

**REVIEWED**

ONSLOW COUNTY
NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended
June 30, 2021

Submitted to

THE BOARD OF COMMISSIONERS

Jack Bright
Timothy Foster
Royce Bennett
Paul Buchanan
Robin Knapp
Mark Price
Walter Scott

Onslow County, North Carolina
Table of Contents
June 30, 2021

Title Page	i
Table of Contents	ii-v
INTRODUCTORY SECTION	vi
County Officials and Staff	vii
Organization Chart	viii
Letter of Transmittal	ix-xv
FINANCIAL SECTION	1
Independent Auditor's Report	2-4
Management's Discussion and Analysis	5-17
BASIC FINANCIAL STATEMENTS	18
EXHIBIT	
<i>Government-wide Financial Statements</i>	
1 Statement of Net Position	19
2 Statement of Activities	20
<i>Fund Financial Statements</i>	
3 Balance Sheet - Government Funds	21
4 Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	22-23
5 Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	24
6 Statement of Net Position - Proprietary Funds	25
7 Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	26
8 Statement of Cash Flows – Proprietary Funds	27
9 Statement of Fiduciary Net Position - Fiduciary Funds	28
10 Statement of Changes in Fiduciary Net Position - Fiduciary Funds	29
Notes to the Financial Statements	30-94
SCHEDULE	
Required Supplementary Financial Data	95
<i>Law Enforcement Officers' Special Separation Allowance</i>	
1 Schedule of Changes in Total Pension Liability	96
2 Schedule of Total Pension Liability as a Percentage of Covered Payroll	97
<i>Other Postemployment Benefits (OPEB)</i>	
3 Schedule of Changes in Total OPEB Liability and Related Ratios	98
<i>Local Government Employees' Requirement System</i>	
4 Schedule of the County's Proportionate Share of Net Pension Liability (Asset)	99
5 Schedule of County Contributions	100
<i>Register of Deeds Supplemental Pension Fund</i>	
6 Schedule of the County's Proportionate Share of Net Pension Liability (Asset)	101
7 Schedule of County Contributions	102

Onslow County, North Carolina
Table of Contents
June 30, 2021

Combining and Individual Fund Schedules

General Fund	103
8 General Fund - Combining Balance Sheet	104
9 General Fund - Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance	105
10 General Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	106-120
11 Workers Compensation Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	121
12 Burton Industrial Park Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	122
13 Benefit Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	123
14 Reserve Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	124
15 Disaster Contingency Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	125
16 Capital Improvements Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	126
17 LEO Separation Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	127
18 Health Insurance Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	128
19 Revaluation Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	129
Special Revenue Fund	130
20 Non-Major Governmental Funds - Special Revenue Funds - Combining Balance Sheet	131
21 Non-Major Governmental Funds - Special Revenue Funds - Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance	132
22 Memorial Fund - Special Revenue Funds - Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance	133
23 Emergency Telephone System Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	134
24 Register of Deeds Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	135
25 Community Assistance Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	136
26 Grant Project Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	137
Capital Project Funds	138
27 School Construction Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	139
28 Capital Project Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	140
Proprietary Funds	141
29 Solid Waste Fund - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	142-143

30	Solid Waste Construction Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	144
31	Airport Operations Fund - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	145-146
32	Airport Construction Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	147
	Fiduciary Funds	148
33	Combining Statement of Fiduciary Net Position - Custodial Funds	149
34	Combining Statement of Changes in Fiduciary Net Position - Custodial Funds	150
	Governmental Capital Assets	151
35	Comparative Schedule of Capital Assets by Source	152
36	Schedule of Governmental Capital Assets by Function and Activity	153-154
37	Schedule of Changes in Governmental Capital Assets by Function and Activity	155-156
	Additional Financial Data	157
38	Schedule of Ad Valorem Taxes Receivable	158
39	Analysis of Current Tax Levy-County-Wide Levy	159
40	Analysis of Current Tax Levy-Secondary Market Disclosures	160
41	Schedule of Cash and Investment Balances	161
42	Schedule of Interfund Transactions	162
43	Calculation of Debt Service Coverage Ratio in the Solid Waste Fund	163

TABLE

	Statistical Section	164
1	Net Position by Component - Last Ten Fiscal Years	165
2	Changes in Net Position - Last Ten Fiscal Years	166-167
3	Fund Balances of Governmental Funds - Last Ten Fiscal Years	168
3a	Fund Balances of Governmental Funds as a Percentage of Expenditure - Last Ten Fiscal Years	169
4	Changes in Fund Balance, Governmental Funds - Last Ten Fiscal Years	170
5	Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years	171
6	Direct and Overlapping Property Tax Rates	172
7	Principal Property Tax Payers - Current Year and Nine Years Ago	173
8	Property Tax Levies and Collections - Last Ten Fiscal Years	174
9	Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	175
10	Ratios of Net General Bonded Debt Outstanding - Last Ten Fiscal Years	176
11	Legal Debt Margin Information - Last Ten Fiscal Years	177
12	Computation of Direct and Overlapping Debt - General Obligation Bonds	178
13	Calculation of Debt Service Coverage - Solid Waste Fund - Last Ten Years	179
14	Demographic and Economic Statistics - Last Ten Fiscal Years	180
15	Principal Employers - Current Year and Nine Years Ago	181
16	Full-time Equivalent County Government Employees by Function - Last Ten Fiscal Years	182
17	Operating Indicators by Function/Program - Last Ten Fiscal Years	183
18	Capital Asset Statistics by Function/Program - Last Ten Fiscal Years	184

Onslow County, North Carolina
Table of Contents
June 30, 2021

Compliance Section	185
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	186-187
Independent Auditor's Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; in Accordance With OMB Uniform Guidance and the State Single Audit Implementation Act	188-189
Independent Auditor's Report on Compliance With Requirements Applicable To Each Major State Program and Internal Control Over Compliance in Accordance With Applicable Sections OMB Uniform Guidance; and the State Single Audit Implementation Act	190-191
Schedule of Findings and Questioned Costs	192-194
Corrective Action Plan	195
Summary Schedule of Prior Year Audit Findings	196
Schedule of Expenditures of Federal and State Awards	197-199
Notes to the Schedule of Expenditures of Federal and State Awards	200

INTRODUCTORY SECTION

ONLSOW COUNTY, NORTH CAROLINA

LIST OF PRINCIPAL OFFICERS

June 30, 2021

BOARD OF COMMISSIONERS

Jack Bright, Chairman

Timothy Foster, Vice Chairman

Royce Bennett

Paul Buchanan

Robin Knapp

Mark Price

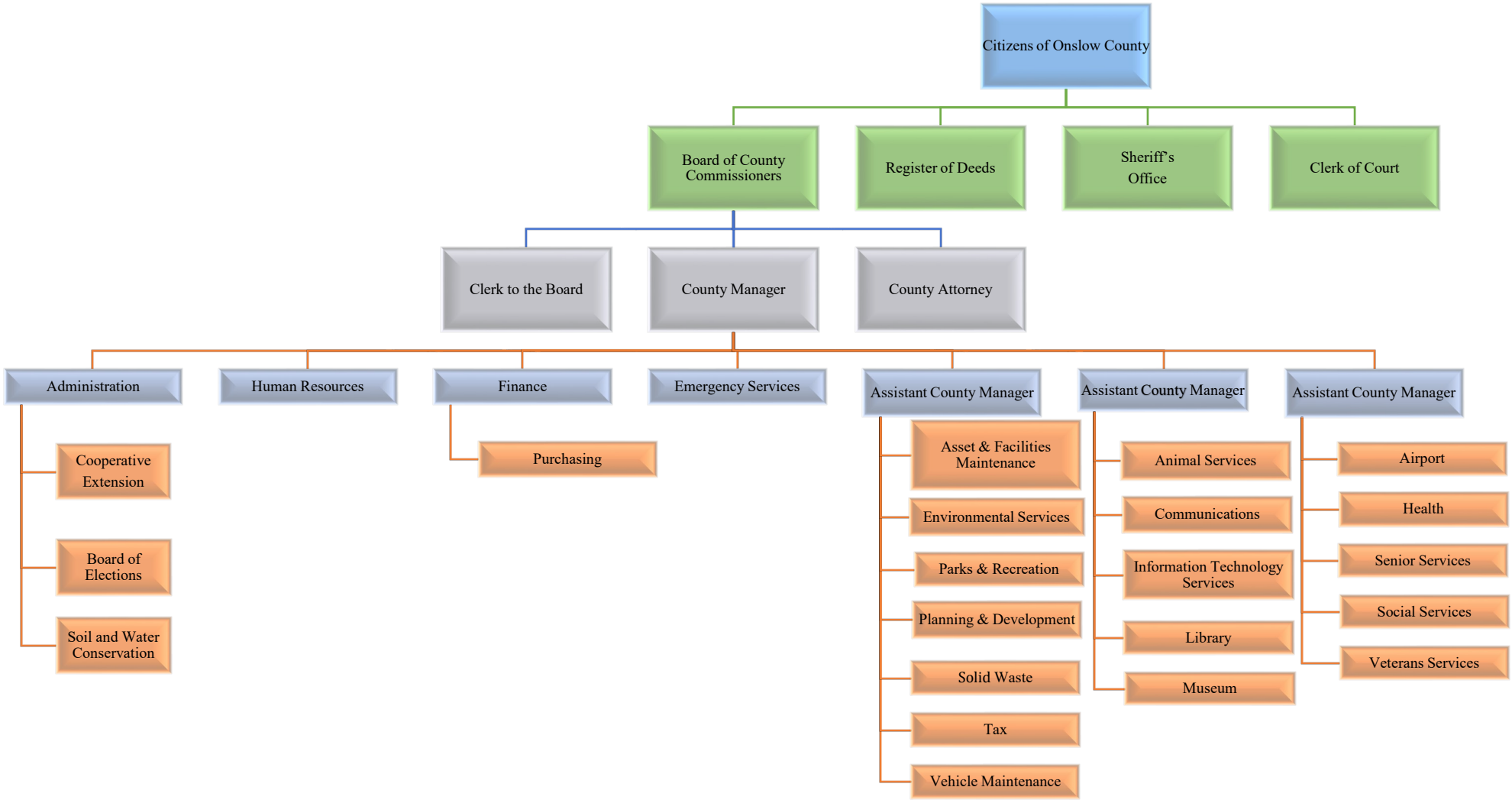
Walter Scott

COUNTY OFFICIALS

Sharon Griffin, County Manager

Brenda Reece, Finance Officer

County of Onslow Organizational Chart





The Board of County Commissioners
Onslow County, North Carolina

October 29, 2021

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed, certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of Onslow County for the fiscal year ended June 30, 2021.

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

Elliot Davis, PLLC, a firm of licensed, certified public accountants, has audited Onslow County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of Onslow County for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unqualified opinion that Onslow County's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Onslow County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

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

Profile of the County

Onslow County was formed in 1734 from a part of New Hanover County. The County is located in southeastern North Carolina and is bordered by Pender County to the south, Duplin County to the west, Lenoir and Jones counties to the northwest and north, and the Atlantic Ocean to the east. The County has a flat, gently rolling terrain, which slopes from an altitude of 63 feet at the town of Richlands to sea level and covers a total of 767 square miles

encompassing approximately 484,000 acres. About 143,000 acres comprise the Camp Lejeune Marine Corps Base and New River Marine Corps Air Station, owned by the federal government.

There are six municipalities within the County, the largest being the City of Jacksonville, which serves as the County seat. The County has a commissioner-manager form of government. The seven members of the Board of Commissioners are elected on a partisan basis for two and four-year staggered terms, which in 2024 changes to all four-year terms. Commissioners hold policy-making and legislative authority. They are also responsible for adopting the budget and appointing the county manager. The manager is responsible for implementing policies, managing daily operations, and appointing department heads.

The County provides its citizens with a wide range of services that include public safety; sanitation; health, mental health, social services; cultural and recreational activities; general administration; and others. This report includes all of the County's activities in maintaining these services. The County also extends financial support to certain boards, agencies, and commissions to assist their efforts in serving citizens. Among these are the Onslow County Board of Education and Coastal Carolina Community College.

The annual budget serves as the foundation for Onslow County's financial planning and control. All agencies of Onslow County are required to submit requests for appropriation to Onslow County's manager on or before April 15 of each year. Onslow County's manager uses these requests as the starting point for developing a proposed budget. The County Manager then presents this proposed budget to the Board of Commissioners for review prior to June 1. The Commissioners are required to hold public hearings on the proposed budget and adopt a final budget no later than June 30. The appropriated budget is prepared by fund and department and adopted by function.

As allowed by state law, the Board has authorized the County Manager to transfer monies from one appropriation to another within the same funds, subject to limitations and procedures as it may authorize. Department heads may request transfers of appropriations within a department, which are subject to the approval of the County Manager. The County Manager may transfer amounts between objects of expenditures and revenues within a function without limitation. She may transfer amounts up to \$100,000 between functions of the same fund, but she may not transfer amounts between funds without the action of the Board of Commissioners except for the sole purpose of funding salary and benefit adjustments consistent with the Onslow County Personnel Policy.

Any budgetary adjustment that increases or decreases the amount appropriated must be approved by the Board of Commissioners. Budget-to-actual comparisons are provided in a report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the basic financial statements for governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted (i.e., the Community Development and Grant Project special revenue funds and capital projects funds).

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when considered from the broader perspective of the specific environment within which Onslow County operates.

Local Economy

FY21 construction activity in Onslow County included 1,243 new units of residential construction and 562 permits issued for work on commercial buildings. The revenue generated from permits issued during FY21 was \$1,958,939.47. The estimated value associated with permits issued for FY21 is \$322,860,379.

Agriculture remains a major economic factor in the County, but less as the County population grows. The total of agricultural products sold was reported for 2020 at \$171,574,088. Onslow has 52,473 acres of farms, down 9% from 2012. The number of farms, 340 for 2020, is down 2% from 2012. Agritourism revenue has soared. NC State

Cooperative Extension Service reports \$2,018,000 in Agritourism Revenue, up 1514% from 2012. A 69% increase in greenhouse, sod, nursery, and floriculture products has offset some of the loss from traditional crops.

The military influence is felt in the reporting of 104 producers with military service, and 154 female producers provide strong evidence of the diversification of the industry.

Timber sales within the County are also a significant industry with the County's many acres of woodlands. There are approximately 348,293 acres of timberland. The estimated income for stumpage (price paid to the timber owner for standing timber) for 2019 was \$7.2 million. For the same period, the estimated income for delivered timber (price paid to the timber buyer upon delivery of the timber to the mill) was \$14.1 million. The latest seafood dockside value figures available from the Division of Marine Fisheries in Morehead City are for 2019 at \$5.2 million.

Military

Camp Lejeune is the largest Marine Corps installation on the East Coast and occupies 246 square miles (143,439 acres). Marine Corps Air Station New River was the home to the development of the Osprey tilt-rotor aircraft and continues to provide support for Lejeune-based units and the development of new technologies.

For the federal fiscal year 2020, the Marine Corps estimated that Camp Lejeune and New River Air Station contributed \$4.4 billion to the local economy of the County and surrounding areas in the form of annual payroll to military, civilian employees and retirees, material, supply and service contracts, healthcare for service members and families and on base construction.

Camp Lejeune is the home of Marine Corps Installations East which is the regional command for Marine Corps bases located on the East Coast. This command includes air stations and logistics bases. The bases also house a full component of Navy and Coast Guard personnel associated with port security as the base provides intensive training in shoreline operations.

The following units are based at Camp Lejeune: II Marine Expeditionary Force, 2nd Marine Division, 2nd Marine Logistics Group, US Marine Corps Forces Special Operations Command, 2nd Expeditionary Brigade and II Marine Expeditionary Force Augmentation Command. Camp Lejeune is also the home of a Coast Guard Special Missions Training Center. Its mission is to train Marine Safety and Security Teams, port security units, and law enforcement detachments. New River Air Station is the home of the Marine Tilt Rotor Test and Evaluation Squadron and Marine Tilt Rotor Training Squadron for the V-22 Osprey, and the home for Marine rotor aircraft.

County population levels and economic activity have generally remained steady through the significant military troop deployments of the last several years. Several programs to support military dependents have successfully encouraged more dependents to remain in the community during deployments of family members. Changes in troop rotation schedules and practices have also reduced the effects of deployments on the County. With the winding down of the conflict in Afghanistan, there likely will be fewer extended deployments, and more troops continue to remain in garrison at Camp Lejeune and New River Air Station.

Florence significantly damaged many structures aboard the two facilities. In early 2021, Marine Corps Installations East announced \$1.15 billion in hurricane recovery projects. Many 1940's era structures were significantly damaged and will be replaced in total with the package. Additionally, force readiness projects will also be included to prepare the Marine Corps for their mission well into the future. The hurricane recovery projects will take more than five years to complete and are estimated to provide a healthy return to the economy as well as employment opportunities for many.

The first phase of Hurricane Recovery has been contracts worth \$32 million. These contracts will provide for the design of 14 major headquarter facilities estimated at \$225 million, two training facilities and a storage facility estimated at \$325 million, a movable bridge and railroad rebuild estimated at \$175 million, \$400 million in replacements of other headquarters and facilities and various buildings at Marine Corps Air Station New River worth an estimated \$475 million in construction. Together, the contracts with design will involve \$1.6 billion in

construction, design, and implementation. More than 350 jobs are to last five years or more, and 600 construction positions are likely.

The Special Operations Command, which reports directly to Central Command, is expected to grow considerably over the next few years as the role of highly specialized clandestine operations in the U.S. military's activities increases. Currently, Camp Lejeune's military population remains stable at approximately 45,000 and is expected to remain at this number for the foreseeable future. An equal number of family members live on and off the bases.

Other Items

Tourism continues to be a growing industry for the County. It is estimated that the local tourism industry generates more than \$72.8 million in wages for about 2,007 full-time employees. Visitors to the County spent an estimated \$246.7 million in 2020. This was a decrease of 18.2% from 2019, largely due to the hospitality shutdown during COVID-19. Finally, the City of Jacksonville is a major trade center and attracts shoppers from surrounding counties.

The unemployment rate for Onslow County as of June 30, 2021, was 5.3 percent. As was most other Counties, Onslow's employment was affected by COVID-19. Onslow reported about 3,400 persons unemployed and seeking, but local officials believe the 'not seeking rate' was much higher due to the pandemic.

Economic development recruiting efforts are being focused on telecommunications "back office" type of companies, communications equipment, inbound logistic centers, assembly-light manufacturing industries, industries that are suppliers to the military, and marine trades such as boat building. With a large military-dependent population, these industries are well suited for the existing workforce.

The County is marketing its 730-acre Industrial Park located on U.S. Highway 258 and within a 10-minute drive of Albert J. Ellis Airport, which serves the County. The landscape of the Industrial Park ranges from flat plains to gently rolling wooded hills and takes full aesthetic advantage of the New River and its creeks. The site offers office space, a common green, a scenic bike path, daycare facilities, and recreational boat access to the river. The N. A. Burton Industrial Park is a Certified Industrial Site with the North Carolina Department of Commerce. The park will play a critical role in the County's economic development as the County works to encourage different businesses to locate in eastern North Carolina. Currently, Cape Fear Precast, LLC, Excel 10 Learning Center, ABC Supply Company Inc., S.T. Wooten Corporation, RQ Construction, Eastern Regional Skill Center, and Big Branch Bike Park operate in Burton Industrial Park.

In 2014, the County completed the construction of the Onslow County Government Center at the Burton Industrial Park. The Government Center is a three-story building and annex of approximately 89,000 square feet to house various County departments, a storage building of approximately 10,000 square feet, approximately 490 parking spaces, sewage disposal facilities, and appurtenant facilities. The County borrowed \$20.7 million to fund the entire project.

Airport

The County-owned and operated Albert J. Ellis Airport (the "Airport") is an FAA Class I certificated Part 139 commercial service airport that features a 7,100' x 150' paved and lighted runway with all-weather capability including a CAT I instrument landing system and modern GPS/LPV approaches. In 2021, the Airport celebrated 50 years of continuous operation and airline service. A recent Aviation Economic Impact Study by NC State and NC Department of Transportation indicated that the Airport contributes \$565,810,000 annually to the state and local economy. That includes a combined personal income of \$124,990,000 from 3,460 jobs connected to the Airport. The economic activity generates an estimated \$19,984,000 in state and local taxes, helping lower property and income taxes for others.

The Airport is currently served by two airlines, American Airlines and Delta Air Lines. American Airlines provides daily flights to their hub in Charlotte, and Delta Air Lines offers daily flights to their Atlanta hub. This schedule is slightly reduced as a result of the pandemic, and more flights are likely when travel demand returns. Most flights are on regional jet aircraft with 50, 70, or 90 seats. More than 330,000 passengers used the Airport in CY2019. The

Airport has undertaken a significant redevelopment program to replace facilities and remove existing constraints to continued growth. Aviation services such as fuel sales, maintenance, flight instruction, and aircraft rentals are provided under an airport lease to a Fixed Based Operator, currently Skyport Aviation. The Airport is an enterprise fund and typically generates revenues in excess of operational expenses. Net income is dedicated to future Airport-related capital expenditures and held as an operational reserve.

The Airport has embarked on an award-winning multi-phase redevelopment program that began in FY11 with the construction of a new sanitary sewer connection. In FY13, construction of the program's centerpiece project began. A new 67,000 square foot two-story passenger terminal building was constructed, featuring additional room for airline and passenger growth, covered loading bridges, and efficient building systems. There is now a new terminal facility, corporate aviation facility, air traffic control tower, hangers, rental car facilities, and related support buildings. The projects were primarily funded by federal and state grants and user fees, with Airport revenues providing the required local match. The Airport continues to undertake projects to maintain and enhance its infrastructure to better serve the growing region well into the future.

Water and Sewer

The County and the municipalities within the County have formed the Onslow Water and Sewer Authority ("ONWASA") to assume a lead role in operating and expanding public water and sewer service within the County. The County turned over operations of its water and sewer system to ONWASA on July 1, 2005, through a series of agreements that transferred its public water and sewer system assets to ONWASA pursuant to a long-term lease, in exchange for a payment from ONWASA to retire the County's water and sewer-related debt. Municipalities in the County have entered or will enter into separate contracts with ONWASA; some may have agreements to convey assets similar to the County's agreements, and others may be only wholesale customers of ONWASA. ONWASA has partnered with Camp Lejeune to secure wastewater treatment capacity totaling 5 million gallons. Also, within the County, the City of Jacksonville and Camp Lejeune provides public water and sewer service within their boundaries.

Long-Term Financial Plan

The County operates a Subtitle D landfill, which has an estimated useful life until approximately 2043. For the fiscal year ended June 30, 2020, the landfill accepted over 140,184 tons of waste, including construction and demolition debris, into the Subtitle D facility. The landfill also accepted 3,333 tons of land clearing and inert debris material. All this waste was generated within the County since the landfill facility is not permitted to accept waste outside the County borders. The County also transports solid waste from 10 common collection locations located remotely throughout the County. Camp Lejeune is responsible for the disposal of its own solid waste and is not permitted to bring any waste to the County landfill.

The County will soon begin the construction process for the lateral and vertical expansion of the Subtitle D landfill. This is a multi-year project to construct five cells over five construction stages with a proposed start date of May 2022. The cost of the Phase 5 construction is estimated at \$7.9 million. Once all five cells are complete, the landfill will provide disposal capacity for the County past 2040. This estimate will vary depending on County growth, economic factors, public recycling efforts, and catastrophic events generating large amounts of debris.

The County's Material Recovery Facility (MRF) is operated by SONOCO Recycling. SONOCO completed a \$2.0 million upgrade to the facility, including building and site improvements and, most notably, installing a state-of-the-art automated sorting and processing system. This facility receives mixed clean recyclables such as newspaper, all plastics #1 thru #7, and glass. Since beginning operations in November 2011, SONOCO has reached full processing capacity and handles over 40,000 tons of materials annually at the MRF, thus removing these items from the waste stream and further preserving Subtitle D landfill space.

In 2012, the County engaged Enerdyne to develop a landfill gas to energy project. Enerdyne determined there was sufficient landfill gas and completed the installation of all necessary infrastructure, including piping, landfill gas extraction wells, control systems, and electricity generator, in late 2013. Enerdyne operates the system at no cost to the County and sells any electricity generated to Duke Energy and shares the revenue with the County. For the fiscal year ended June 30, 2020 (unaudited), revenues from the system were approximately \$66,040.80.

County Items

Year-to-year certainty in county budgeting rests, in part, on determining the funding level necessary for public education. In FY21, financial support for the K-12 public school system amounts to 27.75% of the County's General Fund budget. Viewed in light of property tax revenues, 47.24¢ of the current 70.5¢ tax rate funds the school system in accordance with the adopted funding formula.

Counties in North Carolina are mandated to fund school systems in three areas: "current expense" or operational funding, annual capital funding, and capital construction. With over 3.6 million heated square feet of buildings, hundreds of acres of property, and a large bus fleet, the school system's annual capital needs are great. The capital budget for FY21 increased to \$3.3 million in accordance with the funding agreement in place with the Board of Education.

The County facilities are in need of major renovation or replacement. We have continued to refine our capital improvement program to provide for orderly construction and funding of these projects. In FY21, we continued funding a capital reserve fund to cover some of these costs and provide funds to cover future debt payments without the need for massive changes in the tax rate due to the issuance of debt to fund some of the projects. The County issued limited obligation bonds in October 2019 for the construction of Clear View Elementary School in the amount of \$27 million, which is nearing completion.

Cash, which is temporarily idle during the year, is invested in demand deposits, certificates of deposits, commercial paper, and the North Carolina Cash Management Trust. The County's cash management policy is designed to (1) assure the safety of principal, (2) provide for liquidity of funds, and (3) attain a market-average yield. Investments are placed on a competitive basis. Revenue generated from interest on investments of governmental funds for FY21 totaled \$42,323.

The County continues to be committed to funding a capital reserve fund to help meet future capital needs without major swings in the property tax rates due to the capital outlay.

Risk Management

Onslow County participates in three self-funded insurance programs. Our Health Insurance program is administered by Blue-Cross and Blue Shield of North Carolina, and our workers' compensation program is administered by PMA Companies. The County's property and liability coverage insurance is secured through the North Carolina Association of County Commissioners insurance pool. In addition, all County employees are covered by professional liability insurance.

Other Post-Employment Benefits (OPEB)

Onslow County also provides post-retirement health care benefits for retirees hired prior to July 1, 2009, with at least ten years of continuous service, and participate in the North Carolina Local Governmental Employees' Retirement System (System) and retire with full or reduced benefits from the County. The County pays a portion of the coverage for these benefits. In addition, retirees can purchase coverage for their dependents at the County's group rates. This benefit ends at the employee's 65th birthday. As of June 30, 2019, 146 retirees are receiving post-retirement health benefits. For the fiscal year ended June 30, 2021, the County made payments for post-retirement health benefit premiums of \$921,395.

To evaluate the impact of meeting the reporting requirements of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the County obtained an actuarial valuation of its OPEB liability based on data for December 31, 2019. The actuarial valuation quantified an unfunded liability of \$21,332,321. The valuation was completed using a 2.21 percent discount rate.

The County currently funds OPEB on an annual pay-as-you-go basis under a self-insured plan. The County will continue to evaluate its plan for adjustments, which may need to be made to meet future budget and other needs.

