Foster Care and Adoption Cluster</u>						
Title IV-E Foster Care	93.658		1,197,699	235,387	-	494,725
Foster Care	N/A		276,725	42,971	-	130,549
Adoption Assistance	93.659		99,143	-	-	99,142
IV-E Adoption	N/A		4,661	-	-	2,131
Total Foster Care and Adoption Cluster			1,578,228	278,358	-	726,547
Child Support Enforcement	93.563		1,522,485	939	-	783,372
Refugee and Entrant Assistance - State Administered Program	93.566		7,036	-	-	-

Johnston County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Year Ended June 30, 2021

Grantor/Pass-through Grantor/Program Title	AL# Federal CFDA Number	State/ Pass-through Grantor's Number	Fed (Direct & Pass-through Expenditures	State Expenditures	Provided to Subrecipients	Local Expenditures
Low Income Energy Assistance						
Administration	93.568		221,394	-	-	-
Energy Assistance Payments	93.568		642,730	-	-	-
Crisis Intervention Program	93.568		685,342	-	-	-
COVID-19 LIEAP	93.568		274,927	-	-	-
COVID-19 LIEAP Admin	93.568		20,374	-	-	-
Total Low-Income Home Energy Assistance			1,844,767	-	-	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645		55,154	-	-	18,384
Chafee Foster Care Independence Program	93.674		68,955	9,120	-	-
SSBG - Other Service and Training	93.667		520,578	-	-	173,526
Division of Social Services:						
SSBG - State Adult Day Care	93.667		51,815	26,265	-	15,579
CPS TANF to SSBG	93.667		47,379	-	-	-
SSBG - State In-Home Services	93.667		20,473	-	-	2,925
Passed-through Triangle J Council of Governments:						
SSBG - In Home Support Services	93.667		26,777	765	-	-
Total Social Service Block Grant			667,022	27,030	-	192,030
Administration for Children and Families						
Passed-through the N.C. Dept. of Health and Human Services						
Subsidized Child Care						
Child Care Development Fund Cluster						
Child Care Development Fund - Administration	93.596		310,899	-	-	-
Total Subsidized Child Care Cluster			310,899	-	-	-
Division of Social Services						
Medical Assistance Program	93.778		6,137,692	25,963	-	2,304,932
State Children's Insurance Program - N.C. Health Choice	93.767		198,694	2,396	-	37,499
Total U.S. Dept. of Health and Human Services			16,278,847	383,858	-	5,480,155
U.S. Department of Homeland Security						
Passed -through N.C. Department of Public Safety						
Division of Emergency Management						
Emergency Performance Grant	97.042		81,253	-	-	-
Hazard Mitigation Grant	97.039		2,792	931	-	-
Disaster Grants - Public Assistance	97.036		1,230,380	410,127	-	-
Total U.S. Department of Homeland Security			1,314,425	411,057	-	-
Total Federal Awards			39,172,317	794,915	-	7,641,082
State Awards:						
N.C. Dept. of Health and Human Services						
Division of Public Health						
Food & Lodging Fees			-	42,531	-	-
Aid-to Counties			-	121,927	-	-
General Communicable Diseases Control			-	3,757	-	-
Child Health			-	9,123	-	-
HIV STD State			-	12,500	-	-
Healthy Community Activities			-	3,747	-	-
STD Drugs			-	2,581	-	-
Breast and Cervical Cancer Control			-	10,400	-	-
School Nurse Funding Initiative			-	100,000	-	-
Pregnancy Care Management			-	50,000	-	-
Family Planning-State			-	20,666	-	-
Maternal Health			-	61,246	-	-
Women Health Service Fund			-	13,560	-	-
TB Control			-	68,903	-	-
Total Public Health			-	520,941	-	-
Division of Social Services:						
Energy Assistance			-	17,813	-	-
Non Allocating County Cost			-	-	-	553,752
County Fund Programs			-	-	-	3,302,530
St Child Welfare/CPS/CS			-	191,289	-	-
COVID-19 APS/CPS Care			-	102,296	-	-
DCD Smart Start			-	18,291	-	-
Work First Non Reimbursable			-	-	-	2,644,179
Extended FC/MAX Non IV-E			-	202,472	-	-
EXTENDED FC>20 STIPEND			-	14,800	-	-
COVID-19 FC Stipend			-	82,900	-	-

Johnston County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Year Ended June 30, 2021