Additional information on Onslow County's pension arrangements and post-employment benefits can be found in Note II (G) (3) in the notes to the financial statements.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Onslow County for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2019. In order to be awarded a Certificate of Achievement, Onslow County published an easily readable and efficiently organized financial report, whose contents conform to program standards. Such ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

Onslow County submitted the 2020 ACFR to the GFOA and is awaiting results.

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Onslow County, North Carolina, for its annual budget for the fiscal year beginning July 1, 2020. This is the thirteenth (13th) consecutive year we have received this award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our 2021 current budget continues to conform to program requirements, and we will submit it to the GFOA to determine its eligibility for another award.

Preparation of this report would not have been possible without the efficient and dedicated efforts of the staff of the Finance Office. I would like to express special appreciation to the staff of Elliot Davis, PLLC, for their assistance in the preparation of this report.

In closing, we would like to thank the members of the Onslow County Board of Commissioners for their continued support throughout the past year.

Sincerely,



Brenda Reece
Finance Officer



Sharon Griffin
County Manager

FINANCIAL SECTION

Independent Auditor's Report

To the Board of County Commissioners
Onslow County
Jacksonville, 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 Onslow County, North Carolina (the "County") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Onslow County ABC Board and Onslow County Hospital Authority, which represent 100 percent of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Onslow County ABC Board and Onslow County Hospital Authority is based solely on the reports of the other auditors. Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Governmental 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 Onslow County ABC Board were not audited in accordance with *Government Auditing Standards*. The financial statements of Onslow County Hospital Authority was audited in accordance with *Government Auditing Standards*.

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

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

Opinions

In our opinion, based on our audit and the 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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Onslow County, North Carolina, as of June 30, 2021, 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.

Emphasis of Matter

As discussed in Note VII to the financial statements, effective July 1, 2020, the entity adopted new accounting guidance promulgated in GASB Statement No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Onslow County, North Carolina. The combining and individual fund statements, budget and actual comparisons, comparative schedule of capital assets by source, schedule of governmental capital assets and changes in capital assets by function and activity, schedule of ad valorem taxes receivable, analysis of current tax levy and secondary market disclosures, schedule of cash and investment balances, schedule of interfund transactions, calculation of debt service coverage ratio in the solid waste fund, introductory section, statistical section, as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Implementation Act* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Matters, Continued

The combining and individual fund financial statements, budget and actual comparisons, comparative schedule of capital assets by sources, schedule of governmental capital assets and changes in capital assets by function and activity, schedule of ad valorem taxes receivable, analysis of current tax levy and secondary market disclosures, schedule of cash and investment balances, schedule of interfund transactions, calculation of debt service coverage ratio, and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, and the report of the other auditors, the procedures performed as described above the combining and individual fund financial statements, budget and actual comparisons, comparative schedule of capital assets by sources, schedule of governmental capital assets and changes in capital assets by function and activity, schedule of ad valorem taxes receivable, analysis of current tax levy and secondary market disclosures, schedule of cash and investment balances, schedule of interfund transactions, calculation of debt service coverage ratio, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Elliott Davis, PLLC".

Raleigh, North Carolina
October 29, 2021

Management's Discussion and Analysis

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

Fiscal year 2021 was another unique and challenging year due to the COVID-19 pandemic. Due to the Governor's Executive order, many staff were required to work from home. New and creative processes were developed to continue to serve the citizens of Onslow County during this challenging time. The fiscal impact of the pandemic is still being identified with charges for services being impacted the most. In April 2020, Congress and the President approved the Coronavirus Aid, Relief and Economic Security (CARES) Act. The County received approximately \$3.47 million of the Coronavirus Relief Funds from the CARES Act. These funds were used for necessary expenditures due to the public health emergency with respect to COVID-19, expenditures not accounted for in the budget most recently approved as of March 27, 2020, and were incurred during the period beginning March 1 and ending on December 30, 2020. The County developed a funding plan that allowed the County to ensure the funds were spent appropriately. For public facilities that remain open to the public, the County implemented social distancing and health screenings. A portion of this funding was also shared with our municipal partners.

In March 2021, Congress and the President approved the American Rescue Plan (ARP) Act of 2021, also called the COVID-19 Stimulus Package. The County received the first tranche of approximately \$19.2 million of the stimulus funds from the American Rescue Plan Act in May 2021. These funds are to be used to address the ongoing COVID-19 public health crisis and assist in the economic recovery of the County. The package builds upon many of the same measures in the CARES Act. The ARP funds are to assist with the revenue losses the County has experienced as a result of the crisis and will help cover the costs incurred due to responding to the public health emergency and provide support for a recovery – including investing in infrastructure. The County has developed a funding plan that will allow the County to ensure the funds will be spent appropriately.

Financial Highlights for Onslow County, North Carolina for the Year Ended June 30, 2021

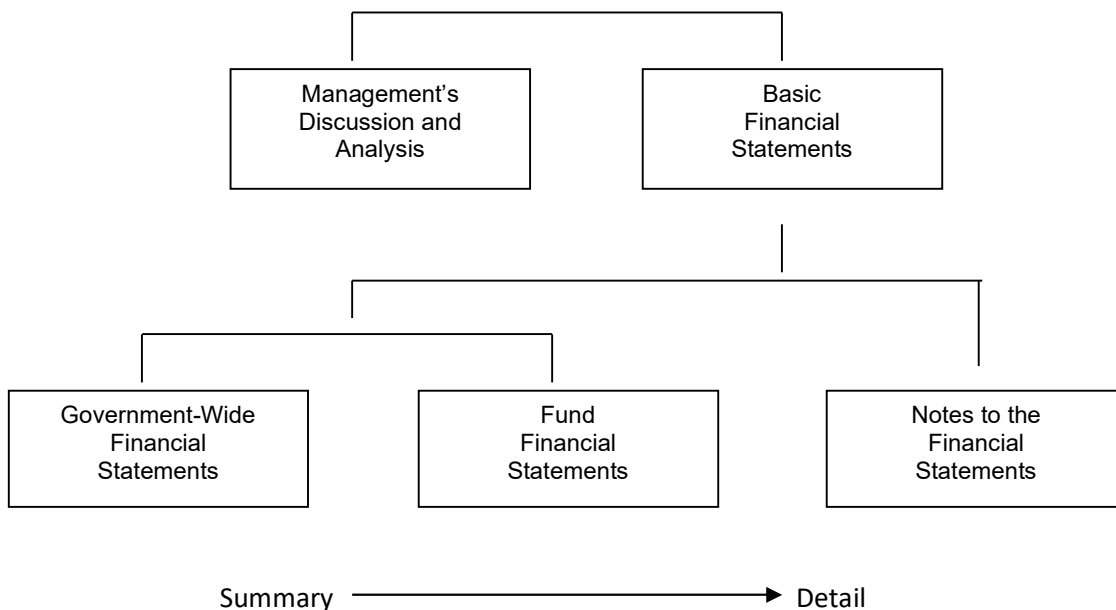
- The assets and deferred outflows of resources of Onslow County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$86,077,091. (*net position*).
- The government's total net position increased by \$8,017,717. (See Exhibit 2)
- As of the close of the current fiscal year, Onslow County's governmental funds reported combined ending fund balances of \$134,201,384. The fund balance saw a decrease of \$13,365,821 from current year activities and an increase of \$570,432 due to implementation of GASB Statement No. 84, for an overall net decrease of \$12,795,389 in comparison at the end of the prior fiscal year. The main factor for the current-year decrease is the use of bond proceeds for the school construction projects.
- The general fund showed an increase of \$25,014,828 in fund balance, \$24,770,402 due to current year activities and \$244,426 due to implementation of GASB Statement No. 84. Approximately 26.9% of the total general fund balance or \$30,887,315 is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$30,887,315 or 14.4% of total general fund expenditures for the fiscal year.

- Onslow County's bond ratings were upgraded in February 2020 to the following:
 Moody's Aa1
 Standard & Poor's AA

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Onslow 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 Onslow County.

Required Components of the Annual Financial Report



Basic Financial Statements

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

The next statements (Exhibits 3 through 10) 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 to the financial statements**. The notes provide information that is essential to a full understanding of the data provided in the government-wide

and fund financial 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 on 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 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 education, public safety, human services, parks and recreation, and general government services. 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. The solid waste function along with the airport are reported as business-type activities for Onslow County. The final category is the component units. Onslow County Hospital is a public hospital operated by a not-for-profit corporation that has leased the hospital from the County for a period of 99 years. The County appoints the board of trustees for the hospital and has previously issued debt on its behalf; however, there is no outstanding county issued debt on behalf of the hospital at this time. The ABC Board is legally separate from the County; however, the County exercises control over the Board by appointing its members. The ABC Board is also required to distribute its profits to the County.

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. Onslow County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Onslow County can be divided into three categories: governmental funds, proprietary funds, and fiduciary and agency 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 financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Onslow County adopts an annual budget for its General Fund, as required by the North Carolina General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board 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 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 results.

Proprietary Funds – Onslow County's business-type activities are reported in proprietary funds. The County maintains one type of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Onslow County uses enterprise funds to account for its Solid Waste and Airport operations. These funds are the same as 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 assets the County holds on behalf of others. The County has two fiduciary funds that include a fund used to account for taxes collected for and remitted to other municipalities within the County and a fund used to account for funds collected for and remitted to a volunteer fire department.

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.

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

Government-Wide Financial Analysis

The assets and deferred outflows of resources of Onslow County exceeded liabilities and deferred inflows of resources by \$86,077,091 as of June 30, 2021. One portion of Onslow County's net position reflects the County's net investment in capital assets (e.g. land, buildings, vehicles, and equipment), less any related debt still outstanding that was issued to acquire those items. Onslow County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Onslow County's investment in its capital assets is reported net of the outstanding related debt,

the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

ONSLOW COUNTY'S NET POSITION

	Governmental Activities	
	2021	2020
Current Assets	\$ 170,279,463	\$ 161,365,845
Land, Improvements and construction in progress	18,034,235	15,727,903
Capital assets net of depreciation	123,080,405	126,436,204
Total assets	<u>311,394,103</u>	<u>303,529,952</u>
Deferred outflows of resources	25,057,515	21,848,537
Long-term liabilities	301,388,481	314,337,935
Other liabilities	34,581,346	14,191,194
Total liabilities	<u>335,969,827</u>	<u>328,529,129</u>
Deferred inflows of resources	4,291,973	5,169,215
Net assets		
Investment in capital assets, net of related debt	56,516,949	85,246,277
Restricted	66,835,016	130,186,871
Unrestricted	(127,162,147)	(223,753,003)
Total net position	<u>\$ (3,810,182)</u>	<u>\$ (8,319,855)</u>

	Business-type Activities	
	2021	2020
Current Assets	\$ 43,242,076	\$ 33,279,605
Land, Improvements and construction in progress	2,663,583	2,552,059
Capital assets net of depreciation	66,608,404	69,041,200
Total assets	<u>112,514,063</u>	<u>104,872,864</u>
Deferred outflows of resources	809,288	481,347
Long-term liabilities	19,007,828	17,384,382
Other liabilities	4,219,315	1,929,833
Total liabilities	<u>23,227,143</u>	<u>19,314,215</u>
Deferred inflows of resources	208,935	231,199
Net assets		
Net investment in capital assets	69,271,987	71,593,259
Restricted	-	-
Unrestricted	20,615,286	14,215,538
Total net position	<u>\$ 89,887,273</u>	<u>\$ 85,808,797</u>

	Total	
	2021	2020
Current Assets	\$ 213,521,539	\$ 194,645,450
Land, Improvements and construction in progress	20,697,818	18,279,962
Capital assets net of depreciation	189,688,809	195,477,404
Total assets	<u>423,908,166</u>	<u>408,402,816</u>
Deferred outflows of resources	25,866,803	22,329,884
Long-term liabilities	320,396,309	331,722,317
Other liabilities	38,800,661	16,121,027
Total liabilities	<u>359,196,970</u>	<u>347,843,344</u>
Deferred inflows of resources	4,500,908	5,400,414
Net assets		
Net investment in capital assets	125,788,936	156,839,536
Restricted	66,835,016	130,186,871
Unrestricted	(106,546,861)	(209,537,465)
Total net position	<u>\$ 86,077,091</u>	<u>\$ 77,488,942</u>

A few aspects of the County's financial operations positively influenced the total unrestricted governmental net position:

Property taxes are a major source of revenue for the County. The overall collection rate for the current year taxes was 98.98 percent. The fiscal year 2021 tax rate was \$0.705 cents per \$100 valuation, which is well below the state legal limit of \$1.50.

Sales taxes are another major revenue source for the County. For fiscal year 2021, sales taxes receipts were \$13.6 million more than the County's budgeted estimate of \$51.7 million.

Additionally, the County's bonded debt per capita decreased from \$187 to \$157.

ONSLow COUNTY'S CHANGE IN NET POSITION

		Governmental Activities	
		2021	2020
Revenues			
Program revenues			
Charges for service	\$	16,592,160	\$ 13,833,088
Operating grants & contributions		36,553,645	36,308,226
Capital grants & contributions		5,094,274	3,101,197
General revenues			
Property taxes		106,430,584	102,111,111
Other taxes		71,036,093	60,678,422
Other		5,121,171	1,826,219
Total revenues		240,827,927	217,858,263
Expenses			
General government		28,525,739	35,917,688
Public safety		47,303,063	55,183,584
Transportation		36,670	556,315
Economic development		2,713,128	5,576,290
Human services		39,940,186	39,881,010
Environmental protection		522,395	515,714
Cultural & recreational		4,906,254	5,183,550
Education		110,067,561	67,784,613
Interest on long term debt		3,749,373	3,583,856
Total expenses		237,764,369	214,182,620
Change in net position before transfers		3,063,558	3,675,642
Transfers		875,683	827,818
Change in net position		3,939,241	4,503,460
Net position, July 1		(8,319,855)	(12,823,315)
Prior restatements		570,432	-
Net position, June 30	\$	(3,810,182)	\$ (8,319,855)

Business-type Activities			
	2021		2020
Revenues			
Program revenues			
Charges for service	\$ 12,671,556	\$	11,013,375
Operating grants & contributions	-		-
Capital grants & contributions	4,190,225		4,077,088
General revenues			
Property taxes	-		-
Other taxes	9,112		799,448
Grants & contributions not restricted to specific program:	-		62,166
Other	3,178		27,202
Total revenues	16,874,071		15,979,279
Expenses			
Solid Waste	6,071,786		6,279,990
Airport	5,848,126		5,814,572
Total expenses	11,919,912		12,094,562
Change in net position before transfers	4,954,159		3,884,717
Transfers	(875,683)		(827,818)
Change in net position	4,078,476		3,056,899
Net position, July 1	85,808,797		82,751,898
Prior restatement	-		-
Net position, June 30	\$ 89,887,273	\$	85,808,797
Total			
	2021		2020
Revenues			
Program revenues			
Charges for service	\$ 29,263,716	\$	24,846,463
Operating grants & contributions	36,553,645		36,308,226
Capital grants & contributions	9,284,499		7,178,285
General revenues			
Property taxes	106,430,584		102,111,111
Other taxes	71,045,205		61,477,870
Grants & contributions not restricted to specific program:	-		62,166
Other	5,124,348		1,853,421
Total revenues	257,701,997		233,837,542
Expenses			
General government	28,525,739		35,917,688
Public safety	47,303,063		55,183,584
Transportation	36,670		556,315
Economic development	2,713,128		5,576,290
Human services	39,940,186		39,881,010
Environmental protection	522,395		515,714
Cultural & recreational	4,906,254		5,183,550
Education	110,067,561		67,784,613
Interest on long term debt	3,749,373		3,583,856
Solid Waste	6,071,786		6,279,990
Airport	5,848,126		5,814,572
Total expenses	249,684,281		226,277,182
Change in net position before transfers	8,017,716		7,560,360
Transfers	-		-
Change in net position	8,017,716		7,560,360
Net position, July 1	77,488,943		69,928,583
Prior restatement	570,432		-
Net position, June 30	\$ 86,077,091	\$	77,488,943

Governmental activities. Governmental activities increased the County's net position by \$4.0 million.

Sales tax revenues funded \$65.3 million of the Onslow County government activities. Property taxes and operating grants also provided a high source of revenue at \$106.4 million and \$36.6 million respectively.

Business-type activities. Business-type activities increased Onslow County's net position by \$4.0 million primarily due to receiving more revenue for services provided.

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Onslow County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Onslow County's financing requirements. Specifically, unreserved fund balance 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 Onslow County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$30.9 million, with a total fund balance of \$115.0 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 14.4 percent of total General Fund expenditures, while total general fund balance represents 53.6 percent of that same amount.

At June 30, 2021, the governmental funds of Onslow County reported a combined fund balance of \$134.2 million, for an overall decrease of \$12.8 million compared to last year. The fund balance saw a decrease of \$13.4 million from current year activities and an increase of \$570,432 due to implementation of GASB Statement No. 84. The primary factor in the current-year decrease is the use of bond proceeds for the school construction projects that are nearing completion.

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.

For the fiscal year, the General Fund fund balance had a net increase of \$25.0 million or 21.8%. The County is conservative in its budget estimates, which is illustrated by revenues that came in \$13.0 million more than the budget estimate. Our expenditures were less than budgeted by approximately \$18.0 million.

A review of actual revenues verses expenditures shows that the revenues exceeded expenditures by \$21.3 million. After transfers to and from other funds, our net revenues over expenditures were \$25.0 million.

The actual operating revenues for the General Fund were more than the budgeted amount by \$13.0 million. This was mainly due to sales tax, and other taxes & licenses collected were more than estimates by \$13.6 million, and \$2.9 million respectively.

The major variance from our budgeted expenditures was in the Human Services area where our expenditures were \$10.8 million less than estimated. Expenditures for Health programs were \$5.6 million under budget. Expenditures for social service programs were \$4.5 million under budget.

Public Safety expenditures were \$3.3 million under budget. The Sheriff's office expenditures were \$1.7 million less than what was budgeted. Emergency Service expenditures were \$1.2 million less than what was budgeted.

General governmental expenditures were \$2.6 million under budget. This amount is primarily comprised of \$1.0 million in non-departmental expenditures, \$0.3 million in Information Technology Systems expenditures and \$0.4 million in Facilities and Maintenance expenditures.

Proprietary Funds. Onslow County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. The net position of the Solid Waste Fund at the end of the fiscal year amounted to \$27.7 million. The total increase in net position for the Solid Waste Fund was \$2.8 million. Total net position of the Airport is \$62.2 million, the total increase in net position for the Airport Fund was \$1.3 million.

Special Revenue Funds

Special Revenue Funds of the County cover such items as Emergency 911 fees, Register of Deeds Automation funds, grant projects, and the community assistance fund. These activities show total revenues for fiscal year 2021 of \$3.7 million and total expenditures of \$4.1 million. The Grant Project fund accounted for 58.3% of the revenues. The Grant Project fund and the community assistance fund accounted for 82.7% of the expenditures.

The fund balance for the special revenue funds is \$1.5 million. There was a net decrease of \$0.4 million from the prior year, which consisted of an increase of \$0.3 million due to implementation of GASB Statement No. 84 and a decrease of \$.07 million due to current year activities.

Capital Project Funds

The Capital Project fund accounts for funds used for new school construction and funds used for capital projects within the County. For fiscal year 2021 the total revenues of these funds were \$0.3 million while expenditures were \$38.4 million.

Capital Asset and Debt Administration

Capital Assets Onslow County's investment in capital assets for its governmental and business type activities as of June 30, 2021, totals \$210.4 million (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, park facilities, and vehicles.

At the current time the various projects below make up the majority of what is included in construction in progress.

- Animal Services Expansion
- Coastal Elementary School
- Clear View Elementary School

ONSLOW COUNTY'S CAPITAL ASSETS

		Governmental Activities	
		2021	2020
Land		\$ 14,751,546	\$ 14,036,171
Buildings & systems		141,505,194	142,413,725
Improvements		27,191,178	25,801,312
Equipment		29,573,305	27,325,038
Vehicles		13,115,919	12,215,602
Heavy Equipment		338,488	338,488
Construction in progress		3,282,689	1,691,732
Subtotal		229,758,319	223,822,068
Less accumulated depreciation		88,643,679	81,657,961
Total		<u>\$ 141,114,640</u>	<u>\$ 142,164,107</u>

		Business-type Activities	
		2021	2020
Land		\$ 2,154,975	\$ 2,154,975
Buildings & systems		38,235,564	38,235,563
Improvements		59,115,781	58,719,706
Equipment		7,058,725	6,948,783
Vehicles		2,035,233	2,030,290
Heavy Equipment		6,097,764	4,847,826
Construction in progress		508,608	397,084
Subtotal		115,206,650	113,334,227
Less accumulated depreciation		45,934,662	41,740,968
Total		<u>\$ 69,271,988</u>	<u>\$ 71,593,259</u>

		Total	
		2021	2020
Land		\$ 16,906,521	\$ 16,191,146
Buildings & systems		179,740,758	180,649,288
Improvements		86,306,959	84,521,018
Equipment		36,632,030	34,273,821
Vehicles		15,151,152	14,245,892
Heavy Equipment		6,436,252	5,186,314
Construction in progress		3,791,297	2,088,816
Subtotal		344,964,969	337,156,295
Less accumulated depreciation		134,578,341	123,398,929
Total		<u>\$ 210,386,628</u>	<u>\$ 213,757,366</u>

Additional information on the County's capital assets can be found in Note II (5) of the Basic Financial Statements

Long-term Debt. As of June 30, 2021, Onslow County had total general obligation bonded debt outstanding of \$33.1 million all of which is debt backed by the full faith and credit of the County.

Onslow County's Outstanding Debt
General Obligation, Certificates of Participation, Special Obligation Bonds and Installment Purchases

ONSLOW COUNTY'S OUTSTANDING DEBT			
		Governmental Activities	
		2021	2020
General obligation bonds	\$	33,135,000	\$ 38,770,000
Premium on GO bonds		4,452,230	5,275,847
Installment purchase		2,750,000	3,734,777
Certificates of Participation		7,770,000	8,880,000
Limited Obligation Bonds		172,955,000	183,090,000
Premium on LOBS Debt		24,238,977	25,906,973
Total		<u>\$ 245,301,207</u>	<u>\$ 265,657,597</u>
		Business-type Activities	
		2021	2020
General obligation bonds	\$	-	\$ -
Premium on GO bonds		-	-
Certificates of Participation		-	-
Premium on COP's		-	-
Installment purchase		-	-
Limited Obligation Bonds		-	-
Premium on LOBS Debt		-	-
Special obligation bonds		-	-
Total		<u>\$ -</u>	<u>\$ -</u>
		Total	
		2021	2020
General obligation bonds	\$	33,135,000	\$ 38,770,000
Premium on GO bonds		4,452,230	5,275,847
Installment purchase		2,750,000	3,734,777
Certificates of Participation		7,770,000	8,880,000
Limited Obligation Bonds		172,955,000	183,090,000
Premium on LOBS Debt		24,238,977	25,906,973
Total		<u>\$ 245,301,207</u>	<u>\$ 265,657,597</u>

Onslow County's total debt decreased by \$20.4 million during the current fiscal year.

As mentioned in the financial highlights section of this document, Onslow County maintains an Aa1 bond rating from Moody's Investor Service and AA rating from Standard and Poor's Corporation. This bond rating is a clear indication of the sound financial condition of Onslow County.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Onslow County is \$1,203,025,000.

Additional information regarding Onslow County's long-term debt can be found in Note II (7) on page 81 of this report.

Economic Factors and Next Year's Budgets and Rates

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

- The unemployment rate (seasonally adjusted) for the county as of June 30, 2021 is 5.3%, which was the above the state average of 4.6%.¹
- The 2017 property revaluation resulted in an overall increase of about 1.87% in real property values. The County is currently in the process of a property revaluation for 2022.
- Our population has continued to increase as it has over the past few years. Per the state demographics website estimates our current population is at 210,056. Onslow County is the 13th largest county out of 100 in NC. The county seat, Jacksonville is the 13th largest city in NC.²
- The County continues to become a retail center with taxable sales of \$2.96 billion in FY 2021, this is an increase of \$536.2 million over last year.

Budget Highlights for the Fiscal Year Ending June 30, 2022

Governmental Activities. The County approved a \$223.4 million general fund budget for Fiscal Year 2022. This represents a \$8.02 million or 3.6% increase from the amended budget for Fiscal Year 2021. There was an increase in the Board of Education current expense of \$948,547.

Property tax revenue estimates are based on a tax rate of \$0.7050 per \$100 assessed valuation. This is the same tax rate as Fiscal Year 2020. The projected collection rate was 99.02%. It is estimated that property tax revenue for FY 21-22 will be \$107.3 million or 48.81% of the general fund budget.

Year-to-year certainty in county budgeting rests, in part, on determining the funding level necessary for public education. In fiscal year 2022 financial support for the K-12 public school system amounts to 37.48% of the General Fund budget of the county. Viewed in light of property tax revenues, 45.01¢ of the current 70.5¢ tax rate funds the school system.

Counties in North Carolina are mandated to fund school systems in three areas: "current expense" or operational funding; annual capital funding; and capital construction.

¹ From NC Department of Commerce, Labor and Economic Analysis.
<https://d4.nccommerce.com/LausSelection.aspx>

² Office of State Demographer, www.osbm.nc.gov

With over 3.6 million heated square feet of buildings, hundreds of acres of property, and a large bus fleet, the school system's annual capital needs are great. Onslow County's proposed and future budgets increase funding to the school system in this area. The school's capital budget for fiscal year 2022 increased by \$400,000 over what was budgeted for fiscal year 2021.

To balance the general fund budget the county appropriated \$6.6 million in fund balance for fiscal year 2022. This practice, of appropriating fund balance, is common. In fiscal year 2021 \$11.5 million was appropriated to cover the expenditures over revenues and other funding sources. The County had an increase in fund balance by \$25.0 million for fiscal year 2021. The County feels that that there will be a small increase in fund balance in fiscal year 2022.

There are several County facilities that are in need of major renovation or replacement. We have continued to refine our capital improvement program to provide for orderly construction and funding of these projects. In fiscal year 2022 we have continued the funding of a capital reserve fund to cover some of these costs and to provide funds to cover future debt payments without the need for massive changes in the tax rate due to the issuance of debt to fund some of the projects.

Business-type Activities. The County operates two business type activities, which is our Solid Waste and Airport Enterprise fund. For fiscal year 2022 the Solid Waste Fund budget is \$8.7 million. For fiscal year 2022 the Airport Fund budget is \$4.0 million. Both funds are fully funded through revenues and reserves of the respective funds and are not dependent on the General Fund for support.

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 Brenda Reece, Finance Officer, Onslow County, 234 Northwest Corridor Boulevard, Jacksonville, North Carolina 28540. You can also visit our website www.onslowcountync.gov or send an email to finance_office@onslowcountync.gov.

BASIC FINANCIAL STATEMENTS

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Onslow County Hospital Authority	Onslow County ABC Board
ASSETS					
Cash and cash equivalents	\$ 121,133,374	\$ 41,935,696	\$ 163,069,070	\$ 18,806,733	\$ 4,777,711
Receivables, net	26,476,276	1,150,205	27,626,481	19,146,001	-
Loan Receivable	1,197,978	-	1,197,978	-	-
Due from other funds	714	-	714	-	-
Due from other governments	1,396,789	104,197	1,500,986	-	-
Inventories	276,183	371	276,554	3,995,257	1,328,066
Prepaid expenses and other	258,608	51,607	310,215	2,153,299	-
Net pension asset - Register of Deeds	518,944	-	518,944	-	-
Restricted assets					
Cash and investments	19,020,597	-	19,020,597	-	-
Assets limited by board			-	39,733,147	-
Capital assets:					
Land, improvements, and construction in progress	18,034,235	2,663,583	20,697,818	-	2,454,553
Other capital assets, net of depreciation	123,080,405	66,608,404	189,688,809	65,980,904	4,774,460
Total capital assets	141,114,640	69,271,987	210,386,627	65,980,904	7,229,013
Total assets	311,394,103	112,514,063	423,908,166	149,815,341	13,334,790
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charges on refunding	6,038,781	-	6,038,781	-	-
Deferred outflows - pensions	16,552,696	656,032	17,208,728	-	502,993
Deferred outflows - OPEB	2,466,038	153,256	2,619,294	1,695,917	94,372
Total deferred outflows	25,057,515	809,288	25,866,803	1,695,917	597,365
LIABILITIES					
Accounts payable, accrued liabilities and unearned revenues	34,432,585	4,218,601	38,651,186	48,338,533	1,818,568
Due to other funds	-	714	714	-	-
Retainage payable	148,761	-	148,761	-	-
Noncurrent liabilities:					
Due within one year	20,914,990	61,246	20,976,236	4,755,740	-
Due in more than one year	228,120,947	16,478,561	244,599,508	32,856,132	-
Net pension liability - LGERS	27,129,564	1,219,854	28,349,418	-	691,458
Total pension liability - LEOSSA	5,138,826	-	5,138,826	-	-
OPEB Liability	20,084,154	1,248,167	21,332,321	14,129,772	582,946
Total liabilities	335,969,827	23,227,143	359,196,970	100,080,177	3,092,972
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - pensions	1,431,251	49,668	1,480,919	-	-
Deferred inflows - OPEB	2,562,743	159,267	2,722,010	1,839,890	412,171
Prepaid Taxes	297,979	-	297,979	-	-
Total deferred inflows	4,291,973	208,935	4,500,908	1,839,890	412,171
NET POSITION					
Net investment in capital assets	56,516,949	69,271,987	125,788,936	27,634,388	7,229,013
Restricted for:					
Stabilization by State Statute	37,234,541	-	37,234,541	-	-
Register of deeds	314,791	-	314,791	-	-
Health Programs	4,471,909	-	4,471,909	396,394	-
Adoption programs	24,157	-	24,157	-	-
Drug enforcement	622,084	-	622,084	-	-
Occupancy Tax	5,485,654	-	5,485,654	-	-
Economic Development	1,730,610	-	1,730,610	-	-
LCFH Agreement	1,200,000	-	1,200,000	-	-
Sheriff - Judgements	162,405	-	162,405	-	-
NC Cooperative Extension	67,515	-	67,515	-	-
School Construction	14,732,854	-	14,732,854	-	-
Emergency services	788,496	-	788,496	-	-
Capital improvements	-	-	-	-	713,150
Working Capital	-	-	-	-	795,644
Unrestricted	(127,162,147)	20,615,286	(106,546,861)	21,560,409	1,689,205
Total net position	\$ (3,810,182)	\$ 89,887,273	\$ 86,077,091	\$ 49,591,191	\$ 10,427,012

The accompanying notes are an integral part of this statement.

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-type Activities	Total	Onslow County Hospital Authority	Onslow County ABC Board
<u>Primary government:</u>									
Governmental activities:									
General government	\$ 28,525,739	\$ 1,634,730	\$ 11,533,789	\$ 3,993,328	\$ (11,363,892)	\$ -	\$ (11,363,892)		
Public safety	47,303,063	10,474,131	4,332,731	724,203	(31,771,998)	-	(31,771,998)		
Transportation	36,670	-	-	-	(36,670)	-	(36,670)		
Economic and physical development	2,713,128	161,071	36,782	-	(2,515,275)	-	(2,515,275)		
Human services	39,940,186	3,951,095	19,710,572	-	(16,278,519)	-	(16,278,519)		
Environmental protection	522,395	-	4,111	-	(518,284)	-	(518,284)		
Culture and recreation	4,906,254	371,133	280,081	-	(4,255,040)	-	(4,255,040)		
Education	110,067,561	-	655,579	376,743	(109,035,239)	-	(109,035,239)		
Interest on debt	3,749,373	-	-	-	(3,749,373)	-	(3,749,373)		
Total governmental activities	237,764,369	16,592,160	36,553,645	5,094,274	(179,524,290)	-	(179,524,290)		
<u>Business-type activities:</u>									
Solid waste	6,071,786	9,090,702	-	-	-	3,018,916	3,018,916		
Airport	5,848,126	3,580,854	-	4,190,225	-	1,922,953	1,922,953		
Total business-type activities	11,919,912	12,671,556	-	4,190,225	-	4,941,869	4,941,869		
Total primary government	\$ 249,684,281	\$ 29,263,716	\$ 36,553,645	\$ 9,284,499	(179,524,290)	4,941,869	(174,582,421)		
<u>Component units:</u>									
Onslow County Hospital Authority	141,902,425	137,462,689	-	1,229,385				\$ (3,210,351)	\$ -
Onslow County ABC Board	19,771,107	20,686,744	-	-				-	915,637
Total component units	\$ 161,673,532	\$ 158,149,433	\$ -	\$ 1,229,385				(3,210,351)	915,637
<u>General revenues:</u>									
Property taxes, levied for general purposes					106,430,584	-	106,430,584	-	-
Local option sales taxes					65,299,792	-	65,299,792	-	-
Other taxes and licenses					5,736,301	-	5,736,301	-	-
Investment earnings, unrestricted					43,558	9,112	52,670	-	1,767
Gain on disposal of investment					3,467,500	-	3,467,500	-	-
Loss on disposal of assets					(2,212,420)	-	(2,212,420)	-	-
Miscellaneous, unrestricted					3,822,533	3,178	3,825,711	10,091,215	-
Total general revenues and special items					182,587,848	12,290	182,600,138	10,091,215	1,767
Transfers					875,683	(875,683)	-	-	-
Change in net position					3,939,241	4,078,476	8,017,717	6,880,864	917,404
Net position - beginning					(8,319,855)	85,808,797	77,488,942	42,710,327	9,509,608
Restatement					570,432	-	570,432	-	-
Net position - beginning, restated					(7,749,423)	85,808,797	78,059,374	42,710,327	9,509,608
Net position - ending					\$ (3,810,182)	\$ 89,887,273	\$ 86,077,091	\$ 49,591,191	\$ 10,427,012

The accompanying notes are an integral part of this statement.

	Major				Nonmajor	Total
	General Fund	Capital Project Fund	School Construction Fund	Grant Project Fund	Other Governmental Funds	Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 98,669,685	\$ 1,132,863	\$ 125,153	\$ 19,452,022	\$ 1,753,651	\$ 121,133,374
Receivables, net	26,307,496	61,877	63,352	43,403	148	26,476,276
Loan Receivable	1,197,978	-	-	-	-	1,197,978
Due from other funds	714	-	-	-	-	714
Due from other governments	633,482	42,991	654,223	32,357	33,736	1,396,789
Inventories	276,183	-	-	-	-	276,183
Prepaid expenditures	258,608	-	-	-	-	258,608
Restricted assets						
Cash and investments	-	4,287,743	14,732,854	-	-	19,020,597
Total assets	\$ 127,344,146	\$ 5,525,474	\$ 15,575,582	\$ 19,527,782	\$ 1,787,535	\$ 169,760,519
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	9,643,761	98,065	3,376,583	55,961	2,628	13,176,998
Unearned revenues	41,130	-	-	19,717,227	-	19,758,357
Total liabilities	9,684,891	98,065	3,376,583	19,773,188	2,628	32,935,355
DEFERRED INFLOWS OF RESOURCES	2,623,780	-	-	-	-	2,623,780
Fund balances:						
Nonspendable						
Inventory and prepaids	534,791	-	-	-	-	534,791
Loan receivable	1,197,978	-	-	-	-	1,197,978
Restricted						
Stabilization by State Statute	28,451,276	1,374,074	6,713,010	662,297	33,884	37,234,541
Register of Deeds	-	-	-	-	314,791	314,791
Health Programs	4,471,909	-	-	-	-	4,471,909
Adoption Programs	24,157	-	-	-	-	24,157
Drug Enforcement	622,084	-	-	-	-	622,084
Occupancy Tax	5,485,654	-	-	-	-	5,485,654
Economic Development	1,730,610	-	-	-	-	1,730,610
LCFH Agreement	1,200,000	-	-	-	-	1,200,000
Sheriff - Judgements	162,405	-	-	-	-	162,405
NC Cooperative Extension	67,515	-	-	-	-	67,515
School Construction	-	-	14,732,854	-	-	14,732,854
Emergency Services	-	-	-	-	788,496	788,496
Capital projects	-	4,287,743	-	-	-	4,287,743
Committed						
Capital Improvements	31,309,313	-	-	-	-	31,309,313
Other Employee Benefits	1,208	-	-	-	-	1,208
Workers' Compensation Insurance	198,230	-	-	-	-	198,230
Community Assistance	-	-	-	-	470,272	470,272
LEO Separation Allowance	1,365,604	-	-	-	-	1,365,604
Assigned						
Subsequent year's expenditures	7,325,426	-	-	-	165,554	7,490,980
Unassigned	30,887,315	(234,408)	(9,246,865)	(907,703)	11,910	20,510,249
Total fund balances	115,035,475	5,427,409	12,198,999	(245,406)	1,784,907	134,201,384
Total liabilities, deferred inflows of resources and fund balances	\$ 127,344,146	\$ 5,525,474	\$ 15,575,582	\$ 19,527,782	\$ 1,787,535	\$ 169,760,519

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	\$ 141,114,640
Net pension asset - Register of Deeds	518,944
Deferred outflows related to pensions	16,552,696
Deferred inflows related to pensions	(1,431,251)
Deferred outflows related to OPEB	2,466,038
Deferred inflows related to OPEB	(2,562,743)
Charges related to advance refunding bond issue	6,038,781
Deferred inflows of resources related to unavailable revenues	
Taxes	2,029,854
Other	295,947

Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (Note 7).

Retainage payable	(148,761)
Compensated Absences	(3,734,730)
Net pension liability LGERS	(27,129,564)
Net pension liability LEOSSA	(5,138,826)
Total OPEB Liability	(20,084,154)
Accrued Interest	(1,497,230)
Long-term Debt	(245,301,207)
Net position of governmental activities	<u>\$ (3,810,182)</u>

The accompanying notes are an integral part of this statement.

EXHIBIT 4
Onslow County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended 6/30/2021

	Major				Nonmajor	
	General Fund	Capital Project Fund	School Construction Fund	Grant Project Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Ad valorem taxes	\$ 106,433,280	\$ -	\$ -	\$ -	\$ -	\$ 106,433,280
Local option sales taxes	65,299,793	-	-	-	-	65,299,793
Other taxes and licenses	5,736,302	-	-	-	-	5,736,302
Unrestricted intergovernmental	2,589,652	-	-	-	-	2,589,652
Restricted intergovernmental	36,344,980	172,715	151,743	-	-	36,669,438
Permits and fees	3,872,582	-	-	-	-	3,872,582
Sales and services	12,761,316	-	-	-	-	12,761,316
E-911 fees	-	-	-	-	284,843	284,843
Grant revenue	-	-	-	2,174,613	-	2,174,613
Investment earnings (costs)	51,362	(12,147)	2,779	-	1,564	43,558
Miscellaneous	2,538,084	-	-	-	175,266	2,713,350
Contributions	-	-	-	-	1,095,977	1,095,977
Total revenues	235,627,351	160,568	154,522	2,174,613	1,557,650	239,674,704
EXPENDITURES						
Current:						
General government	25,488,454	-	-	-	1,069,050	26,557,504
Public safety	43,636,003	-	-	-	223,051	43,859,054
Transportation	34,000	-	-	-	-	34,000
Economic and physical development	2,515,593	-	-	-	-	2,515,593
Human services	37,032,249	-	-	-	-	37,032,249
Environmental protection	484,361	-	-	-	-	484,361
Cultural and recreational	4,549,043	-	-	-	-	4,549,043
Intergovernmental						
Education	83,118,916	-	-	-	-	83,118,916
Capital projects	5,049,344	2,379,319	36,016,296	2,382,427	412,201	46,239,587
Debt service:						
Principal	8,797,126	-	-	-	-	8,797,126
Interest and other charges	3,749,465	-	-	-	-	3,749,465
Total expenditures	214,454,554	2,379,319	36,016,296	2,382,427	1,704,302	256,936,898
Excess (deficiency) of revenues over expenditures	21,172,797	(2,218,751)	(35,861,774)	(207,814)	(146,652)	(17,262,194)
OTHER FINANCING SOURCES (USES)						
Transfers from (to) other funds	250,909	324,584	300,190	-	-	875,683
Sale of property held for investment	3,467,500	-	-	-	-	3,467,500
Sale of capital assets	111,146	-	-	-	-	111,146
Appropriated fund balance	12,476	-	-	-	-	12,476
Total other financing sources (uses)	3,842,031	324,584	300,190	-	-	4,466,805
Net change in fund balance	25,014,828	(1,894,167)	(35,561,584)	(207,814)	(146,652)	(12,795,389)
Fund balance, beginning, as previously reported	89,776,221	7,321,576	47,760,583	(37,592)	1,605,553	146,426,341
Prior period adjustment - change in accounting principles	244,426	-	-	-	326,006	570,432
Fund balance, beginning, as restated	90,020,647	7,321,576	47,760,583	(37,592)	1,931,559	146,996,773
Fund balances-ending	\$ 115,035,475	\$ 5,427,409	\$ 12,198,999	\$ (245,406)	\$ 1,784,907	\$ 134,201,384

The accompanying notes are an integral part of this statement.

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

Net changes in fund balances - total governmental funds	\$ (12,795,389)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.	10,223,291
Depreciation expense allocates the costs of capital assets over their estimated useful lives. It is not reported as an expenditure in the governmental funds statement.	(8,949,192)
The sale/disposal of capital assets is reported as a revenue in the governmental funds statement without subtracting the net book value of the capital asset sold.	(2,323,566)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	(114,333)
The net of vacation leave earned and used leave related to compensated absences that do not require current financial resources and are not reported in the fund statements	(41,917)
The net of contributions, benefit payments, and other expenses related to pensions and other post-employment benefits that do not require current financial resources and are not reported in the governmental funds statement.	(2,416,135)
The change in accrued interest on long-term debt reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported in the governmental funds.	781,471
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related accounts.	
Principal payments on long-term debt	17,864,777
Increase in retainage payable	(97,170)
Amortized loss on defeasance of debt	(684,209)
Amortization of bond premium	2,491,613
Total changes in net position of governmental activities	\$ 3,939,241

The accompanying notes are an integral part of this statement.

EXHIBIT 5
Onslow County, North Carolina
**Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund**
For the Fiscal Year Ended June 30, 2021

	General Fund			Variance With Final - Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Ad valorem taxes	\$ 106,413,345	\$ 106,413,345	\$ 106,433,280	\$ 19,935
Local option sales taxes	51,563,806	51,688,806	65,299,793	13,610,987
Other taxes and licenses	2,806,639	2,806,639	5,736,302	2,929,663
Unrestricted intergovernmental	2,075,000	2,075,000	2,589,652	514,652
Restricted intergovernmental	23,674,542	31,824,447	26,702,679	(5,121,768)
Permits and fees	2,790,428	2,790,428	3,872,582	1,082,154
Sales and services	10,586,924	13,808,115	12,761,316	(1,046,799)
Investment earnings	529,272	529,272	44,186	(485,086)
Miscellaneous	147,617	591,191	2,115,548	1,524,357
Total revenues	200,587,573	212,527,243	225,555,338	13,028,095
EXPENDITURES				
Current:				
General government	19,634,867	20,180,706	17,545,536	2,635,170
Public safety	43,825,509	48,390,475	45,067,854	3,322,621
Transportation	273,784	273,784	34,000	239,784
Economic and physical development	2,835,571	3,834,030	3,348,066	485,964
Human services	43,583,110	48,322,445	37,527,238	10,795,207
Environmental protection	509,436	525,617	492,725	32,892
Cultural and recreational	4,824,725	5,006,954	4,576,647	430,307
Intergovernmental:				
Education	82,463,338	83,104,237	83,118,916	(14,679)
Debt service:				
Principal	8,797,126	8,797,126	8,797,126	-
Interest and other charges	3,849,953	3,849,953	3,749,465	100,488
Total expenditures	210,597,419	222,285,327	204,257,573	18,027,754
Revenues over (under) expenditures	(10,009,846)	(9,758,084)	21,297,765	(4,999,659)
OTHER FINANCING SOURCES (USES)				
Transfers from (to) other funds	(1,616,249)	(3,963,341)	(3,905,385)	57,956
Proceeds from property held for investment	-	-	3,467,500	3,467,500
Proceeds from sale of capital assets	100,000	114,909	111,146	(3,763)
Total other financing sources and uses	(1,516,249)	(3,848,432)	(326,739)	3,521,693
Revenues and other financing sources over (under) expenditures and other financing uses	(11,526,095)	(13,606,516)	20,971,026	(1,477,966)
Appropriated fund balance	11,526,095	13,606,516	12,476	-
Net change in fund balance	\$ -	\$ -	\$ 20,983,502	\$ (1,477,966)
Fund balance, beginning, as previously reported			53,699,918	
Prior period adjustment - change in accounting principle			244,426	
Fund balance, beginning, as restated			53,944,344	
Fund balances-ending			\$ 74,927,846	
Legally budgeted Self Insurance, Burton Industrial Park, FSA Special Account, Reserve, Revaluation and Capital Improvement Funds are consolidated into the General Fund for reporting purposes				
Restricted intergovernmental			\$ 9,642,301	
Investment earnings			7,176	
Other revenues			422,536	
Transfers (to) from General Fund			4,156,294	
Expenditures			(10,196,981)	
Fund balance, beginning			36,076,303	
Fund balance, ending (Exhibit 4)			\$ 115,035,475	

The accompanying notes are an integral part of this statement.

	Solid Waste	Airport	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 29,764,249	\$ 12,171,447	\$ 41,935,696
Receivables, net	869,042	281,163	1,150,205
Due from other governments	83,619	20,578	104,197
Inventories	371	-	371
Prepays	7,298	44,309	51,607
Total current assets	30,724,579	12,517,497	43,242,076
Noncurrent assets:			
Capital assets:			
Land and construction in progress	1,789,996	873,587	2,663,583
Buildings, improvements, and equipment	38,853,244	71,654,589	110,507,833
Vehicles and motorized equipment	732,270	1,302,963	2,035,233
Less accumulated depreciation	(26,472,059)	(19,462,603)	(45,934,662)
Total capital assets	14,903,451	54,368,536	69,271,987
Total noncurrent assets	14,903,451	54,368,536	69,271,987
Total assets	45,628,030	66,886,033	112,514,063
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - LGERS	328,016	328,016	656,032
Deferred outflows - OPEB	104,493	48,763	153,256
Total deferred outflows	432,509	376,779	809,288
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	369,245	210,931	580,176
Due to other funds	714	-	714
Unearned revenues	-	3,638,424	3,638,424
Compensated absences	93,353	133,485	226,838
Total current liabilities	463,312	3,982,840	4,446,152
Noncurrent liabilities:			
Accrued landfill closure and postclosure care costs	16,312,970	-	16,312,970
Net pension liability LGERS	609,927	609,927	1,219,854
OPEB obligation	851,023	397,144	1,248,167
Total noncurrent liabilities	17,773,920	1,007,071	18,780,991
Total liabilities	18,237,232	4,989,911	23,227,143
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - LGERS	24,834	24,834	49,668
Deferred inflows - OPEB	108,591	50,676	159,267
Total deferred inflows	133,425	75,510	208,935
NET POSITION			
Net investment in capital assets	14,903,451	54,368,536	69,271,987
Unrestricted	12,786,431	7,828,855	20,615,286
Total net position	\$ 27,689,882	\$ 62,197,391	\$ 89,887,273

The accompanying notes are an integral part of this statement.

EXHIBIT 7
Onslow County, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended 6/30/2021

	Solid Waste	Airport	Total
OPERATING REVENUES			
Charges for services	\$ 7,892,226	\$ 2,698,557	\$ 10,590,783
Other operating revenues	1,198,476	882,297	2,080,773
Total operating revenues	9,090,702	3,580,854	12,671,556
OPERATING EXPENSES			
Administration	492,494	766,050	1,258,544
Facility operations	1,812,062	2,235,996	4,048,058
Recycling	548,528	-	548,528
Electronics recycling	22,090	-	22,090
Refuse site	582,822	-	582,822
White goods	129,222	-	129,222
Landfill closure and postclosure	847,165	-	847,165
Environmental compliance	294,731	-	294,731
Depreciation	1,342,672	2,846,080	4,188,752
Total operating expenses	6,071,786	5,848,126	11,919,912
Operating income (loss)	3,018,916	(2,267,272)	751,644
NONOPERATING REVENUES (EXPENSES)			
Sale of capital assets	-	3,178	3,178
Governmental grants	-	4,190,225	4,190,225
Interest and investment revenue	7,879	1,233	9,112
Total nonoperating revenue (expenses)	7,879	4,194,636	4,202,515
Income (loss) before transfers	3,026,795	1,927,364	4,954,159
Transfers from (to) other funds	(219,674)	(656,009)	(875,683)
Change in net position	2,807,121	1,271,355	4,078,476
Total net position, beginning	24,882,761	60,926,036	85,808,797
Total net position, ending	\$ 27,689,882	\$ 62,197,391	\$ 89,887,273

The accompanying notes are an integral part of this statement.

EXHIBIT 8
Onslow County, North Carolina
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended 6/30/2021

	Solid Waste	Airport	Total
Cash flows from operating activities:			
Cash received from customers	\$ 7,713,114	\$ 5,095,557	\$ 12,808,671
Cash paid for goods and services	(2,528,021)	(998,325)	(3,526,346)
Cash paid to employees for services	(1,299,660)	(1,690,058)	(2,989,718)
Other operating revenue	1,251,061	908,893	2,159,954
Net cash provided by (used in) operating activities	5,136,494	3,316,067	8,452,561
Cash flows from noncapital financing activities:			
Transfers to other funds	(219,674)	(656,009)	(875,683)
Amounts received from advances to other funds	714	-	714
Net cash used by noncapital financing activities	(218,960)	(656,009)	(874,969)
Cash flows from capital and related financing activities:			
Government grants	-	4,190,225	4,190,225
Proceeds from sale of capital assets	-	3,178	3,178
Acquisition of capital assets	(1,850,088)	(17,393)	(1,867,481)
Net cash provided by (used by) capital and related financing activities	(1,850,088)	4,176,010	2,325,922
Cash flows from investing activities:			
Interest on investments	7,879	1,233	9,112
Net increase in cash and cash equivalents	3,075,325	6,837,301	9,912,626
Cash and cash equivalents, July 1	26,688,924	5,334,146	32,023,070
Cash and cash equivalents, June 30	\$ 29,764,249	\$ 12,171,447	\$ 41,935,696

Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:

	Solid Waste	Airport	Total
Operating income (loss)	\$ 3,018,916	\$ (2,267,272)	\$ 751,644
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation	1,342,672	2,846,080	4,188,752
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(179,112)	(99,184)	(278,296)
(Increase) decrease in advances from (to) other governments	52,585	26,596	79,181
(Increase) decrease in prepaid items	7,366	141,904	149,270
(Increase) decrease in deferred outflows	(117,059)	(210,882)	(327,941)
Increase (decrease) in accounts payable and accrued liabilities	(220,813)	13,396	(207,417)
Increase (decrease) in unearned revenues	-	2,496,184	2,496,184
Increase (decrease) in pension liability	146,408	378,167	524,575
Increase (decrease) in deferred inflows	(6,226)	(16,038)	(22,264)
Increase (decrease) in accrued landfill costs	847,165	-	847,165
Increase (decrease) in accrued OPEB obligation	247,280	(5,351)	241,929
Increase (decrease) in accrued vacation pay	(2,688)	12,467	9,779
Total adjustments	2,117,578	5,583,339	7,700,917
Net cash provided by (used in) operating activities	\$ 5,136,494	\$ 3,316,067	\$ 8,452,561

The accompanying notes are an integral part of this statement.

EXHIBIT 9
Onslow County, North Carolina
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	<u>Totals</u>
Assets:	
Cash and cash equivalents	\$ 108,323
Liabilities:	
Due to other government	<u>59,368</u>
Net Position:	
Restricted for other government	<u>48,955</u>
Total net position	<u><u>\$ 48,955</u></u>

The accompanying notes are an integral part of this statement.

EXHIBIT 10
Onslow County, North Carolina
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended 6/30/2021

	<u>Totals</u>
Additions:	
Ad valorem taxes for other governments	\$ 29,555,005
	<u>29,555,005</u>
Deductions:	
Tax distributions to other governments	<u>29,555,005</u>
	<u>29,555,005</u>
Net increase (decrease) in net position	-
Net position, beginning, as previously reported	-
Prior period restatement - change in accounting principle	<u>48,955</u>
Net position, beginning, restated	<u>48,955</u>
Net position, ending	<u>\$ 48,955</u>

The accompanying notes are an integral part of this statement.

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE I. Summary of Significant Accounting Policies

The accounting policies of Onslow County, North Carolina and its discretely presented 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. Onslow County Industrial Facility and Pollution Control Financing Authority (the Authority) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the combined financial statements. The Onslow County Hospital Authority (the Hospital), which has a September 30 year-end, is presented as if it were a proprietary fund. The Onslow County ABC Board (the Board), which has a June 30 year-end, is presented as if it were a proprietary fund.

Component Unit	Reporting Method	Criteria for Inclusion	For Separate Financial Statements
Onslow County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven- member board of commissioners that is appointed by the County commissioners. The County can remove any commissioner of the Authority with or without cause.	None issued
Onslow County Hospital Authority	Discrete	The Hospital is a public hospital operated by a not-for-profit corporation, which has leased the hospital facilities from the County until September 30, 2056. The County appoints the board of trustees for the Hospital. The County has also issued general obligation debt on behalf of the hospital.	Onslow County Hospital Authority 317 Western Boulevard Jacksonville, NC 28540
Onslow County ABC Board	Discrete	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.	Onslow County ABC Board 409 Center Street Jacksonville, NC 28540

NOTE I. Summary of Significant Accounting Policies, continued

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

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 except when services are provided or used. 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 of which is 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. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The County reports the following major governmental funds:

General Fund: This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Reserve Fund, Benefit Fund, Burton Park Fund, Workers Compensation Fund, Health Insurance Fund, Disaster Contingency Fund, LEO Special Separation Allowance Fund and Capital Improvement Fund are legally budgeted funds under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54, they are consolidated into the General Fund.

Capital Project Fund: This fund accounts for various construction projects. These projects will normally expand over more than one year.

School Construction Fund: This fund accounts for construction projects related to schools. These projects will normally expand over more than one year.

NOTE I. Summary of Significant Accounting Policies, continued

B. Basis of Presentation, Basis of Accounting, continued

Basis of Presentation, continued

Grant Project Fund: This fund accounts for funds received for various grant projects.

The County reports the following major enterprise funds:

Solid Waste Fund: This fund is used to account for the operations of the County landfill.

Airport Operations Fund: This fund is used to account for the operations of the Albert J. Ellis Airport.