Grantor/Pass-through Grantor/Program Title	AL# Federal CFDA Number	State/ Pass-through Grantor's Number	Fed (Direct & Pass-through Expenditures	State Expenditures	Provided to Subrecipients	Local Expenditures
F/C at Risk Maximization			-	9,290	-	3,350
Foster Care at Risk			-	2,676	-	410
State Foster Care			-	154,207	-	154,205
SFHF Maximization			-	161,508	-	161,508
CSE Disaster Non-Reimbursable			-	-	-	1,341
Total Division of Social Services			-	957,542	-	6,821,275
Pass-through Triangle J Council of Governments						
Division of Aging and Adult Services						
Senior Center General Purpose			-	31,410	-	-
90% State Funds - Access			-	22,395	-	-
90% State Funds - In Home Services			-	288,688	-	-
90% State Funds - Home Delivered Meals			-	198,075	-	-
Total for Division of Aging and Adult Services			-	540,568	-	-
Total N.C. Dept. of Health and Human Services			-	2,019,051	-	6,821,275
<u>N.C. Dept of Military and Veterans Affairs</u>						
Veterans Services			-	2,084	-	-
Total of N.C. Dept of Administration			-	2,084	-	-
<u>N.C. State Board of Elections</u>						
One-Stop Worker Bonuses Fund				26,289		
Total of N.C. State Board of Elections			-	26,289	-	-
<u>N.C. Dept. of Environmental Quality</u>						
Division of Water Infrastructure						
Connect NC Bond		H-SRP-D-17-0101	-	3,278,544	-	-
Connect NC Bond		H-SRP-D-17-0022	-	1,791,658	-	-
Connect NC Bond		H-SRP-D-17-0024	-	1,185,280	-	-
Connect NC Bond		H-SRP-D-17-0025	-	2,032,091	-	-
Connect NC Bond		H-SRP-D-17-0100	-	3,903,241	-	-
Connect NC Bond		H-SRP-D-17-0138	-	2,604,204	-	-
Total of N.C. Dept. of Environmental Quality			-	14,795,018	-	-
<u>N.C. Department of Public Safety</u>						
Juvenile Crime Prevention Programs						
Preparing to Soar Teen Court			-	110,000	110,000	-
Johnston County Youth Services			-	226,054	226,054	-
Healthy Choices			-	45,000	45,000	-
Johnston County Juvenile Crime Prevention			-	4,348	4,348	-
Total Juvenile Crime Prevention Programs			-	385,402	385,402	-
Emergency Management Operation			-	1,000	-	-
Total of N.C. Dept. of Public Safety			-	386,402	385,402	-
<u>N.C. Department of Commerce</u>						
Revitalization and Economic Development			-		-	-
One NC Grant			-	715,000	-	-
Total N.C. Department of Commerce			-	715,000	-	-
<u>N.C. Department of Public Instruction</u>						
Public School Building Capital Fund-Lottery Proceeds			-	4,292,000	-	-
Total N.C. Department of Public Instruction			-	4,292,000	-	-
Total State Awards			\$ -	\$ 22,235,844	\$ 385,402	\$ 6,821,275
Total Federal and State Awards			\$ 39,172,317	\$ 23,030,759	\$ 385,402	\$ 14,462,357

Notes to the Schedule of Expenditures of Federal and State 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 Johnston 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 SEFSA presents only a selected portion of the operations of Johnston County, it is not intended to and does not present the financial position, changes in net assets or cash flows of Johnston County.

Johnston 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>AL# Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Fed (Direct & Pass-through Expenditures</u>	<u>State Expenditures</u>	<u>Provided to Subrecipients</u>	<u>Local Expenditures</u>
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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

Johnston 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:
Subsidized Child Care, Foster Care and Adoption

Note 5: Loans Outstanding

Johnston County had the following loan balances outstanding at June 30, 2021 for loans that the grantor/pass-through grantor has still imposed continuing compliance requirements. Loans outstanding at the beginning of the year and loans made during the year are included in the SEFSA. The balance of loans outstanding at June 30, 2021 consist of:

<u>Program Title</u>	<u>AL# CFDA Number</u>	<u>Pass-through Grantor's Number</u>	<u>Amount Outstanding</u>
Capitalization Grants for Clean Water State Revolving Loan	66.458	CS370560-16	\$ 4,640,153
Capitalization Grants for Clean Water State Revolving Loan	66.458	CS370560-17	2,621,403
Connect NC Bond	N/A	H-SRP-D-17-0101	3,278,544
Connect NC Bond	N/A	H-SRP-D-17-0022	1,791,658
Connect NC Bond	N/A	H-SRP-D-17-0024	1,185,280
Connect NC Bond	N/A	H-SRP-D-17-0025	2,032,091
Connect NC Bond	N/A	H-SRP-D-17-0100	3,903,241
Connect NC Bond	N/A	H-SRP-D-17-0138	2,604,204

Note 6: Benefit Payments Issued by the State

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

<u>Program Title</u>	<u>CFDA No.</u>	<u>Federal</u>	<u>State</u>
Supplemental Nutrition Assistance Program	10.551	\$ 65,473,369	\$ -
Special Supplemental Nutrition Program for Women Infant and Children	10.557	3,251,338	-
Temporary Assistance for Needy Families	93.558	581,897	-
Adoption Assistance	93.659	700,808	127,396
Children's Health Insurance Program	93.767	5,576,212	1,105,907
Medical Assistance Program	93.778	213,084,708	80,818,436
Child Welfare Services Adoption	N/A	-	289,755
SAA/SAD HB 1030	N/A	-	587,200
SC/SA Domiciliary Care	N/A	-	911,730