The County reports the following fund types:

Custodial Funds. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private purpose trust funds. Custodial funds are used to account for assets the County holds on behalf of others that meet certain criteria. The County maintains the following custodial funds: the Municipal Tax Fund, which accounts for ad valorem and vehicle property taxes that are billed and collected by the County for various municipalities within the County but that are not revenues to the County, and the Bear Creek Volunteer Fire Fund, which accounts for monies deposited by the County for the operations of the Bear Creek Volunteer Fire Department

Non-major Funds: The County maintains five legally budgeted funds. The Memorial Fund, Emergency Telephone System Fund, Register of Deeds Fund, and Community Assistance Fund are reported as non-major special revenue funds.

Measurement Focus, Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements: The government-wide, proprietary, and pension trust fund financial statements are reported using the economic resources 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.

NOTE I. Summary of Significant Accounting Policies, continued

B. Basis of Presentation, Basis of Accounting, continued

Measurement Focus, Basis of Accounting, continued

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

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

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.

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 utilities franchise tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

NOTE I. Summary of Significant Accounting Policies, continued

B. Basis of Presentation, Basis of Accounting, continued

Measurement Focus, Basis of Accounting, continued

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

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, capital project (excluding the Capital Improvement Fund and the Grant Project Fund), and the Enterprise Funds. All annual appropriations lapse at the fiscal year end. Project ordinances are adopted for the Capital Projects Fund, the School Construction Fund, and the Enterprise Capital Projects Funds. The Enterprise Capital Projects Funds 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 function level (the legal level of budgetary control) for the general fund, special revenue, enterprise and the capital project funds. As allowed by statute, the Board has authorized the County Manager to transfer monies from one appropriation to another within the same fund, subject to such limitations and procedures as it may authorize. Department heads may request transfers of appropriations within a department. These requests are subject to the approval of the County Manager. The County Manager may transfer amounts between objects of expenditures and revenues within a function without limitation and may transfer amounts up to \$100,000 between functions of the same fund. The County Manager may not transfer any amounts between funds without action of the Board of Commissioners except when transferring amounts within and between funds for the sole purpose of funding salary and benefits adjustments consistent with the Onslow County Personnel Policy. The Finance Officer is to ensure that procedures are implemented to administer this policy. During the year, several amendments to the original budget were necessary.

The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted. A budget calendar is included in the North Carolina General Statutes, which prescribes the last day on which certain steps of the budget procedure are to be performed. The following schedule lists the tasks to be performed and the date by which each is required to be completed.

- | | |
|----------|---|
| April 30 | Each department head will transmit to the budget officer the budget requests and revenue estimates for their department for the budget year. |
| June 1 | The budget and the budget message shall be submitted to the governing board. The public hearing on the budget should be scheduled at this time. |
| July 1 | The budget ordinance shall be adopted by the governing board. |

NOTE I. Summary of Significant Accounting Policies, continued

C. Budgetary Data, continued

As required by State law [G.S. 159-26(d)], the County maintains encumbrance accounts, which are considered to be "budgetary accounts". Encumbrances outstanding at year-end represent the estimated amounts of the expenditures ultimately to result if unperformed contracts in progress at year-end are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. These encumbrances outstanding are reported as "reserved for encumbrances" in the fund balance section of the governmental funds balance sheet and will be charged against the subsequent year's budget.

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

1. Deposits and Investments

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

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

The County, the Hospital and the ABC Board's investments are generally reported at fair value. The NCCMT, which consists of two SEC-registered funds, is authorized by G.S. 159-309(c)(8). One of these funds, the Government Portfolio, is a 2a-7 fund which invests in treasuries and government agencies and is rated AAAm by S&P and AAmf by Moody Investor Services. The Governmental Portfolio is reported at fair value.

In accordance with State law, the County, the Hospital and the ABC Board has invested in securities which are callable, and which provide for periodic interest rate increases in specific increments until maturity. These investments are reported at fair value as determined by quoted market prices.

2. Cash and Cash Equivalents

The County pools monies from several funds to facilitate disbursement and investment and maximize investment income. Investment earnings are allocated to all funds based on the cash balance outstanding at the end of each month. The ABC Board considers all highly liquid investments (including restricted assets) with an original maturity of three months or less to be cash and cash equivalents, and records them at cost. For the Hospital, cash and cash equivalents include investments in highly liquid debt instruments with an original maturity of three months or less.

NOTE I. Summary of Significant Accounting Policies, continued

D. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity, continued

3. Restricted Assets

The unexpended bond proceeds of the Capital Projects installment purchases, limited obligation bonds, and general obligation bonds are classified as restricted assets on the balance sheet because their use is completely restricted to the purpose for which the bonds were originally issued.

Governmental Activities			
Capital Projects Fund	Unexpended loans and bond proceeds	\$	4,287,743
School Construction Fund	Unexpended loans and bond proceeds		14,732,854
Total restricted cash		\$	<u>19,020,597</u>

Restricted funds of the Hospital are used to differentiate resources, the use of which is restricted by donors, or grantors, from resources of general funds on which donors or grantors place no restriction or that arise as a result of the operations of the Hospital for its stated purposes. Funds restricted by donors for plant replacement and expansion are reclassified to the unrestricted fund balance to the extent expended within the period. Funds restricted by donors for specific operating purposes are reported in other revenue to the extent used within the period for the designated purpose. Restricted cash and investments include assets set aside by the Hospital's Board for future capital improvements, over which the Board retains control and may at its discretion subsequently use for other purposes, therefore these assets are not considered to be cash equivalents.

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies annual ad valorem taxes on real and personal property 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 each year. Personal property values are determined annually, while real estate values are based on the rates adopted during the last countywide revaluation, which was effective January 1, 2018.

5. Allowance for Doubtful Accounts

Allowances for doubtful accounts are maintained on all types of receivables that historically experience uncollectable amounts. Allowances are based on collection experience and management evaluation of the current status of existing receivables.

6. Inventory and Prepaid items

The inventories of the County, along the Hospital, and the ABC Board are valued at cost (first-in, first-out), which approximates market. The County's General Fund inventory consists of expendable supplies that are recorded as expenditures when consumed. The inventory of the County's enterprise funds as well as those of the Hospital and the ABC Board consists of materials and supplies held for consumption. The cost of the inventory carried in the County's enterprise funds and that of the Hospital and the ABC Board is recorded as an expense as it is consumed or sold.

NOTE I. Summary of Significant Accounting Policies, continued

D. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity, continued

6. Inventory and Prepaid items, continued

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

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

7. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to July 1, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. The County has established capitalization thresholds of \$1,500 for technological equipment and \$5,000 for all other capital items. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The County holds title to certain Onslow 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 Onslow County Board of Education.

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

Furniture and office equipment	3 to 5 years
Maintenance and construction equipment	10 years
Buildings and improvements	15 to 30 years
Automobiles and trucks	4 years

Property, plant, and equipment of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

Buildings	20 years
Furniture and equipment	10 years
Vehicles	3 to 5 years
Leasehold improvements	10 to 20 years

NOTE I. Summary of Significant Accounting Policies, continued

D. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity, continued

7. Capital Assets, continued

For the Hospital, depreciation is computed by the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	10 to 40 years
Land improvements	10 to 40 years
Equipment	5 to 15 years

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has several items that meets this criterion - a charge on refunding, pension related deferrals, and OPEB related deferrals. 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, and other pension and OPEB related deferrals.

9. Long-term Obligations

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premium and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expenses over the life of the debt.

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

10. Compensated Absences

The vacation policies of the County, the Hospital, and the ABC Board provide for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the County's government-wide and proprietary funds, the Hospital, and the ABC Board, 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, proprietary fund, and Hospital statements.

NOTE I. Summary of Significant Accounting Policies, continued

D. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity, continued

10. Compensated Absences, continued

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

11. Net Position/Fund Balances

Net Position

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

Fund Balances

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

The governmental fund types classify fund balance as follows:

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

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

Loan receivable – portion of fund balance that is not an available resource because it represents the year- end balance of the loan receivable, which is not spendable resources.

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

Restricted for Stabilization of State Statute - portion of fund balance that is restricted by State Statute [G.S. 159-8(s)].

Restricted for Register of Deeds - portion of fund balance that is restricted by revenue source to pay for the computer equipment and imaging technology for the Register of Deeds office.

Restricted for Health Programs - portion of fund balance to be used to pay Health Program costs.

NOTE I. Summary of Significant Accounting Policies, continued

D. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity, continued

11. Net Position/Fund Balances, continued

Restricted for Adoption Programs - portion of fund balance that is restricted by revenue source for adoption program expenditures.

Restricted for Drug Enforcement – portion of fund balance that is restricted by revenue source for drug enforcement expenditures.

Restricted for Occupancy Tax – portion of fund balance that is restricted to further the development of travel, tourism, and convention.

Restricted for Economic Development – portion of fund balance that can only be used for economic development.

Restricted for LCFH Agreement – portion of fund balance that can only be used for the LCFH Agreement.

Restricted for Sheriff – Judgements – portion of fund balance that can only be used for Sheriff judgements.

Restricted for NC Cooperative Extension – portion of fund balance that can only be used for the NC Cooperative Extension.

Restricted for School Construction – portion of fund balance that can only be used for School Capital per G.S. 159-18-22.

Restricted for Emergency Services – portion of fund balance that is restricted by revenue source for E-911.

Restricted for Capital Projects – portion of fund balance that can be used only for capital projects per G.S. 18B-805(d).

Restricted for Working Capital – portion of fund balance that is restricted by the North Carolina Alcoholic Beverage Control Commission.

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

Committed for Capital Improvements - portion of fund balance that can only be used for capital improvements.

Committed for Other Employee Benefits - portion of fund balance to be used to pay employees other employee benefits.

Committed for Workers' Compensation Insurance - portion of fund balance to be used to pay workers compensation claims.

NOTE I. Summary of Significant Accounting Policies, continued

D. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity, continued

11. Net Position/Fund Balances, continued

Committed for Community Assistance - portion of fund balance to be used for community assistance.

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

Assigned Fund Balance: Portion of fund balance that the Onslow County governing board has budgeted.

Subsequent year's expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however the budget ordinance authorizes the manager to modify the appropriations by resource or appropriation within funds up to \$100,000.

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

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

12. Defined Benefit Pension Plans

The County participates in three cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State, the Local Government Employee's Retirement System (LGERS) and the Registers of Deeds' Supplemental Pension Fund (RODSPF), 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 pension benefit plans and additions to/deductions from the state-administered defined benefit pension plans' fiduciary net positions have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. Investments are reported at fair value.

NOTE I. Summary of Significant Accounting Policies, continued

D. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity, continued

13. Stewardship, Compliance, and Accountability

Deficit Fund Balance

As of June 30, 2021, the Grant Project Fund reported a negative fund balance of \$(245,406). In the year ended June 30, 2021 the County will fund the Grant Project Fund through transfers from the General Fund.

As of June 30, 2021, the Solid Waste Construction Project Fund reported a negative fund balance of \$(28,846). In the year ended June 30, 2021 the County will fund the Solid Waste Construction Project Fund through transfers from the Solid Waste Fund.

Excess of Expenditures over Appropriations

At June 30, 2021, the Board had budgetary lines that exceeded the amended budget at the level of detail in which the budget was authorized as follows:

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Intergovernmental:				
Education	\$ 80,573,338	\$ 81,214,237	\$ 81,228,916	\$ (14,679)

With the GASB 84 implementation during Fiscal Year 2021, the Fines and Forfeitures no longer qualified as an Agency Fund and were moved to General Fund. This over expenditure occurred because the activity was limited at the Courthouse during the current and previous fiscal year with the COVID pandemic. When the court system resumed normal operations in the last quarter of the fiscal year, there was an influx of activity, causing the fines and forfeiture amounts to increase above normal. The County did have a revenue to cover this over expenditure. Management and the Board will review its estimates and monitor its budget reports for excess expenditures to ensure compliance in future years.

NOTE II. Detail Notes on All Funds

A. Assets

1. Deposits

All of the County's, the Hospital's, and the ABC Board'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 are collateralized with securities held by the County's, the Hospital's, or the ABC Board's 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 Hospital, and the ABC Board, these deposits are considered to be held by their agents in the entities' name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County, the Hospital, or the ABC Board or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County, the Hospital, or the ABC Board under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows.

NOTE II. Detail Notes on All Funds

A. Assets

1. Deposits, continued

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, ABC Board, and the Hospital rely on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County, ABC Board, and the Hospital have no formal policies regarding custodial credit risk for deposits.

At June 30, 2021, the carrying amount of the County's deposits was \$25,398,203, and the bank balance was \$27,061,008. Of the bank balance, \$500,000 was covered by federal depository insurance and the remainder was covered by collateral held under the Pooling Method. At June 30, 2021, the County had \$12,427 cash on hand.

At June 30, 2021, the carrying amount of deposits for Onslow County ABC Board was \$4,248,561 and the bank balance was \$4,724,334. Of the bank balance, \$250,000 was covered by federal depository insurance and the balance of \$4,474,334 was collateralized by institutions using the Pooling Method.

At September 30, 2020, the Hospital's deposits had a carrying amount of approximately \$18,807,000 and a bank balance of \$20,236,000. There is Federal Depository Corporation insurance of \$500,000 that is applicable to the bank balance as of September 30, 2020. The remaining balance was covered by collateral held under the Pooling Method.

2. Investments

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

Investment Type	Cost	Fair Value	Valuation Measurement Method	Less than 6 Months
Certificate of Deposit				
First Bank	\$ 2,626,008	\$ 2,626,008	Fair Value - Level 2	\$ 2,626,008
NC Cash Management Trust- Government Portfolio	136,858,846	136,858,846	Fair Value - Level 1	136,858,846
NC Cash Management Trust- Government Portfolio (Held through US Bank)	17,302,506	17,302,506	Fair Value - Level 1	17,302,506
	<u>\$ 156,787,360</u>	<u>\$ 156,787,360</u>		<u>\$ 156,787,360</u>

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

NOTE II. Detail Notes on All Funds, continued

A. Assets, 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 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 2: 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 practice is to limit the County's investment portfolio to maturities of less than one year. The County's investment policy also requires staggered investments so that maturities will coincide with necessary cash flows throughout the fiscal year.

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 (NRSRO's). As of June 30, 2021, the County's investments in commercial paper were rated P1 by Fitch Ratings, and A1 by Moody's Investors Service. The County's investments in the NC Capital Management Trust Government Portfolio carried a rating of AAAM by Standard & Poor's as of June 30, 2021. The County's investments in US Agencies (Federal Home Loan Bank) are rated AAA by Standard and Poor's and Aaa by Moody's Investors Service.

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 has no policy on custodial credit risk. The County utilizes a third party custodial agent for book entry transactions, all of which shall be a trust department authorized to do trust work in North Carolina who has an account with the Federal Reserve. Certificated securities shall be in the custody of the Director of Finance.

Concentration of Credit Risk: The County has no formal policy regarding the amount that may be invested in any one issuer of investments. Less than 5% of the County's investments are invested in each of the listed bank's commercial paper.

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

A. Assets, continued

2. Investments, continued

At September 30, 2020, the Hospital had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities			Allocation Percentage
		Less Than 1 Year	1 to 5 Years	6 to 10 Years	
Cash and Cash equivalents	\$ 1,242,582	\$ 1,242,582	\$ -	\$ -	3%
Short Term bond index fund	228,123	228,123	-	-	1%
US Treasury Notes	3,736,667	501,130	2,340,665	894,872	9%
Corporate Obligations	28,580,233	28,580,233	-	-	72%
Foreign Obligations	3,288,153	3,288,153	-	-	8%
Federal Agency Obligations	2,068,671	2,068,671	-	-	5%
Total liquid funds and interest	<u>\$ 39,144,429</u>	<u>\$ 35,908,892</u>	<u>\$ 2,340,665</u>	<u>\$ 894,872</u>	
Equities					
US Equity Securities	\$ 114,440				0%
Foreign Equity Securities	53,831				0%
Other	420,447				1%
Total equities	<u>588,718</u>				
Total fair value	<u>\$ 39,733,147</u>				<u>100%</u>

The Hospital's investment policy is subject to the Hospital Authorities Act North Carolina General Statute 159-30. The Hospital may, for funds not required for immediate disbursement, make investments which are permissible for trustees, executors, and other fiduciaries under North Carolina law. Funds designated by the Board of Commissioners are not needed for immediate operating needs and, as such, are invested in a mix of eligible investments, including cash equivalents.

Interest Rate Risk: The Hospital's fixed-income portfolio, the asset class within the total pension plan that is most susceptible to changes in interest rates, is bound with respect to duration (a measure of an investment's sensitivity to interest rate changes). The duration of the fixed-income portfolio should not exceed 130%, nor should it be less than 70%, of the Barclay Capital Aggregate Index (formerly the Lehman Brothers Aggregate Index), a fixed-income benchmark.

Credit Risk: The following details the Hospital's policy regarding credit risk.

Allowable Instruments:

The fixed-income manager must adhere to the following portfolio guidelines for investments:

- a) Instruments issued and fully guaranteed by the U.S. government or any of its agencies and instrumentalities.
- b) Mortgage-backed securities and collateralized mortgage obligations are acceptable, as long as the manager can demonstrate that they meet the specific maturity guidelines outlined for the portfolio. Mortgages are limited to 40% of the fixed-income portfolio.

NOTE II. Detail Notes on All Funds, continued

A. Assets, continued

2. Investments, continued

- c) Instruments issued by domestic corporations, including corporate notes and floating rate notes. Commercial paper must be rated A1, P1 or F1 by the appropriate and approved rating agencies.
- d) Obligations of domestic banks, including banker's acceptances, certificates of deposit, time deposits, notes and other debt instruments.
- e) Instruments of foreign countries, foreign banks, or foreign corporations must be denominated in U.S. dollars. These instruments are limited to 15% of the fixed-income portfolio.
- f) The following types of Euro issues are permitted: Euro CD's banker's acceptances, time deposits, bonds, and floating rate notes.
- g) Yankee securities (dollar-denominated securities of foreign issues) are permitted subject to the quality constraints outlined below.

Credit Quality:

This guideline is intended to give the investment manager sufficient latitude to periodically take advantage of bond quality yield spreads. The average quality shall be no less than 3 based on the following scale:

U.S. government and agencies	5.0
AAA	4.0
AA	3.0
A	2.0
BBB	1.0

The minimum quality of any individual security is BBB. If a security is downgraded to below BBB, the manager has the latitude to hold the security if deemed prudent. No more than 10% of the portfolio can be held in bonds rated below A-.

Custodial Credit Risk: All investments are uninsured and unregistered and are held by the broker's or dealer's trust department or agent in the Hospital's name.

Concentration of Credit Risk: In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*, the Hospital's investments are categorized by investment type. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes could materially affect amounts reported in the financial statements.

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

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

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

A. Assets, continued

3. Property Tax - Use-Value Assessment on Certain Lands, continued

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 1,084,312	\$ 355,112	\$ 1,439,424
2018	1,328,272	315,465	1,643,737
2019	1,348,305	198,875	1,547,180
2020	1,359,755	78,186	1,437,941
	<u>\$ 5,120,644</u>	<u>\$ 947,638</u>	<u>\$ 6,068,282</u>

4. Receivables

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

	<u>Accounts</u>	<u>Property Taxes</u>	<u>Total</u>
Governmental Activities:			
General	\$ 34,621,258	\$ 3,352,766	\$ 37,974,024
Capital projects fund	61,877	-	61,877
School construction fund	63,352	-	63,352
Grants fund	43,403	-	43,403
Other Governmental	148	-	148
Total Receivables	<u>34,790,038</u>	<u>3,352,766</u>	<u>38,142,804</u>
Allowance for Doubtful Accounts	<u>(10,343,617)</u>	<u>(1,322,911)</u>	<u>(11,666,528)</u>
Total Governmental Activities	<u>\$ 24,446,421</u>	<u>\$ 2,029,855</u>	<u>\$ 26,476,276</u>
Business-type Activities:			
Solid Waste	\$ 869,117	\$ -	\$ 869,117
Airport	281,163	-	281,163
Total Receivables	<u>1,150,280</u>	<u>-</u>	<u>1,150,280</u>
Allowance for Doubtful Accounts	<u>(75)</u>	<u>-</u>	<u>(75)</u>
Total for Business-Type Activities	<u>\$ 1,150,205</u>	<u>\$ -</u>	<u>\$ 1,150,205</u>

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

A. Assets, continued

4. Receivables, continued

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

	Governmental Activities	Business-Type Activities
Sales tax refunds	\$ 1,396,789	\$ 104,197
Total	<u>\$ 1,396,789</u>	<u>\$ 104,197</u>

The Hospital's accounts receivable are presented net of the allowance for uncollectible accounts of \$55,065,160.

5. Capital Assets

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

	Beginning Balances	Increases	Decreases and Adjustments	Transfers	Ending Balances
Governmental Activities:					
Non-Depreciable Capital Assets:					
Land	\$ 14,036,171	\$ 813,920	\$ (98,545)	\$ -	\$ 14,751,546
Construction in progress	1,691,732	1,927,453	(336,496)	-	3,282,689
Total non-depreciable capital assets	<u>15,727,903</u>	<u>2,741,373</u>	<u>(435,041)</u>	<u>-</u>	<u>18,034,235</u>
Depreciable Capital Assets:					
Buildings	142,413,725	475,756	(1,384,287)	-	141,505,194
Improvements	25,801,312	1,410,221	(20,355)	-	27,191,178
Equipment	21,006,140	1,277,159	(443,372)	-	21,839,927
Computer Equipment	6,318,898	1,446,923	(32,443)	-	7,733,378
Vehicles	12,215,602	2,425,160	(1,501,508)	(23,335)	13,115,919
Heavy Equipment	338,488	-	-	-	338,488
Total depreciable capital assets	<u>208,094,165</u>	<u>7,035,219</u>	<u>(3,381,965)</u>	<u>(23,335)</u>	<u>211,724,084</u>
Less Accumulated Depreciation:					
Buildings	42,582,256	4,169,100	(126,893)	-	46,624,463
Improvements	13,291,042	1,014,742	-	96	14,305,880
Equipment	10,745,268	1,256,824	(441,148)	-	11,560,944
Computer Equipment	6,073,986	870,310	(26,520)	(96)	6,917,680
Vehicles	8,717,317	1,613,693	(1,358,394)	(10,519)	8,962,097
Heavy Equipment	248,092	24,523	-	-	272,615
Total accumulated depreciation	<u>81,657,961</u>	<u>8,949,192</u>	<u>(1,952,955)</u>	<u>(10,519)</u>	<u>88,643,679</u>
Total depreciable capital assets, net	<u>126,436,204</u>				<u>123,080,405</u>
Governmental Activity					
Capital Assets, Net	<u>\$ 142,164,107</u>				<u>\$ 141,114,640</u>

Capital projects reported on Exhibit 4 includes \$36,016,296 related to school improvements and construction for assets that are not included in the County's capital assets.

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

A. Assets, continued

5. Capital Assets, continued

Primary Government

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

Governmental activities:

General government	\$ 2,639,203
Public Safety	4,669,365
Economic and physical development	129,450
Human services	1,112,537
Cultural and recreational	362,689
Environmental Protection	35,948
Total depreciation expense - governmental activities	<u>\$ 8,949,192</u>

	Beginning Balances	Increases	Decreases and Adjustments	Transfers	Ending Balances
<u>Business-type activities:</u>					
Solid Waste					
Non-Depreciable Capital Assets:					
Land	\$ 1,284,081	\$ -	\$ -	\$ -	\$ 1,284,081
Construction in progress	397,084	108,831	-	-	505,915
Total capital assets not being depreciated	<u>1,681,165</u>	<u>108,831</u>	<u>-</u>	<u>-</u>	<u>1,789,996</u>
Depreciable Capital Assets:					
Buildings	2,213,018	-	-	-	2,213,018
Improvements	29,378,066	396,078	-	-	29,774,144
Equipment	802,265	37,856	-	-	840,121
Computer equipment	8,612	57,383	-	-	65,995
Vehicles	727,327	-	(18,392)	23,335	732,270
Heavy Equipment	4,710,028	1,249,938	-	-	5,959,966
Total capital assets being depreciated	<u>37,839,316</u>	<u>1,741,255</u>	<u>(18,392)</u>	<u>23,335</u>	<u>39,585,514</u>
Less Accumulated Depreciation:					
Buildings	2,120,703	5,710	-	-	2,126,413
Improvements	19,291,944	845,765	-	-	20,137,709
Equipment	277,058	122,539	-	-	399,597
Computer Equipment	6,208	1,254	-	-	7,462
Vehicles	715,607	4,084	(18,392)	23,335	724,634
Heavy Equipment	2,712,925	363,319	-	-	3,076,244
Total accumulated depreciation	<u>25,124,445</u>	<u>1,342,671</u>	<u>(18,392)</u>	<u>23,335</u>	<u>26,472,059</u>
Total capital assets being depreciated, net	<u>12,714,871</u>				<u>13,113,455</u>
Solid Waste capital assets, net	<u>\$ 14,396,036</u>				<u>\$ 14,903,451</u>

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

A. Assets, continued

5. Capital Assets, continued

	Beginning Balances	Increases	Decreases & Adjustments	Transfers	Ending Balances
<u>Business-type activities:</u>					
Airport					
Non-Depreciable Capital Assets:					
Land	\$ 870,894	\$ -	\$ -	\$ -	\$ 870,894
Construction in progress	-	2,693	-	-	2,693
Total capital assets not being depreciated	870,894	2,693	-	-	873,587
Depreciable Capital Assets:					
Buildings	36,022,545	-	-	-	36,022,545
Improvements	29,341,640	-	-	-	29,341,640
Equipment	6,093,164	14,700	-	-	6,107,864
Computer equipment	44,742	-	-	-	44,742
Vehicles	1,302,963	-	-	-	1,302,963
Heavy Equipment	137,798	-	-	-	137,798
Total capital assets being depreciated	72,942,852	14,700	-	-	72,957,552
Less Accumulated Depreciation:					
Buildings	4,349,767	1,177,971	-	-	5,527,738
Improvements	9,939,314	1,234,803	571	-	11,174,688
Equipment	944,196	402,313	(571)	-	1,345,938
Computer Equipment	44,727	15	-	-	44,742
Vehicles	1,231,638	27,478	-	-	1,259,116
Heavy Equipment	106,881	3,500	-	-	110,381
Total accumulated depreciation	16,616,523	2,846,080	-	-	19,462,603
Total capital assets being depreciated, net	56,326,329				53,494,949
Airport capital assets, net	\$ 57,197,223				\$ 54,368,536

Business-type activities

Depreciation expense was charged to function/programs of the business type activities as follows:

Business-type activities	
Solid Waste	\$ 1,343,212
Airport	2,846,651
Total depreciation expense - business-type activities	<u>\$ 4,189,863</u>

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

A. Assets, continued

5. Capital Assets, continued

The Hospital leases the Hospital's property and plant from the County of Onslow. The real estate is leased to the Hospital under a long term lease that ends December 31, 2056. Under this lease agreement, the Hospital has the ability to grant a mortgage on the Hospital's leasehold interest over the real estate to the holder of the mortgage securing the Hospital financing for the repaying of principal and interest on any of the bonds originally issued to partially finance construction of the Hospital's expansion of its facilities.

The County has active construction projects at June 30, 2021. These projects include airport upgrades, recreational and tourism related facilities, economic development projects and general facility needs. At year-end, the County's commitments with contractors are as follows:

Project	Budget	Spent-to-date	Remaining Commitment
Discovery Gardens	\$ 1,205,390	\$ 1,066,896	\$ 138,494
Sylvester House Preservation	100,000	16,600	83,400
Crisis Center	2,025,888	1,847,955	177,933
Burton Park Bike Trail	448,784	292,942	155,842
Beach Access Repairs	709,000	467,188	241,812
Animal Shelter Expansion	4,255,000	3,117,328	1,137,672
	<u>\$ 8,744,062</u>	<u>\$ 6,808,909</u>	<u>\$ 1,935,153</u>

Enterprise Fund Commitments

Project	Budget	Spent-to-date	Remaining Commitment
Landfill Improvement Projects	\$ 1,172,000	\$ 857,287	\$ 314,713
Convenience Site Projects	275,000	168,757	106,243
Landfill Expansion Phase 5	325,000	306,294	18,706
ATCT	5,793,200	5,635,288	157,912
Taxiway Runway Rehabilitation	570,000	2,693	567,307
	<u>\$ 8,135,200</u>	<u>\$ 6,970,319</u>	<u>\$ 1,164,881</u>

School Fund Commitment

Project	Budget	Spent-to-date	Remaining Commitment
Richlands Elementary School	\$ 24,038,557	\$ 22,155,011	\$ 1,883,546
Regional Skills Training Center	12,792,910	10,517,718	2,275,192
West Central Elementary School	30,275,683	24,238,631	6,037,052
New Southern Elementary School	32,459,154	29,941,158	2,517,996
	<u>\$ 99,566,304</u>	<u>\$ 86,852,518</u>	<u>\$ 12,713,786</u>

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

A. Assets, continued

5. Capital Assets, continued

Discretely presented component units

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

	Beginning Balances	Increases	Transfers	Decreases	Ending Balances
Non-Depreciable Capital Assets:					
Land	\$ 2,454,553	\$ -	\$ -	\$ -	\$ 2,454,553
Construction in progress	84,707	-	-	84,707	-
Total capital assets not being depreciated	2,539,260	-	-	84,707	2,454,553
Depreciable Capital Assets:					
Buildings	5,975,061	-	-	-	5,975,061
Furniture/Equipment	1,160,651	132,136	-	-	1,292,787
Vehicles	186,412	46,500	-	-	232,912
Leasehold improvements	394,402	174,424	-	-	568,826
Total capital assets being depreciated	7,716,526	353,060	-	-	8,069,586
Less Accumulated Depreciation:					
Buildings	1,860,851	180,777	-	-	2,041,628
Furniture/Equipment	820,073	93,256	-	-	913,329
Vehicles	137,980	12,514	-	-	150,494
Leasehold improvements	168,913	20,762	-	-	189,675
Total accumulated depreciation	2,987,817	307,309	-	-	3,295,126
Total capital assets being depreciated, net	4,728,709				4,774,460
ABC Board capital assets, net	\$ 7,267,969				\$ 7,229,013

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

A. Assets, continued

5. Capital Assets, continued

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

	Beginning Balances	Transfers/ Additions	Transfers/ Decreases	Ending Balances
Non-Depreciable Capital Assets:				
Land	\$ 4,629,518	\$ -	\$ -	\$ 4,629,518
Construction in progress	3,323,063	1,506,992	(3,412,068)	1,417,987
Total capital assets not being depreciated	7,952,581	1,506,992	(3,412,068)	6,047,505
Depreciable Capital Assets:				
Land improvements	1,040,282	-	-	1,040,282
Buildings and improvements	84,383,833	5,227,790	-	89,611,623
Equipment	80,721,826	5,451,889	(686,456)	85,487,259
Total capital assets being depreciated	166,145,941	10,679,679	(686,456)	176,139,164
Less Accumulated Depreciation:	107,201,602	9,635,489	(631,326)	116,205,765
Hospital capital assets, net	<u>\$ 66,896,920</u>			<u>\$ 65,980,904</u>

B. Liabilities

1. Payables

Payables at June 30, 2021 were as follows:

	Vendors	Salaries & Benefits	Customer Deposits	Other	Total
Governmental Activities:					
General	\$ 2,570,764	\$ 4,996,996	\$ 1,647,106	\$ 428,895	\$ 9,643,761
Capital projects fund	98,065	-	-	-	98,065
School construction fund	3,376,583	-	-	-	3,376,583
Grants fund	55,961	-	-	-	55,961
Other Governmental Activities	2,628	-	-	-	2,628
Total Governmental Activities	<u>\$ 6,104,001</u>	<u>\$ 4,996,996</u>	<u>\$ 1,647,106</u>	<u>\$ 428,895</u>	<u>\$ 13,176,998</u>
Business-Type Activities:					
Solid Waste	\$ 261,464	\$ 104,559	\$ -	\$ 3,222	\$ 369,245
Airport	101,078	109,853	-	-	210,931
Total Business-Type Activities	<u>\$ 362,543</u>	<u>\$ 214,412</u>	<u>\$ -</u>	<u>\$ 3,222</u>	<u>\$ 580,177</u>

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations

a. Local Government Employee's Retirement System

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

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

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of any 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.

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

a. Local Government Employee's Retirement System, continued

Contributions: Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Plan members are required to contribute six percent of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's and ABC Board's contractually required contribution rate for the year ended June 30, 2021 was 10.90% for law enforcement officers and 10.15% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the benefits earned by employees during the year. Contributions to the pension plan from the County were \$5,502,148 for the year ended June 30, 2021. Contributions to the pension plan by the ABC Board were \$191,803 for the year ended June 30, 2021.

Refunds of Contributions: County and ABC Board 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 \$28,349,418 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension 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 LGERS employers, actuarially determined. At June 30, 2021, the County's proportion was .79334% which was a decrease of .05531% from its proportion measured as of June 30, 2020 (measured as of June 30, 2019).

For the year ended June 30, 2021, the County recognized pension expense of \$9,438,538. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

a. Local Government Employee's Retirement System, continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,580,034	\$ -
Changes of assumptions	2,109,753	-
Net difference between projected and actual earnings on pension plan investments	3,989,421	-
Changes in proportion and difference between County contributions and proportionate share of contributions	64,826	1,154,296
County contributions subsequent to the measurement date	5,502,148	-
Total	<u><u>\$ 15,246,182</u></u>	<u><u>\$ 1,154,296</u></u>

\$5,502,148 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	\$ 2,402,858
2023	3,241,266
2024	1,764,950
2025	1,180,664
2026	-
Thereafter	-
	<u><u>\$ 8,589,738</u></u>

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

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

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

a. Local Government Employee's Retirement System, 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 or 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 for the period 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 forgoing 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:

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

The information above is based on 30 year expectations developed with the consulting actuary for the 2016 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 II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

a. Local Government Employee's 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 as set to changes in the discount rate: The following represents the County's proportionate share of the net pension asset calculated using the discount rate of 7.0 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 (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

	<u>1% Decrease (6.0%)</u>	<u>Discount (7.0%)</u>	<u>1% Increase (8.0%)</u>
County's proportionate share of the net pension liability (asset)	\$ 57,517,880	\$ 28,349,418	\$ 4,108,375

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.

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

At June 30, 2021, the Board reported a liability of \$691,458 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension 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 Board's proportion of the net pension asset was based on a projection of the Board'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 Board's proportion was .01935% which was an increase of .00062% from its proportion measured as of June 30, 2020.

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

a. Local Government Employee's Retirement System, continued

For the year ended June 30, 2021, the Board recognized pension expense of \$271,411. At June 30, 2021, the Board 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	\$ 87,319	\$ -
Changes of assumptions	51,458	-
Net difference between projected and actual earnings on pension plan investments	97,304	-
Changes in proportion and difference between County contributions and proportionate share of contributions	75,109	-
County contributions subsequent to the measurement date	191,803	-
Total	<u>\$ 502,993</u>	<u>\$ -</u>

\$191,803 reported as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as an increase 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:

2022	\$ 97,120
2023	113,297
2024	71,976
2025	28,797
2026	-
Thereafter	-
	<u>\$ 311,190</u>

The Board's plan uses the same Actuarial Assumptions, and Discount Rate information as previously reported.

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

a. Local Government Employee's Retirement System, continued

Sensitivity of the Board's proportionate share of the net pension as set to changes in the discount rate: The following represents the Board's proportionate share of the net pension asset calculated using the discount rate of 7.0 percent, as well as what the Board'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 (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

	<u>1% Decrease (6.0%)</u>	<u>Discount (7.0%)</u>	<u>1% Increase (8.0%)</u>
Board's proportionate share of the net pension liability (asset)	\$ 1,402,893	\$ 691,458	\$ 100,206

b. Law Enforcement Officers' Special Separation Allowance

1. Plan Description

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

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

Inactive members currently receiving benefits	24
Active members	<u>149</u>
	<u>173</u>

A separate report was not issued for the plan.

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

b. Law Enforcement Officers' Special Separation Allowance, continued

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 that meets the following criteria which are outlined in GASB Statements 73.

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	2.5 percent
Salary increases	3.50 to 7.35 percent, including inflation and productivity factor
Discount rate	1.93 percent

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

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

MORTALITY ASSUMPTION: All mortality rates use Pub-2010 amount-weighted tables.

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

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

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

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

DEATHS PRIOR TO RETIREMENT: Mortality rates are based on the Safety Mortality Table for Employees.

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

b. Law Enforcement Officers' Special Separation Allowance, continued

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 on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$268,272 as benefits came due for the reporting period.

At June 30, 2021, the County reported a total pension liability of \$5,138,826. 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 \$646,766

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 445,364	\$ 174,468
Changes of assumptions	1,238,519	68,147
Benefit payments and plan administrative expenses made subsequent to the measurement date	230,849	-
Total	<u>\$ 1,914,732</u>	<u>\$ 242,615</u>

\$230,849 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2022	\$ 338,465
2023	303,933
2024	266,080
2025	286,369
2026	246,421
Thereafter	-
Total	<u>\$ 1,441,268</u>

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

b. Law Enforcement Officers' Special Separation Allowance, continued

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

	1% Decrease (0.93%)	Discount Rate (1.93%)	1% Increase (2.93%)
Total pension liability	\$ 5,595,646	\$ 5,138,826	\$ 4,722,946

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

	<u>2021</u>
Beginning balance	\$ 3,388,299
Service cost	201,393
Interest on the total pension liability	105,772
Changes of benefit terms	-
Differences between expected and actual experience	
in the measurement of the total pension liability	378,086
Changes of assumptions or other inputs	1,352,800
Benefit payments	<u>(287,524)</u>
Ending balance of the total pension liability	<u>\$ 5,138,826</u>

Changes in assumptions: Change of assumptions and other inputs reflect a change in the discount rate from 3.26 percent at December 30, 2019 (measurement date) to 1.93 percent at December 31, 2020 (measurement date).

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

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 II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

c. Supplemental Retirement Income Plan (401k) for Law Enforcement Officers

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

Funding Policy: Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each 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 \$702,096 which consisted of \$386,466 from the County and \$315,630 from the law enforcement officers and other employees.

d. Supplemental Retirement Income Plan (401k) for Non Law Enforcement Officers

The County has chosen to extend the supplemental retirement income plan (401K) to non-law enforcement employees. The county contributes an amount equal ranging from .5% to 1% of all gross earnings for qualified permanent full-time and part-time employees, and additionally matches the employee contribution up to a total from 2% to 4% of gross earnings depending on employment date. Contributions for the year ended June 30, 2021 were \$2,592,199, which consisted of \$1,093,414 from the County and \$1,498,785 from employees.

e. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The County has complied with changes in the laws which govern the County's Deferred Compensation Plan, requiring all assets of the plan to be held in trust for the exclusive benefit of the participants and their beneficiaries. Formerly, the undistributed amounts, which had been deferred by the plan participants, were required to be reported as assets of the County. In accordance with GASB Statement 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," the County's Deferred Compensation Plan is no longer reported within the County's Custodial Funds.

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

f. Registers of Deeds' Supplemental Pension Fund

Plan Description: Onslow County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members - nine appointed by the Governor, one appointed by the state Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Registers of Deeds' Supplemental Pension Fund is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410 or 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 each year of service. Because of the statutory limits noted above, not all contributions available for benefits are distributed.

Contributions: Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contributions. The actuarially determined contribution this year and for the foreseeable future is zero. Register of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$26,260 for the year ended June 30, 2021.

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

At June 30, 2021, the County reported an asset of \$518,944 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2020. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2021, the County's proportion was 2.26435% which was an increase of .22927% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the County recognized pension expense of \$19,412. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

f. Registers of Deeds' Supplemental Pension Fund, continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 10,575
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	44,404
Changes in proportion and differences between employer contributions and proportionate share of contributions	21,554	29,029
County contributions subsequent to the measurement date	26,260	-
Total	<u>\$ 47,814</u>	<u>\$ 84,008</u>

\$26,260 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 Ending June 30	Amount
2022	\$ (11,459)
2023	(19,770)
2024	(20,039)
2025	(11,186)
2026	-
Thereafter	-
Total	<u>\$ (62,454)</u>

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

Actuarial Assumptions:	
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 II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

f. Registers 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 or healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study as of December 31, 2014.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 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 3.0%. All rates of return and inflation are annualized.

Discount Rate: The discount rate used to measure the total pension liability was 3.75%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at statutorily required rates, 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 as set to changes in the discount rate: The following represents 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:

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

f. Registers of Deeds' Supplemental Pension Fund, continued

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
County's proportionate share of the net pension (asset)	\$ (440,778)	\$ (518,944)	\$ (585,085)

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.

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

The net pension liability for LGERS and ROD was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2019. The total pension liability for LEOSSA was measured as of December 31, 2020, with an actuarial valuation date of December 31, 2019. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contribution of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>TOTAL</u>
Proportionate Share of Net Pension Liability (Asset)	\$ 28,349,418	\$ (518,944)	\$ -	\$ 27,830,474
Proportion of the Net Pension Liability (Asset)	0.7933%	-2.2640%	-	-
Total Pension Liability	-	-	5,138,826	5,138,826
Pension Expense	9,438,538	19,412	646,766	10,104,716

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	\$ 3,580,034	\$ -	\$ 445,364	\$ 4,025,398
Change of assumptions	2,109,753	-	1,238,519	3,348,272
Net difference between projected and actual earnings on pensions plan investments	3,989,421	-	-	3,989,421
Changes in proportion and differences between County contributions and proportionate share of contributions	64,826	21,554	-	86,380
County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	5,502,148	26,260	230,849	5,759,257
<u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	\$ -	\$ 10,575	\$ 174,468	\$ 185,043
Change of assumptions	-	-	68,147	68,147
Net difference between projected and actual earnings on pensions plan investments	-	44,404	-	44,404
Changes in proportion and differences between County contributions and proportionate share of contributions	1,154,296	29,029	-	1,183,325

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

h. Other Post-Employment Benefits (OPEB)

Healthcare benefits

Plan Description: Under County policy, Onslow County provides postemployment healthcare benefits through a single-employer defined benefit Healthcare Benefits Plan (HCB Plan). The Board of Commissioners may amend the benefit provisions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits Provided: As of July 1, 2009, this plan does not provide postemployment healthcare benefits to retirees of the County with a hire date after June 30, 2009. For employees hired prior to July 1, 2009, this plan provides postemployment healthcare benefits to retirees who participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least ten years of continuous employment with Onslow County Government immediately preceding retirement, twelve months of which may be represented by accumulated sick leave as calculated by the System. The County has elected to a portion of the cost of coverage for these benefits to qualified retirees until the age of 65. Also, qualified County retirees can purchase coverage for their dependents at the County's group rates. A separate report was not issued for the plan.

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

Retired members	146
Active members:	<u>281</u>
Total	<u><u>427</u></u>

Total OPEB Liability

The County's total OPEB liability of \$21,332,321 was measured as of June 30, 2020 and was determined by an actuarial valuation as of that date.

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

Inflation	2.50%
Real Wage Growth	1.00%
Wage Inflation	3.50%
Salary increases, including inflation	3.50-7.75%
Municipal Bond Index	
Prior Measurement Date	3.50%
Measurement Date	2.21%
Health Care Cost Trends	
Pre-Medicare Medical and Prescription Drug	7.00% for 2019 decreasing to an ultimate rate of 4.50% by 2026

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

h. Other Post-Employment Benefits (OPEB), continued

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

Balance at July 1, 2020	\$ 20,124,773
Service Cost	443,943
Interest	691,590
Difference between expected and actual experience	111,970
Changes of assumptions or other inputs	1,592,071
Benefit payments	<u>(1,632,026)</u>
Net changes	<u>1,207,548</u>
Balance at June 30, 2021	<u>\$ 21,332,321</u>

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

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

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

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

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

	1% Decrease	Discount Rate	1% Increase
	<u>1.21%</u>	<u>2.21%</u>	<u>3.21%</u>
Total OPEB Liability	\$ 22,666,361	\$ 21,332,321	\$ 20,085,664

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

h. Other Post-Employment Benefits (OPEB), continued

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

	Healthcare Cost		
	1% Decrease	Trend	1% Increase
Total OPEB Liability	\$ 19,626,210	\$ 21,332,321	\$ 23,253,195

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 \$181,840. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and	\$ 135,441	\$ 2,427,436
Changes of assumption or other inputs	1,419,145	294,574
County contributions subsequent to the measurement date	1,064,708	-
Total	<u>\$ 2,619,294</u>	<u>\$ 2,722,010</u>

\$1,064,708 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 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	\$ (912,680)
2023	(647,986)
2024	393,242
2025	-
2026	-
Thereafter	-
	<u>\$ (1,167,424)</u>

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

i. 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.

j. Healthcare Benefits - Onslow County ABC Board

Plan Description: Under the terms of a Board resolution, the Board administers a single-employer defined benefit, Healthcare Benefits Plan (the HCB Plan).

Benefits Provided: As of February 19, 2008, this plan provides post-employment healthcare benefits to retirees of the Board, provided they participate in the North Carolina Local Governmental Employee's Retirement System (System) and have at least thirty continuous years of creditable service with the Board. The Board pays the full cost of these benefit premium payments for the remainder of their lives. At the age of sixty-five retirees must secure their Medicare Part D prescription drug coverage. The Board will continue to pay 100% of the medical supplement plan and Medicare D prescription drug insurance premiums. Also, the Board's retirees cannot purchase spouse or dependent coverage.

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	2
Active members	<u>60</u>
Total	<u><u>62</u></u>

Total OPEB Liability

The Board's total OPEB liability of \$582,946 was measured as of June 30, 2020 and was determined by an actuarial valuation as of that date.

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

j. Healthcare Benefits - Onslow County ABC Board, continued

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

Inflation	2.50%
Real Wage Growth	1.00%
Wage Inflation	3.50%
Salary increases, including inflation	3.50-7.75%
Municipal Bond Index	
Prior Measurement Date	3.50%
Measurement Date	2.21%
Health Care Cost Trends	
Pre-Medicare	7.0% for 2019 decreasing to an ultimate rate of 4.50% by 2026

The discount rate used to measure the TOL was based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Bond Buyer.

Changes in the Total OPEB Liability

Balance at June 30, 2019	\$ 478,950
Service Cost	31,545
Interest	17,472
Difference between expected and actual experience	(3,216)
Changes of assumptions or other inputs	80,935
Benefit payments	(22,740)
Net changes	<u>103,996</u>
Balance at June 30, 2020	<u><u>\$ 582,946</u></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 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2015.

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

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

j. Healthcare Benefits - Onslow County ABC Board, continued

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

	1% Decrease	Discount Rate	1% Increase
	1.21%	2.21%	3.21%
Total OPEB Liability	\$ 658,408	\$ 582,946	\$ 518,769

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

	1% Decrease	Healthcare Cost	1% Increase
		Trend	
Total OPEB Liability	\$ 500,886	\$ 582,946	\$ 686,044

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 \$2,664. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 329,583
Changes of assumption or other inputs	74,403	82,588
County contributions subsequent to the measurement date	19,969	-
Total	<u>\$ 94,372</u>	<u>\$ 412,171</u>

\$19,969 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

j. Healthcare Benefits - Onslow County ABC Board, continued

Year Ended June 30:

2022	\$	(46,353)
2023		(46,353)
2024		(46,353)
2025		(46,353)
2026		(46,353)
Thereafter		(106,003)
	<u>\$</u>	<u>(337,768)</u>

k. Healthcare Benefits - Onslow County Hospital Authority

Plan Description: The Hospital maintains a single-employer defined-benefit medical benefit plan (the OPEB Plan), providing medical insurance benefits to eligible retirees. The Hospital does not issue separate financial statements for this the OPEB Plan.

Benefits Provided: The health care plan provides two benefits. Under one benefit, eligible employees who retire between the age 55 and 65, who have been continuously employed full time for a minimum of 10 years and have been covered under the current health insurance program for that period immediately preceding retirement may opt to continue health coverage under the current health plan until the eligible employee attains age 65. The Hospital will pay 5% of the premium cost for the retired employee for each year of full-time employment subject to a maximum of 100%. This benefit is referred to as the 55 to 65 benefit.

Under a second benefit, the Hospital will purchase a Medicare supplement insurance policy for eligible employees retiring at or over age 65 who have been continuously employed full time for a minimum of 10 years and has been covered under the current health insurance program for that period immediately preceding retirement and employees attaining age 65. The Hospital also purchases a Medicare supplement insurance policy for individuals receiving the 55 to 65 benefit once they attain age 65. This benefit is referred to as the 65 and over benefit.

Contributions: The Hospital does not pre-fund benefits. The current funding policy is to pay benefits directly from general on a pay-as-you-go basis and there is not a trust for accumulating plan assets.

Employees covered by benefit terms: With respect to eligibility, employees hired before June 1, 2013, are eligible (upon meeting the requirements described above) for the 55 to 65 benefit and the 65 and over benefit. Employees hired after June 1, 2013, are eligible (upon meeting the requirements described above) for the 55 to 65 benefit, but are not able to participate in the 65 and over benefit.

Employee dependents are not covered by the OPEB program. The Board of Commissioners of the Hospital may amend the benefit provisions.

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

k. Healthcare Benefits - Onslow County Hospital Authority, continued

Effective October 1, 2018, actives hired on or after October 1, 2009 are not eligible for benefits. The following is a summary of the participants in the OPEB program as of September 30, 2019:

	Hired before October 1, 2009
Active employees	322
Retirees	131
Total	453

Total OPEB Liability: The Hospital's total net OPEB liability of \$14,129,772 was measured as of September 30, 2020 and was determined by an actuarial valuation as of September 30, 2020.

Actuarial Assumptions: The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Cost Method. Under this method a projected retirement benefit at assumed retirement age is computed for each participant using anticipated future pay increases. The normal cost for each participant is computed as the level percentage of pay which, if paid from each participant's date of employment by the employer or any predecessor employer (thus, entry age) to his or her assumed retirement date, would accumulate with interest at the rate assumed in the valuation to an amount sufficient to fund his or her projected retirement benefit.

The discount rate used to measure the total OPEB liability represents the Bond Buyer's 20-year General Obligation Index coinciding with the measurement date.

The total OPEB Plan liability was determined during the following actuarial assumptions, applied to all periods included in the measurement:

	<u>2020</u>
Discount Rate	2.21%
Salary increases, including inflation	2.50%
Mortality:	
Base Table	Pub-2010
Projected Scale	MP-2020
Medical Trend Rates:	
Pre-65 Medical	
Initial Trend Rate	6.30%
Ultimate Trend Rate	3.90%
Year Rate Reaches Ultimate Trend	2082
Post-65 Medical	
Initial Trend Rate	6.30%
Ultimate Trend Rate	3.90%
Year Rate Reaches Ultimate Trend	2082

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

k. Healthcare Benefits - Onslow County Hospital Authority, continued

Changes in Total OPEB Liability: For the years ended September 30, the Hospital's OPEB plan liability changed as follows:

	<u>2020</u>
Balance at Beginning of Year	\$ 15,153,534
Service Cost	195,812
Interest	395,712
Effect of plan changes	-
Changes of assumptions or other inputs	(663,075)
Benefit payments	(952,211)
Net changes	<u>(1,023,762)</u>
Balance at End of Year	<u><u>\$ 14,129,772</u></u>

At September 30, 2020, the Hospital reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 216,211	\$ -
Changes of assumption or other inputs	1,479,706	1,839,890
County contributions subsequent to the measurement date	-	-
Total	<u><u>\$ 1,695,917</u></u>	<u><u>\$ 1,839,890</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	
2021	\$ (314,839)
2022	111,418
2023	59,448
	<u><u>\$ (143,973)</u></u>

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

NOTE II. Detail Notes on All Funds, continued

2. Pension Plan Obligations, continued

k. Healthcare Benefits - Onslow County Hospital Authority, continued

	1% Decrease	Discount Rate	1% Increase
	1.21%	2.21%	3.21%
Total OPEB Liability	\$ 16,418,580	\$ 14,129,772	\$ 12,324,892

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

	1% Decrease	Healthcare Cost	1% Increase
		Trend	
Total OPEB Liability	\$ 12,099,982	\$ 14,129,772	\$ 16,691,327

l. Onslow County Hospital Authority Retirement Plan

The Hospital offers a voluntary 403(b) retirement savings plan that is available to all employees. Participants are fully vested in all funds they contribute to the plan. The Hospital matches 50% of each employee's contribution up to a maximum of 3% of eligible earnings. Employees do not become vested in the Hospital's matching contribution until the completion of five years of employment involving a minimum of 1,000 hours of service in each year. Employees become 100% vested in the Hospital's matching contribution to the plan upon completion of the fifth year of employment. The Hospital recognized expense for contributions and plan fees totaling approximately \$811,000 for the year ended September 30, 2020.

During the fiscal year 2015, the Hospital began making supplemental nonmatching contributions to the 403(b) retirement savings plan on behalf of employees with two or more years of service. Employees with more than two but less than 10 years of service receive a nonmatching contribution of 2% of eligible earnings. Employees with 10 or more years of service receive a nonmatching contribution of 3% of eligible earnings. This supplemental contribution was implemented to supplement the overall employee benefits program as a result of the termination of the pension plan during the year. The Hospital recognized expense for nonmatching contributions of \$1,473,000 for the year ended September 30, 2020. Accrued expenses as of September 30, 2020, include approximately \$635,000 related to these supplemental nonmatching contributions. Further, the fiduciary fund made supplemental contributions of \$321,000 to the plan during the year ended September 30, 2020.

3. Closure and Postclosure Care Costs - Onslow County Landfill Facility

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

NOTE II. Detail Notes on All Funds, continued

3. Closure and Postclosure Care Costs - Onslow County Landfill Facility, continued

The \$16,312,971 reported as landfill closure and post-closure care liability at June 30, 2021 represents a cumulative amount reported to date based on the percentage used of the total estimated capacity of all county landfills. The County will recognize the remaining estimated cost of closure and post-closure care as the remaining estimated capacity is filled. All of the above amounts are based on what it would cost to perform all closure and post-closure care in 2021. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Onslow County closed one facility in the fiscal year ended 1998. As of June 30, 2021, the estimated post-closure care liability for the closed landfill amounted to \$847,164.

The County has met the requirements of a local government financial test that is one option under State and federal laws and regulations that help determine if a unit is financially able to meet closure and post-closure care requirements. The County is not currently required to fund the estimated closure costs of this facility based upon its present financial stability. As of June 30, 2021, the County has used approximately 89.52% of its landfill currently in operation.

4. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Charge on refunding of debt	\$ 6,038,781	\$ -
Difference between expected and actual experience	4,160,839	2,612,479
Change of assumptions pension and OPEB plans	4,767,417	362,721
Difference between projected and actual investment earnings pension plans	3,989,421	44,404
Change in proportion and difference between employer contributions and proportionate share of contributions pension plans	86,380	1,183,325
Contributions to pension plans in current fiscal year	5,528,408	-
Benefit payments made for LEOSA subsequent to measurement date	230,849	-
Benefit payments made for OPEB subsequent to measurement date	1,064,708	-
Prepaid taxes not yet earned (General)	-	297,979
Total	<u>\$ 25,866,803</u>	<u>\$ 4,500,908</u>

5. Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. Onslow County is self-insured for worker's compensation coverage and contracts with Compensation Claims Solutions for the administration of the plan. The County provides coverage up to the statutory limits, and acquires excess loss coverage from a third party provider.

NOTE II. Detail Notes on All Funds, continued

5. Risk Management, continued

Employer's liability coverage is provided up to \$1,000,000 for bodily injury by accident or disease. Current year operations are reported in the Worker's Compensations Fund.

The County is self-insured for its employee health insurance. The plan is administered by Blue Cross Blue Shield of NC. There is a specific stop loss of \$100,000 per covered employee/dependent and an aggregate stop loss of 125% of expected net paid claims. Blue Cross Blue Shield underwrites the reinsurance policies for the specific and aggregate stop-loss coverage. The County pays 100% of the premium for employees only coverage for those employees who participate in an annual health risk assessment and the employees pay 100% of the premium for dependent coverage. Additionally, those employees who do not participate in the health risk assessment pay \$50 monthly of the employee coverage. The plan is self-sustaining through premiums. The estimated liability for claims is based on all known claims filed as of June 30, 2021, as determined by the plan administrator and includes an estimate for claims incurred but not reported.

The County is partially-insured for its employee dental insurance. The policy is provided by Ameritas Life Insurance Company of Lincoln, NE. The County pays 100% of the premium for employees only coverage and the employees pay 100% of the premium for dependent coverage. The plan is self-sustaining through premiums.

A summary of changes in the aggregate liabilities for health claims are as follows:

Fiscal Year	Liability For			Liability for
Ending June 30	Claims- Beginning of Year	Net Fees Credited	Paid Claims and Charges	Claims - End of Year
2018	152,535	8,517,438	8,937,339	572,436
2019	572,436	8,342,769	8,530,650	760,317
2020	760,317	8,542,487	8,550,708	768,538

A summary of changes in the aggregate liabilities for workers compensation claims are as follows:

Fiscal Year	Liability For			Liability for
Ending June 30	Claims- Beginning of Year	Net Fees Credited	Paid Claims and Charges	Claims - End of Year
2018	351	401,400	402,910	1,861
2019	1,861	468,593	467,138	406
2020	406	596,615	596,284	75

The County carries commercial insurance for all other risks of loss such as general liability, buildings & contents, flood, auto, and wind & hail. There have been no significant reductions in insurance coverage from the previous year and settled claims from these risks have not exceeded the total commercial insurance coverage in any of the last three fiscal years.

NOTE II. Detail Notes on All Funds, continued

5. Risk Management, continued

In addition to the insurance above the County carries flood insurance through the National Flood Insurance Plan (NFIP). Because the County is in an area of the State that has been mapped and designated an "A" area (an area close to a river, lake or stream) by the Federal Emergency Management Agency, the County is eligible to purchase coverage of \$500,000 per structure through the NFIP. The County has purchased flood coverage for its beach access site #2. The County was unable to purchase coverage for their other two beach access sites as they are in a Coastal Barrier Resources Area (CBRA).

In accordance with G.S. 159-29, County employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Finance Officer is individually bonded for \$250,000 and the tax collector is individually bonded for \$100,000. The remaining employees that have access to funds are bonded under a blanket bond for \$1,000,000 with a deductible of \$2,500.

Onslow County ABC Board 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 ABC Board has property, general liability, auto liability, workmen's compensation and employee health coverage. The Board also has liquor legal liability coverage. There have been no significant reductions in insurance coverage from the prior year and settled claims have not exceeded 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.

The Hospital Authority is subject to legal proceedings and claims that arise in the course of providing health care services. The Hospital Authority maintains malpractice insurance coverage (after self-insured retention limits) for claims made during the policy year, up to the maximum amounts stated in the insurance policy. The Hospital also carries excess malpractice coverage up to specified limits to cover claims in excess of the maximum amounts stated in the basic policy. In the Hospital Authority's management opinion, adequate provision has been made for amounts expected to be paid under the policy's deductible limits for asserted and unasserted claims not covered by the policy and any uninsured liability.

7. Long-Term Obligations

a. Installment Purchase

As authorized by State law (G.S. 160A-20 and 153A-158.1) the County has entered in installment purchase contracts for the purchase of capital equipment needs of the County. The installment purchases were issued pursuant to a deed of trust, which requires that legal title remain with the County as long as the debt is outstanding. The lease term is the same as that of the installment purchase obligation. The capital assets associated with the installment purchase obligation are recorded in the capital assets of the County.

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

7. Long-Term Obligations, continued

a. Installment Purchase, continued

The County's installment purchase obligations payable at June 30, 2021 are comprised of the following:

Maintenance Building Coastal Carolina Community College and Demolition of the Old Jail Facility executed October 8, 2013 for a 12 year period at 2.56% with yearly payments of \$550,000 plus interest beginning October 8, 2014 through October 2026

\$	2,750,000
\$	2,750,000

Installment purchase debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 550,000	\$ 70,400	\$ 620,400
2023	550,000	56,320	606,320
2024	550,000	42,240	592,240
2025	550,000	42,240	592,240
2026	550,000	14,080	564,080
Total minimum lease payments	\$ 2,750,000	\$ 225,280	2,975,280

b. Certificates of Participation

The County's certificates of participation issued through the Onslow County Facilities Company at June 30, 2021 are comprised of the following:

Series 2008 Justice Complex COPS for Jail and Sheriff Administration Building. Total issue of \$57,000,000. Collateralized by the Justice Complex. A rate modification was issued October 20, 2020 for 1.58% with PNC. Payments are due in December and June with interest at 1.58% maturing June 2028.

\$	7,770,000
\$	7,770,000

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

7. Long-Term Obligations, continued

b. Certificates of Participation, continued

Debt service requirements to maturity are as follows:

<u>Year Ending June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,110,000	\$ 122,766	\$ 1,232,766
2023	1,110,000	105,228	1,215,228
2024	1,110,000	87,690	1,197,690
2025	1,110,000	70,152	1,180,152
2026	1,110,000	52,614	1,162,614
2027-2028	2,220,000	52,614	2,272,614
	<u>\$ 7,770,000</u>	<u>\$ 491,064</u>	<u>\$ 8,261,064</u>

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

7. Long-Term Obligations, continued

c. Limited Obligation Bonds

The following limited obligation bonds have been issued:

Series 2012A Limited Obligation Bonds for 800 MHZ, Sneads Ferry Library/Environmental Center & Government Center.

Total issue of \$30,035,000. Payments are due in December and June with interest from 1.49% to 3.17% maturing June 2033

\$ 25,660,000
1,664,620

Premium on bonds issued

Series 2015 Advanced Refunding LOBS

Total issue of \$30,500,000. Collateralized by Meadowview Elementary School.

Payments are due in December and June with interest from 2.00% to 5.00% maturing October 2027.

18,800,000

Premium on bonds issued

2,381,515

Series 2015 Limited Obligation Bonds for Dixon Middle School,

Consolidated Human Service Building & Vehicle Maintenance Building

Total issue of \$46,965,000 Payments are due in December

and June with interest from 1.10% to 3.86%

36,530,000

Premium on bonds issued

3,905,447

Series 2016 Limited Obligation Bonds for Richlands Elementary School,

Courthouse, Consolidated Human Service Building Parking Lot &

Justice Complex HVAC Replacement Total issue of \$42,865,000 Payments are

due in December and June with interest from .91% to 2.95%

36,995,000

Premium on bonds issued

5,357,458

Series 2019 Limited Obligation Bonds for New Southern Elementary School and

Animal Control renovations and additions Total issue of \$30,005,000.

Payments are due in December and June with interest from 1.29% to 2.49%

29,855,000

Premium on bonds issued

5,726,811

Series 2020 Limited Obligation Bonds for West Central Elementary School

Total issue of \$25,115,000. Payments are due in December and June

with interest from 1.29% to 2.49%

25,115,000

Premium on bonds issued

5,203,125

\$ 197,193,976

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

7. Long-Term Obligations, continued

c. Limited Obligation Bonds, continued

Debt service requirements to maturity are as follows:

<u>Year Ending June 30:</u>	<u>Principal</u>	<u>Premium</u>	<u>Interest</u>
2022	\$ 10,130,000	\$ 1,667,996	\$ 7,381,894
2023	13,030,000	1,667,996	6,864,019
2024	13,000,000	1,667,996	6,288,119
2025	13,360,000	1,667,996	5,740,069
2026	12,995,000	1,667,996	5,132,169
2027-2031	54,645,000	7,319,331	17,514,592
2032-2036	41,345,000	5,943,783	6,745,994
2037-2040	14,450,000	2,635,881	899,925
Total	<u>\$ 172,955,000</u>	<u>\$ 24,238,976</u>	<u>\$ 56,566,781</u>

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

7. Long-Term Obligations, continued

d. General Obligation Indebtedness

All general obligation bonds serviced by the County's general fund are collateralized by the full faith, credit, and taxing power of the County.

The County's general obligation bonds payable at June 30, 2021 are comprised of the following individual issues and serviced by the General Fund:

\$ 33,325,000 School Refunding Bonds Series 2013		
Payments are due December and June through 2026		
with interest from 3.00% to 5.00%		\$ 15,900,000
Premium on bond issue		2,363,553
\$ 22,870,000 School Refunding Bonds Series 2015		
Payments are due October and April through 2027		
no principal payments the first three years		
with interest from 3.00% to 5.00%		17,235,000
Premium on bonds issued		2,088,677
Carrying value of bonds		<u><u>\$ 37,587,230</u></u>

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

<u>Year Ending June 30:</u>	<u>Principal</u>	<u>Premium</u>	<u>Interest</u>
2022	\$ 5,625,000	\$ 823,617	\$ 1,441,525
2023	5,630,000	823,617	1,160,150
2024	5,650,000	823,617	878,150
2025	5,645,000	823,617	614,575
2026	4,810,000	561,000	372,000
2027-2028	5,775,000	596,763	181,375
	<u><u>\$ 33,135,000</u></u>	<u><u>\$ 4,452,230</u></u>	<u><u>\$ 4,647,775</u></u>

At June 30, 2021, Onslow County has no bonds authorized but unissued and a legal debt margin of approximately \$1,013,374,000.

Debt related to Capital Activities: Of the total Governmental Activities debt listed only \$103,061,543 related to assets the County holds title. Restricted cash related to this debt amounts to \$2,569,652.

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

7. Long-Term Obligations, continued

e. Long-Term Obligation Activity

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

	Balance 6/30/2020, restated	Increases	Decreases	Balance June 30, 2021	Current Portion of Balances
<u>Governmental Activities</u>					
Direct Placement General obligation debt	\$ 38,770,000	\$ -	\$ 5,635,000	\$ 33,135,000	\$ 5,625,000
Premium on GO debt	5,275,847	-	823,617	4,452,230	823,617
Direct Placement Installment Purchase	3,734,777	-	984,777	2,750,000	550,000
Certificates of Participation	8,880,000	-	1,110,000	7,770,000	1,110,000
Limited Obligation Bonds	183,090,000	-	10,135,000	172,955,000	10,130,000
Premium on LOBS Debt	25,906,973	-	1,667,996	24,238,977	1,667,996
Net OPEB liability	19,118,535	965,619		20,084,154	-
Compensated absences	3,692,813	6,699,473	6,657,556	3,734,730	1,008,377
Net pension liability (LEOSSA)	3,388,299	1,750,527	-	5,138,826	-
Net pension liability (LGRS)	22,480,691	4,648,873	-	27,129,564	-
Total	\$ 314,337,935	\$ 14,064,492	\$ 27,013,946	\$ 301,388,481	\$ 20,914,990
<u>Business-type activities</u>					
Accrued landfill closure cost	\$ 15,465,806	\$ 847,164		\$ 16,312,970	\$ -
Total OPEB liability	1,006,238	241,929		1,248,167	-
Compensated absences	217,058	343,795	334,016	226,837	61,246
Net pension liability (LGRS)	695,279	524,575		1,219,854	-
Total	\$ 17,384,381	\$ 1,957,463	\$ 334,016	\$ 19,007,828	\$ 61,246

The County restated beginning debt balances between Certificates of Participation and Limited Obligation Bonds to better align with the classification of debt.

f. Hospital Long-Term Debt

A summary of long-term debt at September 30, 2020 is as follows:

FHA Insured Mortgage Bank Loan, including interest at 3.1% through March 2036 secured by a first lien on the Hospital's leasehold interest in the Hospital property owned by Onslow County	\$ 33,680,480
Other	<u>2,625,921</u>
Total	<u>\$ 36,306,401</u>

During 2006, the Hospital issued a \$58,100,000 FHA insured Mortgage Revenue Bond ("2006 HUD Revenue Bond") to finance the cost of expanding and constructing the Hospital, and to redeem the existing 1998 Revenue Bond.

The bonds were issued as fully registered bonds, whereby interest is payable as a fixed rate percentage, with rates of 4.75% at a minimum and 5.13% at maximum.

NOTE II. Detail Notes on All Funds, continued

7. Long-Term Obligations, continued

f. Hospital Long-Term Debt, continued

In March 2016, the Hospital obtained approval from the Department of Housing and Urban Development (HUD) to proceed with a transaction to defease the 2006 HUD Revenue Bond. Accordingly, in May 2016, the Hospital obtained a mortgage bank loan of approximately \$42,417,000. The interest rate is fixed at 3.1%. The net proceeds of this new financing arrangement were principally used to fund an escrow account in the amount of approximately \$45,733,000 for the advance refunding of approximately \$44,655,000 of outstanding borrowing related to the 2006 HUD Revenue Bond. The Hospital had made approximately \$4,290,000 of principal payments during 2016 prior to the defeasance. Accordingly, the 2006 HUD Revenue Bond was defeased. This reduced the Hospital's interest rate from approximately 5% to a fixed rate of 3.1%. The Hospital maintains the HUD insurance on the new mortgage loan. The mortgage loan is secured by a first lien on the Hospital's leasehold interest in the property and original buildings; the improvements thereon; and certain fixtures, equipment, and personal property of the Hospital. The Hospital is required to maintain specified financial qualitative covenants. The Hospital complied with these covenants as of and for the year ended September 30, 2020.

The Hospital's debt service requirements for outstanding long-term debt as of September 30, 2020 are as follows:

Year Ending September 30	Principal	Interest	Total
2021	\$ 4,755,740	\$ 1,026,813	\$ 5,782,553
2022	2,315,271	944,528	3,259,799
2023	2,327,915	873,406	3,201,321
2024	2,401,114	800,207	3,201,321
2025	2,476,616	724,705	3,201,321
2026-2029	10,710,091	2,095,193	12,805,284
2030-2033	11,319,654	685,299	12,004,953
Total	\$ 36,306,401	\$ 7,150,151	\$ 43,456,552

A summary of changes in debt during 2020 is as follows:

	9/30/2019	Additions	Payments	9/30/2020
FHA Insured Mortgage Loan	\$ 35,801,916	\$ -	\$ 2,121,436	\$ 33,680,480
Other	1,413,195	1,932,403	719,677	2,625,921
	\$ 37,215,111	\$ 1,932,403	\$ 2,841,113	\$ 36,306,401

NOTE II. Detail Notes on All Funds, continued

7. Long-Term Obligations, continued

g. Component Unit Term Debt

Onslow County Industrial Facility and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses 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 bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2021 there were no outstanding bonds.

C. Interfund Balances and Activity

Transfers to/from other funds to supplement other funding sources:

Operating Transfer From/To Other Funds		Purpose
From the General Fund		
Capital Project Fund	\$ 324,584	Transfer for various projects
From the Reserve Funds		
School Construction Fund	300,190	Transfer of capital reserve funds for school project
From the Airport Fund		
General Fund	656,009	Indirect costs and debt service
From the Solid Waste Fund		
General Fund	219,674	Indirect costs
	<u>\$ 1,500,457</u>	

Interfund loans From/To other funds

From the Solid Waste Fund	
General Fund	\$ 714
	<u>\$ 714</u>

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

D. Net Investment in Capital Assets

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

Capital assets, net of accumulated depreciation		\$ 141,114,640
Deferred amount on refunding		6,038,781
Less Capital Debt		
Gross long-term debt	\$ (245,301,207)	
Retainage payable	(148,761)	
School debt related to assets to which the County does not capitalize	128,603,499	
Premium on school debt	7,189,400	
Unexpended bond proceeds	19,020,597	
School portion deferred amount on refunding		<u>(90,636,472)</u>
Net investment in capital assets		<u>\$ 56,516,949</u>

E. Fund Balance

Onslow Country has a revenue spending policy that provides policy for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-county funds, city funds. For purposes of the 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 to appropriation:

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

NOTE II. Detail Notes on All Funds, continued

E. Fund Balance, continued

Total Fund Balance - General Fund	\$ 115,035,475
Less:	
Inventory and prepaids	\$ 534,791
Loan Receivable	\$ 1,197,978
Stabilization by State Statute	28,451,276
Health Programs	4,471,909
Adoption Programs	24,157
Drug Enforcement	622,084
Occupancy Tax	5,485,654
Economic Development	1,730,610
LCFH Agreement	1,200,000
Sheriff - Judgements	162,405
NC Cooperative Extension	67,515
Capital Improvements	31,309,313
Other Employee Benefits	1,208
Workers' Compensation Insurance	198,230
Appropriated Fund Balance	7,325,426
LEO Separation Allowance	1,365,604
Remaining Fund Balance	<u><u>\$ 30,887,315</u></u>

The County has adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the County in such a manner that available fund balance is at least equal to or greater than 8% of budgeted expenditures.

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

	General Fund	Capital Projects Fund	School Construction Fund	Non-major Funds	Airport Fund	Solid Waste Fund
Encumbrances	\$ 1,438,181	\$ 1,171,141	\$ 5,995,435	\$ 657,940	\$ 1,719,497	\$ 170,339

NOTE III. Joint Ventures

The County, in conjunction with the State of North Carolina and the Onslow County Board of Education, participates in a joint venture to operate the Coastal Carolina Community College. Each of the three participants appoints four members of the thirteen-member board of trustees of the community college. The president of the community college's student government serves as an ex officio nonvoting member of the community college's board of trustees. The community college is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the community college's operations. In addition to providing annual appropriations for the facilities, the County 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 \$4,441,555 and \$2,836,000 to the community college for operating and capital purposes, respectively, 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. Complete financial statements for the community college may be obtained from the community college's administrative offices at 444 Western Boulevard, Jacksonville, NC 28546.

The County in conjunction with the City of Jacksonville and the Town of Richlands, Swansboro, Holly Ridge, and North Topsail Beach, participates in a joint venture to operate the Onslow County Water and Sewer Authority. The County and the City each appoint two members of the nine-member board with each town appointing one member each. The participating governments do not have any equity interest in the joint venture; therefore no equity interest has been reflected in the County's financial statements at June 30, 2021. Complete financial statements for the Authority may be obtained from the Authority's administrative offices at 232 Georgetown Road, Jacksonville, NC, 28546.

NOTE IV. Jointly Governed Organization

The County, in conjunction with eight other counties and sixty-two municipalities, established the Eastern Carolina Council of Governments (Council). The participating governments established the Council to coordinate various funding received from Federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$16,659 to the Council during the fiscal year ended June 30, 2021.

NOTE V. Summary Disclosure of Significant Commitments and Contingencies

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

NOTE VI. Subsequent Event

Management has evaluated subsequent events through October 29, 2021, the date on which the financial statements were available to be issued.

The 2019 novel coronavirus ("COVID-19") has adversely affected, and may continue to adversely affect economic activity globally, nationally and locally. It is unknown the extent to which COVID-19 may spread, may have a destabilizing effect on financial and economic activity and may increasingly have the potential to negatively impact the County's and its customers' costs, tourism to the County, and the U.S. economy. These conditions could adversely affect the County's business, financial condition, and results of operations. Further, COVID-19 may result in health or other government authorities requiring the closure of some of the County's operations or other businesses of the County's customers and suppliers, which could significantly disrupt the County's operations and the operations of the County's customers. The extent of the adverse impact of the COVID-19 outbreak on the County cannot be predicted at this time.

Note VII. Change in Accounting Principle

The County implemented Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities, effective July 1, 2020. The statement establishes criteria for identifying fiduciary activities of all state and local governments and provides guidance on how to report fiduciary activities within the financial statements. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. 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 of the beginning of the fiscal year as follows:

Onslow County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note VII. Change in Accounting Principle, continued

Governmental Activities Net Position – Increase (Decrease)	General Fund Balance – Increase (Decrease)	Nonmajor Special Revenue Fund Balance – Increase (Decrease)	
326,006		326,006	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 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.
151,727	151,727		When a judgement is filed in Court, the Sheriff's office will obtain funds from the defendant to pay the Court for that judgement net of any commission that is authorized by General Statute for the Sheriff's Office to collect. These funds were reclassified out of the Agency Fund into the General Fund. The portion of liabilities in the Agency Fund representing net cash available at the beginning of the year were restated as fund balance.
66,610	66,610		Onslow County Cooperative Extension receives funds to use for programs, such as 4-H. These funds were reclassified out of the Agency Fund into the General Fund. The portion of liabilities in the Agency Fund representing net cash available at the beginning of the year were restated as fund balance.
18,948	18,948		Onslow County Bear Creek Fire Station receives funds to use for equipment and operating. These funds were reclassified out of the Agency Fund into the General Fund. The portion of liabilities in the Agency Fund representing net cash available at the beginning of the year were restated as fund balance.
7,141	7,141		Cash and receivables from fines and forfeitures net of liabilities owed to the Onslow County Board of Education were reclassified out of the Agency Fund into the General Fund. The portion of liabilities in the Agency Fund representing net cash available at the beginning of the year were restated as fund balance.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

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

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

Please Note: The Schedule of Changes in the Total Other Postemployment Benefits Liability for the Onslow County ABC Board and the Onslow County Hospital Authority can be found in the separately issued financial statements for the ABC Board and the Hospital. The financial statements are available from the ABC Finance Office and the Hospital Finance Office (see Note I.A. to the County statements for contact information).

SCHEDULE 1
Onslow County, North Carolina
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Schedule of Changes in Total Pension Liability
Last Five Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 3,388,299	\$ 3,570,068	\$ 3,509,954	\$ 3,071,164	\$ 3,059,849
Service cost	201,393	173,561	184,320	156,081	163,718
Interest on the total pension liability	105,772	124,499	106,421	113,817	105,825
Difference between expected and actual experience	378,086	(279,886)	182,393	201,476	-
Changes of assumptions or other inputs	1,352,800	99,597	(128,623)	212,511	(67,108)
Benefit payments	<u>(287,524)</u>	<u>(299,540)</u>	<u>(284,397)</u>	<u>(245,095)</u>	<u>(191,120)</u>
Ending balance of the total pension liability	<u>\$ 5,138,826</u>	<u>\$ 3,388,299</u>	<u>\$ 3,570,068</u>	<u>\$ 3,509,954</u>	<u>\$ 3,071,164</u>

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

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

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

SCHEDULE 2
Onslow County, North Carolina
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Total Pension Liability as a Percentage of Covered Payroll
Last Five Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 5,138,826	\$ 3,388,299	\$ 3,570,068	\$ 3,509,954	\$ 3,071,164
Covered payroll	8,037,130	7,504,605	7,397,093	6,975,465	6,623,826
Total pension liability as a percentage of covered payroll	63.94%	45.15%	48.26%	50.32%	46.37%

Note to the schedules:

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

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

SCHEDULE 3
Onslow County, North Carolina
Schedule of Changes in the Total OPEB Liability and Related Ratios
Last Four Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service cost	\$ 443,943	\$ 643,834	\$ 659,925	\$ 703,391
Interest	691,590	913,999	861,254	745,709
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	111,970	(4,700,472)	(405,245)	438,701
Changes of assumptions	1,592,071	482,979	(533,433)	(955,325)
Benefit payments	(1,632,026)	(1,409,935)	(1,151,240)	(1,873,600)
Net change in total OPEB liability	1,207,548	(4,069,595)	(568,739)	(941,124)
Total OPEB liability - beginning	20,124,773	24,194,368	24,763,107	25,704,231
Total OPEB liability - ending	<u>\$ 21,332,321</u>	<u>\$ 20,124,773</u>	<u>\$ 24,194,368</u>	<u>\$ 24,763,107</u>
Covered payroll	14,195,330	14,195,330	9,348,638	9,348,638
Total OPEB liability as a percentage of covered payroll	150.28%	141.77%	258.80%	264.88%

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>
2018	3.56%
2019	3.89%
2020	3.50%
2021	2.21%

SCHEDULE 4
Onslow County, North Carolina
Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Local Government Employees' Retirement System
Last Eight Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) %	0.793%	0.849%	0.860%	0.842%	0.779%	0.778%	0.722%	0.747%
County's proportionate share of the net pension liability (asset) \$	\$ 28,349,418	\$ 23,175,970	\$ 20,401,904	\$ 12,864,344	\$ 16,522,378	\$ 3,491,809	\$ (4,255,843)	\$ 9,000,602
County's covered payroll	\$ 53,760,107	\$ 45,490,652	\$ 50,837,090	\$ 49,949,756	\$ 42,225,701	\$ 38,191,416	\$ 37,331,335	\$ 37,331,335
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	52.73%	50.95%	40.13%	25.75%	39.13%	9.14%	-11.40%	24.11%
Plan fiduciary net position as a percentage of the total pension liability **	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

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

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

Pension schedules are intended to show information for ten years, additional years' information will be displayed as it comes available.

SCHEDULE 5
Onslow County, North Carolina
Schedule of County Contributions
Local Government Employees' Retirement System
Last Eight Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 5,502,148	\$ 4,880,188	\$ 4,166,706	\$ 3,968,672	\$ 3,671,074	\$ 3,143,116	\$ 2,700,127	\$ 2,639,887
Contributions in relation to the contractually required contribution	5,502,148	4,880,188	4,166,706	3,968,672	3,671,074	3,143,116	2,700,127	2,639,887
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 53,600,379	\$ 53,760,107	\$ 45,490,652	\$ 50,837,090	\$ 49,949,756	\$ 42,225,701	\$ 38,191,416	\$ 37,331,335
Contributions as a percentage of covered payroll	10.27%	9.08%	9.16%	7.81%	7.35%	7.44%	7.07%	7.07%

Pension schedules are intended to show information for ten years, additional years' information will be displayed as it comes available.

SCHEDULE 6
Onslow County, North Carolina
Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Registers of Deed's Supplemental Pension Fund
Last Eight Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) %	2.264%	2.035%	2.258%	2.210%	2.283%	2.283%	2.283%	2.454%
County's proportionate share of the net pension liability (asset) \$	\$ (518,944)	\$ (401,765)	\$ (373,928)	\$ (377,192)	\$ (415,405)	\$ (529,157)	\$ (516,372)	\$ (524,266)
County's covered payroll	294,435	288,792	284,081	263,098	263,098	263,098	269,519	269,519
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-176.25%	-139.12%	-131.63%	-143.37%	-157.89%	-201.13%	-191.59%	-194.52%
Plan fiduciary net position as a percentage of the total pension liability	173.62%	164.11%	153.31%	153.77%	160.17%	197.29%	193.88%	94.35%

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

Pension schedules are intended to show information for ten years, additional years' information will be displayed as it comes available.

SCHEDULE 7
Onslow County, North Carolina
Schedule of County Contributions
Registers of Deeds' Supplemental Pension Fund
Last Eight Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 26,260	\$ 21,681	\$ 19,343	\$ 19,320	\$ 19,207	\$ 18,272	\$ 18,601	\$ 19,055
Contributions in relation to the contractually required contribution	26,260	21,681	19,343	19,320	19,207	18,272	18,601	19,055
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 307,956	\$ 294,435	\$ 288,792	\$ 284,081	\$ 263,098	\$ 263,098	\$ 263,098	\$ 269,519
Contributions as a percentage of covered payroll	8.53%	7.36%	6.70%	6.80%	7.30%	6.94%	7.07%	7.07%

Pension schedules are intended to show information for ten years, additional years' information will be displayed as it comes available.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUNDS

The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

	General Fund	Workers Comp Fund	Burton Industrial Park	Benefit Fund	Reserve	Disaster Contingency Fund	Capital Improvement	LEO Separation	Health Insurance Fund	Revaluation Fund	Totals
ASSETS											
Cash and investments	\$ 57,279,898	\$ 384,682	\$ 1,684,030	\$ 428,176	\$ 27,992,655	\$ 5,302,217	\$ 1,744,886	\$ 1,365,604	\$ 2,328,093	\$ 159,444	\$ 98,669,685
Accounts receivable, net	26,295,363	-	-	-	-	-	495	-	11,638	-	26,307,496
Loan receivable	1,197,978	-	-	-	-	-	-	-	-	-	1,197,978
Due from other funds	-	-	-	714	-	-	-	-	-	-	714
Due from other governments	592,603	-	367	-	-	-	40,512	-	-	-	633,482
Inventories	276,183	-	-	-	-	-	-	-	-	-	276,183
Prepaid expenditures	258,608	-	-	-	-	-	-	-	-	-	258,608
Total assets	\$ 85,900,633	\$ 384,682	\$ 1,684,397	\$ 428,890	\$ 27,992,655	\$ 5,302,217	\$ 1,785,893	\$ 1,365,604	\$ 2,339,731	\$ 159,444	\$ 127,344,146
LIABILITIES AND FUND BALANCE											
Liabilities:											
Accounts payable and accrued liabilities	\$ 8,307,877	\$ 14,452	\$ 3,059	\$ 426,968	\$ -	\$ -	\$ 37,796	\$ -	\$ 850,692	\$ 2,917	\$ 9,643,761
Unearned revenue	41,130	-	-	-	-	-	-	-	-	-	41,130
Total liabilities	8,349,007	14,452	3,059	426,968	-	-	37,796	-	850,692	2,917	9,684,891
DEFERRED INFLOWS OF RESOURCES	2,623,780	-	-	-	-	-	-	-	-	-	2,623,780
Fund balances:											
Nonspendable											
Inventory and prepaids	534,791	-	-	-	-	-	-	-	-	-	534,791
Loan receivable	1,197,978	-	-	-	-	-	-	-	-	-	1,197,978
Restricted											
Stabilization by State Statute	28,326,147	-	71,770	714	-	-	41,007	-	11,638	-	28,451,276
Health programs	4,471,909	-	-	-	-	-	-	-	-	-	4,471,909
Adoption programs	24,157	-	-	-	-	-	-	-	-	-	24,157
Drug enforcement	622,084	-	-	-	-	-	-	-	-	-	622,084
Occupancy Tax	5,485,654	-	-	-	-	-	-	-	-	-	5,485,654
Economic Development	1,730,610	-	-	-	-	-	-	-	-	-	1,730,610
LCFH Agreement	1,200,000	-	-	-	-	-	-	-	-	-	1,200,000
Sheriff - Judgements	162,405	-	-	-	-	-	-	-	-	-	162,405
NC Cooperative Extension	67,515	-	-	-	-	-	-	-	-	-	67,515
Committed											
Capital Improvements	-	-	1,609,568	-	27,992,655	-	1,707,090	-	-	-	31,309,313
Other Employee Benefits	-	-	-	1,208	-	-	-	-	-	-	1,208
LEO Separation Allowance	-	-	-	-	-	-	-	1,365,604	-	-	1,365,604
Workers' Compensation Insurance	-	198,230	-	-	-	-	-	-	-	-	198,230
Assigned											
Subsequent year expenditures	7,037,176	172,000	-	-	-	-	-	-	-	116,250	7,325,426
Unassigned	24,067,420	-	-	-	-	5,302,217	-	-	1,477,401	40,277	30,887,315
Total fund balance	74,927,846	370,230	1,681,338	1,922	27,992,655	5,302,217	1,748,097	1,365,604	1,489,039	156,527	115,035,475
Total liabilities, deferred inflows of resources, and fund balances	\$ 85,900,633	\$ 384,682	\$ 1,684,397	\$ 428,890	\$ 27,992,655	\$ 5,302,217	\$ 1,785,893	\$ 1,365,604	\$ 2,339,731	\$ 159,444	\$ 127,344,146

SCHEDULE 9
Onslow County, North Carolina
GENERAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
June 30, 2021

	General	Workers Comp Fund	Burton Industrial Park	Benefit Fund	Reserve	Disaster Contingency	Capital Improvement	LEO Special Separation	Health Insurance Fund	Revaluation Fund	Totals
Revenues:											
Ad valorem taxes	\$ 106,433,280	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 106,433,280
Local option sales taxes	65,299,793	-	-	-	-	-	-	-	-	-	65,299,793
Other taxes and licenses	5,736,302	-	-	-	-	-	-	-	-	-	5,736,302
Unrestricted intergovernmental	2,589,652	-	-	-	-	-	-	-	-	-	2,589,652
Restricted intergovernmental	26,702,679	-	-	-	1,646,000	-	-	184,846	7,811,455	-	36,344,980
Permits and fees	3,872,582	-	-	-	-	-	-	-	-	-	3,872,582
Sales and services	12,761,316	-	-	-	-	-	-	-	-	-	12,761,316
Investment earning	44,186	59	297	-	5,352	915	202	253	78	20	51,362
Other revenues	2,115,548	-	-	-	188,811	-	100,000	-	133,725	-	2,538,084
Total revenues	225,555,338	59	297	-	1,840,163	915	100,202	185,099	7,945,258	20	235,627,351
Expenditures											
General government	16,250,941	663,219	-	-	-	-	-	-	8,539,294	35,000	25,488,454
Public safety	43,636,003	-	-	-	-	-	-	-	-	-	43,636,003
Transportation	34,000	-	-	-	-	-	-	-	-	-	34,000
Economic and physical development	2,448,066	-	67,527	-	-	-	-	-	-	-	2,515,593
Human Services	37,032,249	-	-	-	-	-	-	-	-	-	37,032,249
Environmental protection	484,361	-	-	-	-	-	-	-	-	-	484,361
Cultural and recreational	4,549,043	-	-	-	-	-	-	-	-	-	4,549,043
Intergovernmental											
Education	83,118,916	-	-	-	-	-	-	-	-	-	83,118,916
Capital Projects	4,157,403	-	-	-	-	-	891,941	-	-	-	5,049,344
Debt service:											
Principal	8,797,126	-	-	-	-	-	-	-	-	-	8,797,126
Interest and other charges	3,749,465	-	-	-	-	-	-	-	-	-	3,749,465
Total expenditures	204,257,573	663,219	67,527	-	-	-	891,941	-	8,539,294	35,000	214,454,554
Revenues over (under) expenditures	21,297,765	(663,160)	(67,230)	-	1,840,163	915	(791,739)	185,099	(594,036)	(34,980)	21,172,797
Other financing sources:											
Proceed from installment purchase	-	-	-	-	-	-	-	-	-	-	-
Sale of property held for investment	3,467,500	-	-	-	-	-	-	-	-	-	3,467,500
Sale of capital assets	111,146	-	-	-	-	-	-	-	-	-	111,146
Transfers from (to) other funds	(3,905,385)	500,000	200,000	-	(221,968)	-	1,504,519	-	2,057,493	116,250	250,909
Appropriated fund balance	12,476	-	-	-	-	-	-	-	-	-	12,476
Total other financing sources	(314,263)	500,000	200,000	-	(221,968)	-	1,504,519	-	2,057,493	116,250	3,842,031
Revenues and other financing sources over (under) expenditures	20,983,502	(163,160)	132,770	-	1,618,195	915	712,780	185,099	1,463,457	81,270	25,014,828
FUND BALANCES, beginning, as previously reported	53,699,918	533,390	1,548,568	1,922	26,374,460	5,301,302	1,035,317	1,180,505	25,582	75,257	89,776,221
Prior period adjustment - change in accounting principals	244,426	-	-	-	-	-	-	-	-	-	244,426
FUND BALANCES, beginning, as restated	53,944,344	533,390	1,548,568	1,922	26,374,460	5,301,302	1,035,317	1,180,505	25,582	75,257	90,020,647
FUND BALANCES, end of year	\$ 74,927,846	\$ 370,230	\$ 1,681,338	\$ 1,922	\$ 27,992,655	\$ 5,302,217	\$ 1,748,097	\$ 1,365,604	\$ 1,489,039	\$ 156,527	\$ 115,035,475

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Ad valorem taxes:				
Taxes	\$ 105,913,345	\$ 105,987,237		\$ 101,495,693
Penalties and interest	500,000	446,043		400,837
Total	106,413,345	106,433,280	19,935	101,896,530
Local option sales taxes:				
Article 39 one percent	15,076,844	19,875,840		16,595,464
Article 40 one-half of one percent	13,012,886	14,467,270		12,517,158
Article 42 one-half of one percent	10,145,753	13,221,388		10,688,502
Article 44 one-half of one percent	877,585	892,568		856,040
Article 46 one-half of one percent	6,037,257	7,619,725		6,294,729
Medicaid Hold Harmless	6,538,481	9,223,002		7,339,047
Total	51,688,806	65,299,793	13,610,987	54,290,940
Other taxes and licenses:				
Deed stamp excise tax	1,000,000	2,048,122		1,468,730
Motor vehicles taxes	400,000	448,225		436,436
Occupancy and tourism tax	1,403,139	3,228,624		2,300,450
Privilege licenses	3,500	11,331		8,020
Total	2,806,639	5,736,302	2,929,663	4,213,636
Unrestricted intergovernmental :				
Beer and wine tax	500,000	496,049		497,254
Cablevision fees	900,000	871,181		860,083
ABC profit distribution	675,000	1,222,422		816,509
Total	2,075,000	2,589,652	514,652	2,173,846
Restricted intergovernmental:				
Onslow County ABC Board:				
Law enforcement	150,000	117,356		56,940
Social service	19,629,793	17,179,161		16,948,174
Health department	5,894,838	4,167,977		3,744,767
Council on Aging	856,585	952,634		788,662
Federal grants	996,805	551,570		357,134
State grants	1,084,515	650,936		1,394,716
Local grants	1,319,327	1,198,125		1,304,679
Court facility fees	970,000	900,086		283,357
Library	229,079	232,180		222,469
Youth services	647,005	629,758		583,689
Drug enforcement revenues	46,500	122,896		152,511
Total	31,824,447	26,702,679	(5,121,768)	25,837,098

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020	
	Final Budget	Actual	Variance Positive (Negative)	Actual	
Permits and fees:					
Clerk of Court fees	\$ 295,200	\$ 227,187		\$ 260,152	
Building permits and inspection fees	1,246,896	1,807,840		1,794,066	
Register of deeds	753,718	1,299,746		1,052,635	
Elections fees	-	-		4,148	
Environmental Health inspections	369,525	387,588		471,243	
Other fees	125,089	150,221		145,653	
Total	2,790,428	3,872,582	1,082,154	3,727,897	
Sales and services:					
Rescue Squad	6,478,272	6,349,811		3,979,865	
Library fees	121,500	55,001		85,393	
Rents and other	366,575	629,687		399,450	
Sheriff's department fees	1,626,711	1,632,846		1,697,707	
Health department fees	3,493,895	2,689,085		2,527,141	
Animal services fees	828,075	567,552		213,575	
DSS fees	3,500	(1,397)		(8,095)	
Senior services fees	447,560	529,121		560,280	
Recreation fees	442,027	309,610		279,350	
Total	13,808,115	12,761,316	(1,046,799)	9,734,666	
Investment earnings	529,272	44,186	(485,086)	510,402	
Miscellaneous:					
Other revenues	591,191	2,115,548	1,524,357	577,399	
Total revenues	212,527,243	225,555,338	13,028,095	202,962,414	
Expenditures					
General Government:					
Governing body					
Salaries and employee benefits	257,512	254,694		248,484	
Other operating expenditures	131,993	121,816		125,201	
Total	389,505	376,510	12,995	373,685	
Administration:					
Salaries and employee benefits	927,501	810,194		648,148	
Other operating expenditures	82,101	47,028		47,853	
Total	1,009,602	857,222	152,380	696,001	
Elections:					
Salaries and employee benefits	810,522	653,055		565,763	
Other operating expenditures	372,748	310,412		148,008	
Capital outlay	406,969	398,034		-	
Total	1,590,239	1,361,501	228,738	713,771	

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020	
	Final Budget	Actual	Variance Positive (Negative)	Actual	
Finance:					
Salaries and employee benefits	\$ 809,934	\$ 735,508		\$ 770,909	
Other operating expenditures	43,390	27,598		29,829	
Total	853,324	763,106	90,218	800,738	
Legal:					
Other operating expenditures	267,666	233,254		241,593	
Total	267,666	233,254	34,412	241,593	
Jury selection:					
Salaries and employee benefits	2,812	324		2,747	
Other operating expenditures	17,400	11,871		11,816	
Total	20,212	12,195	8,017	14,563	
Taxes:					
Salaries and employee benefits	1,792,219	1,775,228		1,710,318	
Other operating expenditures	875,190	836,981		791,226	
Total	2,667,409	2,612,209	55,200	2,501,544	
Facilities and maintenance:					
Salaries and employee benefits	1,414,673	1,394,090		1,346,163	
Other operating expenditures	862,130	525,829		527,317	
Capital outlay	6,102	5,202		-	
Total	2,282,905	1,925,121	357,784	1,873,480	
Communications:					
Salaries and employee benefits	-	-		14,127	
Other operating expenditures	-	-		9,444	
Total	-	-	-	23,571	
Court facilities:					
Other operating expenditures	346,942	283,539	63,403	355,395	
Capital outlay	15,000	-		-	
Total	361,942	283,539	78,403	355,395	
Purchasing:					
Salaries and employee benefits	345,846	335,940		321,215	
Other operating expenditures	43,639	38,987		34,128	
Capital outlay	193	-		-	
Total	389,678	374,927	14,751	355,343	
Register of Deeds:					
Salaries and employee benefits	432,208	427,778		422,995	
Other operating expenditures	43,318	33,395		29,863	
Total	475,526	461,173	14,353	452,858	

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Final Budget	Actual	Variance Positive (Negative)	Actual
Information Technology Systems:				
Salaries and employee benefits	\$ 1,535,513	\$ 1,360,399		\$ 1,436,082
Other operating expenditures	1,939,352	1,819,219		1,966,379
Capital outlay	402,257	381,036		100,295
Total	3,877,122	3,560,654	316,468	3,502,756
Revaluation:				
Salaries and employee benefits	260,390	257,501		231,944
Other operating expenditures	71,283	63,993		68,434
Total	331,673	321,494	10,179	300,378
District Attorney:				
Other operating expenditures	19,380	17,889	1,491	14,197
Probation Office:				
Other operating expenditures	45,452	40,078	5,374	45,576
Public Works Garage:				
Salaries and employee benefits	620,545	611,980		516,204
Other operating expenditures	521,101	353,623		113,754
Capital outlay	196,927	176,484		-
Total	1,338,573	1,142,087	196,486	629,958
Human Resources:				
Salaries and employee benefits	613,406	572,012		505,656
Other operating expenditures	181,626	133,834		120,420
Total	795,032	705,846	89,186	626,076
Non-departmental:				
Salaries and employee benefits	83,219	46,924		164,510
Professional fees	215,840	185,858		189,403
Other operating expenditures	319,677	269,234		467,034
Insurance	1,219,978	1,217,275		1,119,575
Wellness Clinic	528,603	401,519		741,593
Capital outlay	362,554	349,449		-
Contingency	708,595	-		-
Contributions to municipalities	27,000	26,472		25,544
Total	3,465,466	2,496,731	968,735	2,707,659
Total general government	20,180,706	17,545,536	2,635,170	16,229,142
Public Safety:				
Sheriff:				
Salaries and employee benefits	11,703,593	11,350,474		10,710,487
Other operating expenditures	1,817,698	1,646,819		1,384,454
Capital outlay	926,239	722,832		429,843
Total	14,447,530	13,720,125	727,405	12,524,784

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Final Budget	Actual	Variance Positive (Negative)	Actual
Sheriff NARC funds	\$ 111,000	\$ 105,166	\$ 5,834	\$ 128,120
Sheriff's office DWI task force:				
Salaries and employee benefits	231,986	198,236		213,960
Other operating expenditures	58,028	39,858		49,452
Total	290,014	238,094	51,920	263,412
Jail:				
Salaries and employee benefits	7,612,087	7,241,394		6,915,450
Other operating expenditures	2,750,664	2,469,221		2,553,511
Capital outlay	228,155	19,742		13,146
Total	10,590,906	9,730,357	860,549	9,482,107
Communications:				
Salaries and employee benefits	1,743,952	1,659,339		1,669,224
Other operating expenditures	1,137,607	1,109,901		794,561
Capital outlay	19,345	19,345		116,014
Total	2,900,904	2,788,585	112,319	2,579,799
Emergency management:				
Salaries and employee benefits	486,100	477,814		447,109
Other operating expenditures	120,003	109,243		125,048
Capital outlay	12,241	12,141		9,751
Total	618,344	599,198	19,146	581,908
Community Paramedic Program:				
Salaries and employee benefits	428,994	152,334		118,796
Operating expenses	228,253	106,554		11,075
Total	657,247	258,888	398,359	129,871
Fire and Rescue Commission:				
Assistance to volunteer fire & rescue	2,979,367	2,979,367		2,895,017
Operating expenses	-	-		900
Total	2,979,367	2,979,367	-	2,895,917
Code Enforcement:				
Salaries and employee benefits	731,614	680,195		718,133
Other operating expenditures	143,843	140,134		139,620
Total	875,457	820,329	55,128	857,753
Animal services:				
Salaries and employee benefits	1,283,523	1,065,839		1,132,260
Other operating expenditures	336,914	252,064		325,476
Capital outlay	7,200	7,200		15,250
Total	1,627,637	1,325,103	302,534	1,472,986

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020	
	Final Budget	Actual	Variance Positive (Negative)	Actual	
Medical examiner:					
Professional services	\$ 240,000	\$ 209,950	\$ 30,050	\$ 238,700	
Onslow E.M.S.:					
Salaries and employee benefits	6,477,620	6,109,242		6,139,646	
Other operating expenditures	4,121,573	3,804,840		1,371,539	
Capital outlay	663,278	650,591		950,610	
Total	11,262,471	10,564,673	697,798	8,461,795	
Emergency Responders:					
Salaries and employee benefits	1,388,808	1,359,995		1,248,569	
Assistance to emergency responders	58,000	58,000		100,000	
Other operating expenditures	87,024	76,073		57,045	
Total	1,533,832	1,494,068	39,764	1,405,614	
Bear Creek Station 2:					
Salaries and employee benefits	100,735	96,785		94,485	
Other operating expenditures	126,087	117,814		91,430	
Total	226,822	214,599	12,223	185,915	
Freedom Way Station:					
Other operating expenditures	28,944	19,352		74,201	
Total public safety	48,390,475	45,067,854	3,322,621	41,282,882	
Transportation:					
OUTS grant and county funding	273,784	34,000	239,784	314,252	
Total transportation	273,784	34,000	239,784	314,252	
Economic and Physical Development:					
Tourism:					
Other operating expenditures	569,844	417,402		618,310	
Contributions	308,009	247,744		194,009	
Capital outlay	900,000	900,000		-	
Total	1,777,853	1,565,146	212,707	812,319	
Agricultural extension:					
Salaries and employee benefits	66,034	65,670		67,647	
Other operating expenditures	129,206	75,872		66,277	
Contributions	353,579	347,139		311,556	
Total	548,819	488,681	60,138	445,480	

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Final Budget	Actual	Variance Positive (Negative)	Actual
Planning:				
Salaries and employee benefits	\$ 336,188	\$ 232,603		\$ 226,116
Other operating expenditures	41,422	37,871		31,855
Total	377,610	270,474	107,136	257,971
Soil and water conservation:				
Salaries and employee benefits	196,119	168,951		198,478
Other operating expenditures	16,242	6,153		9,260
Capital outlay	-	-		18,993
Total	212,361	175,104	37,257	226,731
Land use management:				
Salaries and employee benefits	742,117	702,965		696,533
Capital outlay	-	-		-
Total	842,387	773,661	68,726	777,541
Contributions	75,000	75,000	-	100,000
Total economic and physical development	3,834,030	3,348,066	485,964	2,620,042
Human Services:				
Consolidated Human Services Admin:				
Salaries and employee benefits	257,096	250,758		243,092
Other operating expenditures	15,153	9,371		13,246
Total Consolidated Human Serv	272,249	260,129	12,120	256,338
Health:				
Administration:				
Salaries and employee benefits	528,648	508,445		322,542
Other operating expenditures	1,595,208	290,185		212,972
Total	2,123,856	798,630	1,325,226	535,514
AIDS Education:				
Salaries and employee benefits	15,876	7,695		14,886
Other operating expenditures	3,153	1,681		2,593
Total	19,029	9,376	9,653	17,479
Child fatality prevention:				
Other operating expenditures	2,451	2,407		1,189
Total	2,451	2,407	44	1,189
School nurse funding initiative:				
Other operating expenditures	100,000	100,000		100,000
Total	100,000	100,000	-	100,000

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Final Budget	Actual	Variance Positive (Negative)	Actual
Communicable diseases:				
Salaries and employee benefits	\$ 378,739	\$ 293,674		\$ 361,982
Other operating expenditures	2,016,884	814,778		25,204
Capital outlay	137,339	137,342		-
Total	2,532,962	1,245,794	1,287,168	387,186
Immunization:				
Salaries and employee benefits	352,771	276,319		337,953
Other operating expenditures	328,107	259,457		288,486
Total	680,878	535,776	145,102	626,439
Nutrition Services - breast feeding:				
Salaries and employee benefits	58,510	14,102		32,819
Other operating expenditures	6,630	2,712		7,431
Total	65,140	16,814	48,326	40,250
Nutrition Services - admin:				
Salaries and employee benefits	33,935	33,048		32,074
Other operating expenditures	5,537	4,394		4,711
Total	39,472	37,442	2,030	36,785
Nutrition Services:				
Salaries and employee benefits	172,160	154,614		199,566
Other operating expenditures	116,743	71,528		37,373
Total	288,903	226,142	62,761	236,939
Nutrition Services - client services:				
Salaries and employee benefits	992,116	816,478		908,206
Other operating expenditures	121,999	67,311		60,922
Total	1,114,115	883,789	230,326	969,128
Nutrition Services - breast feeding peer counselor:				
Salaries and employee benefits	87,258	18,612		40,632
Total	87,258	18,612	68,646	40,632
Environmental health:				
Salaries and employee benefits	1,403,202	1,346,368		1,317,030
Other operating expenditures	162,454	147,375		138,015
Capital outlay	98,687	69,293		-
Total	1,664,343	1,563,036	101,307	1,455,045
Mosquito abatement:				
Other operating expenditures	2,000	1,983		1,986
Total	2,000	1,983	17	1,986

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020	
	Final Budget	Actual	Variance Positive (Negative)	Actual	
Bioterrorism - Home Health:					
Salaries and employee benefits	\$ 738,394	\$ 357,664		\$ 946,491	
Other operating expenditures	1,148,487	305,889		1,018,435	
Total	1,886,881	663,553	1,223,328	1,964,926	
Bioterrorism - PH Preparedness & Response:					
Salaries and employee benefits	44,348	42,474		30,701	
Other operating expenditures	11,895	4,588		6,809	
Total	56,243	47,062	9,181	37,510	
Bioterrorism - Crisis Response					
Salaries and employee benefits					
Other operating expenditures	717,513	129,017		56,055	
Total	717,513	129,017	588,496	56,055	
Bioterrorism - Medical Reserve Corps					
Other operating expenditures	19,425	13,798		-	
Capital outlay	9,075	7,695		-	
Total	28,500	21,493	7,007	-	
Bioterrorism - Hospice					
Salaries and employee benefits	240,424	133,263		229,279	
Other operating expenditures	88,096	40,114		76,348	
Total	328,520	173,377	155,143	305,627	
Memorial drive facility:					
Other operating expenditures	62,500	53,180		20,132	
Contribution	500,000	500,000		500,000	
Total	562,500	553,180	9,320	520,132	
Tuberculosis:					
Salaries and employee benefits	138,416	99,157		134,209	
Other operating expenditures	6,095	3,998		3,803	
Total	144,511	103,155	41,356	138,012	
CLAS health equity:					
Other operating expenditures	-	-		7,920	
Total	-	-	-	7,920	
Maternal CareCoordination:					
Salaries and employee benefits	381,767	343,810		379,724	
Capital outlay	20,792	10,741		14,940	
Total	402,559	354,551	48,008	394,664	

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Final Budget	Actual	Variance Positive (Negative)	
Adult Health:				
Salaries and employee benefits	\$ 281,505	\$ 279,369		\$ -
Other operating expenditures	49,613	44,954		-
Total	331,118	324,323	6,795	-
Health promotions:				
Salaries and employee benefits	157,727	101,780		385,840
Other operating expenditures	39,300	15,063		91,133
Total	197,027	116,843	80,184	476,973
Opioid quick response team:				
Other operating expenditures	-	-		26,205
Capital outlay	-	-		2,138
Total	-	-	-	28,343
Comprehensive opioid abuse:				
Other operating expenditures	68,000	48,263		13,032
Total	68,000	48,263	19,737	13,032
Child health:				
Salaries and employee benefits	133,320	132,039		115,844
Other operating expenditures	9,756	8,346		12,142
Total	143,076	140,385	2,691	127,986
Women's preventive health:				
Salaries and employee benefits	650,464	624,157		545,439
Other operating expenditures	122,413	95,017		111,246
Total	772,877	719,174	53,703	656,685
Child service coordination:				
Salaries and employee benefits	432,522	402,325		416,438
Other operating expenditures	18,760	14,535		16,414
Total	451,282	416,860	34,422	432,852
Maternal health:				
Salaries and employee benefits	688,336	632,823		657,945
Other operating expenditures	53,062	48,776		41,914
Total	741,398	681,599	59,799	699,859
Total health	15,552,412	9,932,636	5,619,776	10,309,148
Social services:				
Administration:				
Salaries and employee benefits	1,476,316	1,407,827		1,399,963
Other operating expenditures	1,265,961	999,914		878,361
Capital outlay	259,281	249,401		-
Total	3,001,558	2,657,142	344,416	2,278,324

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Final Budget	Actual	Variance Positive (Negative)	Actual
Day care:				
Salaries and employee benefits	\$ 367,405	\$ 363,226		\$ 286,060
Assistance payments	-	-		(925)
Total	367,405	363,226	4,179	285,135
Food and nutrition services:				
Salaries and employee benefits	1,322,611	1,068,905		-
Other operating expenditures	1,000	822		-
Total	1,323,611	1,069,727	253,884	-
Public assistance:				
Contributions	665,139	461,937	-	499,550
Total	665,139	461,937	203,202	499,550
Medicaid unit:				
Salaries and employee benefits	5,289,959	5,059,963		6,087,251
Other operating expenditures	129,352	115,217		56,336
Total	5,419,311	5,175,180	244,131	6,143,587
Work first employment services:				
Salaries and employee benefits	383,129	288,741		353,197
Contributions	1,900	-		58
Other operating expenditures	100,700	55,889		65,408
Total	485,729	344,630	141,099	418,663
Child support enforcement IV-D:				
Other operating expenditures	1,950,878	1,328,611	622,267	1,409,520
Child protective services:				
Salaries and employee benefits	7,219,196	6,921,910		7,455,562
Contributions	367,294	256,397		304,941
Other operating expenditures	3,302,749	1,725,607		2,280,969
Capital outlay	6,560	5,797		-
Total	10,895,799	8,909,711	1,986,088	10,041,472
Adult protective services:				
Salaries and employee benefits	1,127,107	533,097		-
Other operating expenditures	27,700	3,757		-
Capital outlay	1,640	1,449		-
Total	1,156,447	538,303	618,144	-
PEERS program:				
Salaries and employee benefits	311,201	295,644		235,530
Other operating expenditures	24,132	23,138		15,224
Total	335,333	318,782	16,551	250,754
DSS - Special Children Adoptions:				
Other operating expenditures	11,681	-	11,681	-

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Final Budget	Actual	Variance Positive (Negative)	Actual
Crisis intervention:				
Operating expenditures	\$ 1,621,593	\$ 1,590,654	\$ 30,939	\$ 1,241,513
Juvenile Detention Site:				
Operating expenditures	169,040	145,302	23,738	120,549
Juvenile Crime Prevention:				
Operating expenditures	4,760	4,289	471	3,669
Youth services:				
Salaries and employee benefits	101,472	99,249		85,151
Other operating expenditures	48,764	32,334		37,417
Total	150,236	131,583	18,653	122,568
Restitution program:				
Salaries and employee benefits	234,042	211,593		196,842
Other operating expenditures	55,796	46,408		39,772
Total	289,838	258,001	31,837	236,614
SHARP Program:				
Other operating expenditures	52,000	36,375	15,625	32,040
School Treatment Program:				
Salaries and employee benefits	113,457	102,210		88,262
Other operating expenditures	82,443	78,192		75,874
Total	195,900	180,402	15,498	164,136
Day Services:				
Salaries and employee benefits	96,939	94,138		92,292
Other operating expenditures	30,870	17,756		19,936
Total	127,809	111,894	15,915	112,228
Total social services	28,224,067	23,625,749	4,598,318	23,360,322
Senior Services:				
Administration:				
Salaries and employee benefits	707,895	678,814		675,712
Other operating expenditures	93,485	77,167		79,425
Total	801,380	755,981	45,399	755,137
SS Cares:				
Other operating expenditures	177,004	71,917		-
Capital Outlay	13,400	13,271		-
Total	190,404	85,188	105,216	-
Adult Day Care:				
Salaries and employee benefits	143,112	135,264		134,095
Other operating expenditures	6,991	2,950		6,429
Total	150,103	138,214	11,889	140,524
Transportation - nutritional:				
Other operating expenditures	199,315	66,671		162,209
Total	199,315	66,671	132,644	162,209

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Final Budget	Actual	Variance Positive (Negative)	Actual
Transportation - medical:				
Other operating expenditures	\$ 17,000	\$ 12,791	\$ 4,209	\$ 17,149
Home Delivered Meals:				
Salaries and employee benefits	50,543	49,032		47,823
Other operating expenditures	101,053	81,799		76,463
Total	151,596	130,831	20,765	124,286
In home chore (IIIB):				
Salaries and employee benefits	925,482	906,941		871,731
Other operating expenditures	70,731	65,558		66,931
Total	996,213	972,499	23,714	938,662
CAP - Chore:				
Salaries and employee benefits	468,279	456,022		441,942
Other operating expenditures	36,409	9,622		27,032
Total	504,688	465,644	39,044	468,974
Title IIID:				
Other operating expenditures	7,428	6,197	1,231	4,752
Congregate meals:				
Salaries and employee benefits	89,309	86,864		81,418
Other operating expenditures	253,742	169,709		125,951
Capital Outlay	11,334	11,333		-
Total	354,385	267,906	86,479	207,369
Senior Center:				
Other operating expenditures	16,284	16,317	(33)	16,395
Outreach Coordination:				
Other operating expenditures	11,503	10,818	685	13,134
Total senior services	3,400,299	2,929,057	471,242	2,848,591
Veteran's Services:				
Salaries and employee benefits	528,279	455,518		453,735
Other operating expenditures	23,821	9,474		9,723
Total	552,100	464,992	87,108	463,458
Other Human Services:				
Other contributions	321,318	314,675	6,643	284,849
Total human services	48,322,445	37,527,238	10,795,207	37,522,706

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Final Budget	Actual	Variance Positive (Negative)	Actual
Environmental Protection:				
Vector control:				
Salaries and employee benefits	\$ 290,125	\$ 285,757		\$ 277,547
Other operating expenditures	77,028	68,523		45,077
Capital Outlay	8,464	8,364		-
Total	375,617	362,644	12,973	322,624
Contribution to NC Forestry Service	150,000	130,081	19,919	129,532
Total environmental protection	525,617	492,725	32,892	452,156
Cultural and Recreational:				
Recreation and parks:				
Salaries and employee benefits	1,700,464	1,696,056		1,547,238
Other operating expenditures	606,779	459,502		392,951
Capital outlay	66,646	20,701		35,647
Total	2,373,889	2,176,259	197,630	1,975,836
Library:				
Salaries and employee benefits	1,127,949	1,086,956		1,095,129
Other operating expenditures	369,583	299,592		357,078
Capital outlay	6,903	6,903		-
Total	1,504,435	1,393,451	110,984	1,452,207
Museum:				
Salaries and employee benefits	277,815	258,493		273,822
Other operating expenditures	44,490	29,648		28,228
Total	322,305	288,141	34,164	302,050
Swansboro library:				
Salaries and employee benefits	205,437	202,750		196,115
Other operating expenditures	62,151	48,561		55,536
Total	267,588	251,311	16,277	251,651
Sneads Ferry library:				
Salaries and employee benefits	208,526	190,887		208,650
Other operating expenditures	95,398	84,796		82,241
Total	303,924	275,683	28,241	290,891
Richlands library:				
Salaries and employee benefits	188,412	156,644		157,962
Other operating expenditures	46,401	35,158		37,433
Total	234,813	191,802	43,011	195,395
Total cultural and recreational	5,006,954	4,576,647	430,307	4,468,030

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Final Budget	Actual	Variance Positive (Negative)	Actual
Education:				
Public schools - current	\$ 56,455,917	\$ 56,455,917		\$ 53,529,912
Public schools - capital outlay	3,300,000	3,300,000		3,000,000
Community colleges - current	4,441,555	4,441,555		4,441,555
Community colleges - capital outlay	2,836,000	2,836,000		1,919,207
Debt service	15,429,865	15,429,865		13,998,343
Fines and forfeitures	640,900	655,579		-
Total education	83,104,237	83,118,916	(14,679)	76,889,017
Debt service:				
Principal	8,797,126	8,797,126		8,655,373
Interest and fees	3,849,953	3,749,465		4,134,873
Total debt service	12,647,079	12,546,591	100,488	12,790,246
Total expenditures	222,285,327	204,257,573	18,027,754	192,568,473
Revenues over expenditures	(9,758,084)	21,297,765	(4,999,659)	10,393,941
Other financing sources (uses):				
Sale of property held for investment	-	3,467,500	(3,467,500)	-
Sale of capital assets	114,909	111,146	3,763	173,265
Proceeds from installment purchase	-	-	-	-
Transfers from other funds	3,129,875	3,128,135	1,740	2,753,513
Transfers to other funds	(7,093,216)	(7,033,520)	(59,696)	(5,277,393)
Total	(3,848,432)	(326,739)	3,521,693	(2,350,615)
Revenues and other financing sources over expenditures and other financing uses	(13,606,516)	20,971,026	34,577,542	8,043,326
Appropriated fund balance	13,606,516	12,476	13,594,040	-
Revenues, other financing sources, and appropriated fund balance under expenditures and other financing uses	<u>\$ -</u>	20,983,502	<u>\$ 48,171,582</u>	8,043,326
Fund balance, beginning, as previously reported		53,699,918		<u>45,656,592</u>
Prior period adjustment - change in accounting principals		244,426		
Fund balance, beginning, as restated		<u>53,944,344</u>		
Fund balance, end of year		<u>\$ 74,927,846</u>		<u>53,699,918</u>

SCHEDULE 11
Onslow County, North Carolina
WORKERS COMPENSATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Investment earnings	\$ -	\$ 59	\$ 59	\$ 4,682
Other revenues	-	-	-	48,652
Total revenues	-	59	59	53,334
Expenditures:				
Workers' compensation fund	690,000	663,219	26,781	755,208
Revenues over (under) expenditures	(690,000)	(663,160)	26,840	(701,874)
Other financing sources (uses):				
Transfers from (to) other funds	500,000	500,000	-	600,000
Total other financing sources (uses)	500,000	500,000	-	600,000
Revenues and other financing sources over expenditures and other uses	(190,000)	(163,160)	26,840	(101,874)
Appropriated fund balance	190,000	-	190,000	-
Revenues, other financing sources and appropriated fund balance over (under) expenditures and other uses	<u>\$ -</u>	(163,160)	<u>\$ (163,160)</u>	(101,874)
Fund balance, beginning of year		533,390		635,264
Fund balance, end of year		\$ 370,230		\$ 533,390

SCHEDULE 12
Onslow County, North Carolina
BURTON INDUSTRIAL PARK FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Investment earnings	\$ -	\$ 297	\$ 297	\$ 45,311
Total revenues	-	297	297	45,311
Expenditures:				
Economic and physical development	283,567	67,527	216,040	46,613
Revenues over (under) expenditures	(283,567)	(67,230)	216,337	(1,302)
Other financing sources (uses):				
Transfers from (to) other funds	200,000	200,000	-	1,333,472
Total other financing sources (uses)	200,000	200,000	-	1,333,472
Revenues and other financing sources over expenditures and other uses	(83,567)	132,770	216,337	1,332,170
Appropriated fund balance	83,567	-	(83,567)	-
Revenues, other financing sources and appropriated fund balance over (under) expenditures and other uses	<u>\$ -</u>	<u>132,770</u>	<u>\$ 132,770</u>	1,332,170
Fund balance, beginning of year		1,548,568		216,398
Fund balance, end of year		\$ 1,681,338		\$ 1,548,568

BENEFIT FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Investment earnings	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Revenues over (under) expenditures	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund balance, beginning of year		1,922		1,922
Fund balance, end of year		\$ 1,922		\$ 1,922

RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Restricted Intergovernmental	\$ 1,646,000	\$ 1,646,000	\$ -	\$ 1,646,000
Investment earnings	-	5,352	5,352	330,305
Miscellaneous	-	188,811	188,811	330,305
Total revenues	1,646,000	1,840,163	194,163	2,306,610
Revenues over (under) expenditures	1,646,000	1,840,163	194,163	2,306,610
Other financing sources (uses):				
Transfers from (to) other funds	(415,928)	(221,968)	193,960	(436,131)
Total other financing sources (uses)	(415,928)	(221,968)	193,960	(436,131)
Revenues and other financing sources over expenditures and other uses	1,230,072	1,618,195	388,123	1,870,479
Appropriated fund balance	(1,230,072)	-	1,230,072	-
Revenues, other financing sources and appropriated fund balance over (under) expenditures and other uses	<u>\$ -</u>	1,618,195	<u>\$ 1,618,195</u>	1,870,479
Fund balance, beginning of year		26,704,765		24,834,286
Fund balance, end of year		\$ 28,322,960		\$ 26,704,765

SCHEDULE 15
Onslow County, North Carolina
DISASTER CONTINGENCY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Budget	Actual	Variance Positive	Actual
Revenues:				
Investment earnings	\$ -	\$ 915	\$ 915	\$ 31,833
Restricted grants	-	-	-	1,861,521
Total Revenues	-	915	915	1,893,354
Expenditures:				
Contracted services	-	-	-	1,893,354
Revenues over (under) expenditures	-	915	915	-
Appropriated Fund Balances	-	-	-	-
Revenues over expenditures	<u>\$ -</u>	915	<u>\$ 915</u>	1,893,354
Fund balance, beginning of year		5,301,302		3,407,948
Fund balance, end of year		\$ 5,302,217		\$ 5,301,302

SCHEDULE 16
Onslow County, North Carolina
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Budget	Actual	Variance Positive	Actual
Revenues:				
Restricted grants	\$ -	\$ -	\$ -	\$ 32,531.00
Investment earnings	-	202	202	11,026
Miscellaneous	-	100,000	100,000	-
Total revenues	-	100,202	100,202	43,557
Expenditures:				
Capital projects				
Roofing	24,600	19,873	4,727	155,307
Parking lots	5,000	-	5,000	10,750
Regional park improvements	169,800	137,563	32,237	56,400
HVAC replacement	99,269	77,115	22,154	62,435
MPC improvements	20,375	20,079	296	-
Museum improvements	27,950	-	27,950	-
Justice Improvement	157,156	-	157,156	-
Carpet replacements	58,000	47,365	10,635	14,180
Beach access repairs	56,362	15,874	40,488	2,202
Courthouse flooring	30,000	-	30,000	5,564
Summersill improvements	-	-	-	5,534
Repair parts	4,300	6,741	(2,441)	28
General Improvements	362,355	280,657	81,698	332,847
Firearm training range	350,000	29,790	320,210	-
Fuel farm	400,000	250,062	149,938	-
Hines farm improvements	32,600	6,822	25,778	-
Total expenditures	1,797,767	891,941	905,826	645,247
Revenues over (under) expenditures	(1,797,767)	(791,739)	1,006,028	(601,690)
Other financing sources (uses):				
Transfer from (to) other Funds	1,521,356	1,504,519	(16,837)	689,325
Total other financing sources (uses)	1,521,356	1,504,519	(16,837)	689,325
Revenues and other financing sources over (under) expenditures and other financing uses	(276,411)	712,780	989,191	87,635
Appropriated Fund Balance	276,411	-	(276,411)	-
Revenue, other financing sources, and appropriated fund balance over (under) expenditures and financing uses	<u>\$ -</u>	<u>712,780</u>	<u>\$ 712,780</u>	<u>87,635</u>
FUND BALANCES, beginning of year		1,035,317		947,682
FUND BALANCES, end of year		\$ 1,748,097		\$ 1,035,317

LEO SEPARATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Restricted Intergovernmental	\$ -	\$ 184,846	\$ 184,846	\$ 132,316
Investment earnings	-	253	253	11,437
Total Revenues	-	185,099	185,099	143,753
Expenditures:				
Public safety	-	-	-	-
Total Expenditures	-	-	-	-
Revenues over (under) expenditures	<u>\$ -</u>	<u>185,099</u>	<u>\$ 185,099</u>	<u>143,753</u>
Fund balance, beginning of year		1,180,505		1,036,752
Fund balance, end of year		\$ 1,365,604		\$ 1,180,505

SCHEDULE 18
Onslow County, North Carolina
HEALTH INSURANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Restricted Intergovernmental	\$ 11,379,608	\$ 7,811,455	\$ (3,568,153)	\$ 8,458,036
Investment earnings	-	78	78	7,614
Other Revenues	115,000	133,725	18,725	182,104
Total Revenues	11,494,608	7,945,258	(3,549,350)	8,647,754
Expenditures:				
Benefits Paid	11,723,692	7,269,281	4,454,411	8,550,707
Administrative Expenses	1,870,916	1,270,013	600,903	1,853,912
Total Expenditures	13,594,608	8,539,294	5,055,314	10,404,619
Revenues over (under) expenditures	(2,100,000)	(594,036)	1,505,964	(1,756,865)
Other financing sources (uses):				
Transfers from other funds	2,100,000	2,057,493	(42,507)	1,352,252
Total other financing sources (uses)	2,100,000	2,057,493	(42,507)	1,352,252
Revenues and other financing sources over (under) expenditures	-	1,463,457	1,463,457	(404,613)
Appropriated Fund Balance	-	-	-	-
Revenue, other financing sources, and appropriated fund balance over (under) expenditures and financing uses	<u>\$ -</u>	1,463,457	<u>\$ 1,463,457</u>	(404,613)
Fund balance, beginning of year		25,582		430,195
Fund balance, end of year		\$ 1,489,039		\$ 25,582

REVALUATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2020			2019
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Investment earnings	\$ -	\$ 20	\$ 20	\$ 255
Total Revenues	-	20	20	255
Expenditures:				
Professional services	117,274	35,000	82,274	86,074
Total Expenditures	117,274	35,000	82,274	86,074
Revenues over (under) expenditures	(117,274)	(34,980)	82,294	(85,819)
Other financing sources (uses):				
Transfers from other funds	116,250	116,250	-	116,250
Total other financing sources (uses)	116,250	116,250	-	116,250
Revenues and other financing sources over (under) expenditures	(1,024)	81,270	82,294	30,431
Appropriated Fund Balance	1,024	-	(1,024)	-
Revenue, other financing sources, and appropriated fund balance over (under) expenditures and financing uses	<u>\$ -</u>	81,270	<u>\$ 81,270</u>	30,431
Fund balance, beginning of year		75,257		44,826
Fund balance, end of year		\$ 156,527		\$ 75,257

COMBINING STATEMENTS AND SCHEDULES FOR NON-MAJOR FUNDS

SPECIAL REVENUE FUNDS

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

Individual Fund Description:

Memorial Fund - accounts for funds reserved for future emergencies that may arise.

Emergency Telephone System Fund - accounts for the operations of the County's Emergency 911 system.

Register of Deeds Fund - accounts for the costs of automation and enhancement of process for the register of deeds.

Grant Project Fund - accounts for funds received for various grant projects.

Community Assistance Fund - accounts for special grant funds used for maintenance of community-wide sewer system.

SCHEDULE 20
Onslow County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
For the Fiscal Year Ended June 30, 2021

	Memorial	Emergency Telephone System Fund	Register of Deeds	Community Assistance	Totals
ASSETS					
Cash and investments	\$ 11,910	\$ 904,959	\$ 335,910	\$ 500,872	\$ 1,753,651
Accounts receivable	-	63	85	-	148
Due from other governments	-	27,225	6,511	-	33,736
Total assets	\$ 11,910	\$ 932,247	\$ 342,506	\$ 500,872	\$ 1,787,535
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ 1,331	\$ 1,297	\$ -	\$ 2,628
Unearned Revenues	-	-	-	-	-
Total liabilities	-	1,331	1,297	-	2,628
Fund balances:					
Restricted					
Stabilization by State Statute	-	27,288	6,596	-	33,884
Register of Deeds	-	-	314,791	-	314,791
Emergency Services	-	788,496	-	-	788,496
Committed					
Community Assistance	-	-	-	470,272	470,272
Assigned					
Subsequent year's expenditures	-	115,132	19,822	30,600	165,554
Unassigned	11,910	-	-	-	11,910
Total fund balance	11,910	930,916	341,209	500,872	1,784,907
Total liabilities, deferred inflows of resources and fund balances	\$ 11,910	\$ 932,247	\$ 342,506	\$ 500,872	\$ 1,787,535

SCHEDULE 21
Onslow County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2021

	Memorial	Emergency Telephone System Fund	Register of Deeds	Community Assistance	Totals
Revenues:					
E-911 fees	\$ -	\$ 284,843	\$ -	\$ -	\$ 284,843
Grant revenue	-	-	-	-	-
Investment earnings	-	208	74	1,282	1,564
Other revenues	-	-	153,674	21,592	175,266
Contributions	-	-	-	1,095,977	1,095,977
Total revenues	-	285,051	153,748	1,118,851	1,557,650
Expenditures					
Operating expenditures	-	85,865	70,961	-	156,826
Equipment maintenance	-	137,186	-	-	137,186
Capital outlay	-	237,355	174,846	-	412,201
Distributions	-	-	-	998,089	998,089
Total expenditures	-	460,406	245,807	998,089	1,704,302
Revenues over (under) expenditures	-	(175,355)	(92,059)	120,762	(146,652)
Revenues and other financing sources over (under) expenditures	-	(175,355)	(92,059)	120,762	(146,652)
FUND BALANCES, beginning, as previously reported	11,910	1,106,271	433,268	54,104	1,605,553
Prior period adjustment - change in accounting principals	-	-	-	326,006	326,006
FUND BALANCES, beginning, as restated	11,910	1,106,271	433,268	380,110	1,931,559
FUND BALANCES, end of year	\$ 11,910	\$ 930,916	\$ 341,209	\$ 500,872	\$ 1,784,907

MEMORIAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Donations	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
General improvements	-	-	-	-
Total expenditures	-	-	-	-
Revenues over (under) expenditures	-	-	-	-
Revenue, other financing sources, and appropriated fund balance over (under) expenditures and financing uses	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	-
Fund balance, beginning of year		11,910		11,910
Fund balance, end of year		\$ 11,910		\$ 11,910

SCHEDULE 23
Onslow County, North Carolina
EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Restricted intergovernmental:				
Wireless E-911 fees	\$ 324,625	\$ 284,843	\$ (39,782)	\$ 247,416
Investment earnings	-	208	208	13,306
Total revenues	324,625	285,051	(39,574)	260,722
Expenditures:				
Public Safety				
Operating expenditures	195,399	85,865	109,534	98,642
Equipment maintenance	192,140	137,186	54,954	80,494
Capital outlay	604,904	237,355	367,549	86,790
Total expenditures	992,443	460,406	532,037	265,926
Revenues over (under) expenditures	(667,818)	(175,355)	492,463	(5,204)
Fund balance appropriated	667,818	-	(667,818)	-
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	(175,355)	<u>\$ (175,355)</u>	(5,204)
Fund balance, beginning of year		1,106,271		1,111,475
Fund balance, end of year		\$ 930,916		\$ 1,106,271

REGISTER OF DEEDS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Permits and fees	\$ 74,771	\$ 153,674	\$ 78,903	\$ 123,772
Investment earnings	-	74	74	4,961
Total revenues	74,771	153,748	78,977	128,733
Expenditures:				
Automation expenditures	96,032	70,961	25,071	83,760
Capital outlay	177,609	174,846	2,763	21,215
Total expenditures	273,641	245,807	27,834	104,975
Revenues over (under) expenditures	(198,870)	(92,059)	106,811	23,758
Appropriated fund balance	198,870	-	(198,870)	-
Revenues and appropriated fund balance over (under) expenditures	<u>\$ -</u>	(92,059)	<u>\$ (92,059)</u>	23,758
Fund balance, beginning		433,268		409,510
Fund balance, end of year		\$ 341,209		\$ 433,268

SCHEDULE 25
Onslow County, North Carolina
COMMUNITY ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues				
Loan repayments	\$ 20,000	\$ 21,517	\$ 1,517	\$ 26,368
Interest on loan payments	-	1,282	1,282	1,745
Miscellaneous Revenue	-	75	75	25
Contributions	-	1,095,977	1,095,977	-
Total revenues	20,000	1,118,851	1,098,851	28,138
Expenditures				
Legal fees	3,600	-	3,600	1,461
Septic system repair program	33,000	-	33,000	29,846
Distributions	-	998,089	(998,089)	-
Total Expenditures	36,600	998,089	(961,489)	31,307
Revenues over (under) expenditures	(16,600)	120,762	137,362	(3,169)
Appropriated fund balance	16,600	-	(16,600)	-
Revenues and appropriated fund balance over (under) expenditures	\$ -	120,762	\$ 120,762	(3,169)
Fund balance, beginning, as previously reported		54,104		57,273
Prior period adjustment - change in accounting principals		326,006		
Fund balance, beginning, as restated		380,110		
Fund balances, end of year		\$ 500,872		\$ 54,104

SCHEDULE 26
Onslow County, North Carolina
GRANT PROJECT FUND (MAJOR FUND)
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2021

		Actual			Variance Positive (Negative)
	Project Authorization	Prior Years	Current Year	Total to Date	
Revenues:					
2011 EOC Federal Grant	\$ 115,014	\$ 113,175	\$ -	\$ 113,175	\$ 1,839
2018 Bureau of Justice Assistance Federal Grant	741,512	164,894	199,395	364,289	377,223
2015 JAG Federal Grant	13,893	13,255	-	13,255	638
2016 JAG Federal Grant	13,235	12,922	-	12,922	313
2017 JAG Federal Grant	11,255	11,104	-	11,104	151
2019 JAG Federal Grant	12,088	5,038	6,514	11,552	536
2020 JAG Federal Grant	38,947	-	22,820	22,820	16,127
2017 JAG State Grant	22,776	18,460	-	18,460	4,316
2016 Homeland Security Federal Grant	8,800	7,562	-	7,562	1,238
2017 Homeland Security Federal Grant	40,000	38,535	-	38,535	1,465
2014 JAG Federal Grant	23,099	20,956	-	20,956	2,143
2019 Hazard Mitigation Federal Grant-Acquisition	894,140	-	100,804	100,804	793,336
2019 Hazard Mitigation Federal Grant-Demolition	160,636	-	-	-	160,636
2019 Homeland Security Federal Grant-Generator	35,000	-	34,993	34,993	7
2019 Homeland Security Federal Grant-Shower Trailer	50,500	-	48,700	48,700	1,800
CARES Act Grant	2,764,649	81,118	1,761,387	1,842,505	922,144
Stream/Creek Clean Up State Grant	52,617	51,055	-	51,055	1,562
2017 Joint Land Use Study Federal Grant	261,850	254,194	-	254,194	7,656
Watershed Restoration	516,262	-	-	-	516,262
Regional Park Improvement Grant	400,000	398,833	-	398,833	1,167
Total Revenue	6,176,273	1,191,101	2,174,613	3,365,714	2,810,559
Expenditures:					
2011 EOC Federal Grant	115,014	111,801	-	111,801	3,213
2018 Bureau of Justice Assistance Federal Grant	741,512	174,061	190,199	364,260	377,252
2015 JAG Federal Grant	13,893	13,255	-	13,255	638
2016 JAG Federal Grant	13,235	12,922	-	12,922	313
2017 JAG Federal Grant	11,255	11,104	-	11,104	151
2019 JAG Federal Grant	12,088	5,038	6,514	11,552	536
2020 JAG Federal Grant	38,947	-	22,820	22,820	16,127
2017 JAG State Grant	22,776	18,460	-	18,460	4,316
2016 Homeland Security Federal Grant	8,800	8,765	-	8,765	35
2017 Homeland Security Federal Grant	40,000	38,535	-	38,535	1,465
2014 JAG Federal Grant	23,099	20,956	-	20,956	2,143
2019 Hazard Mitigation Federal Grant-Acquisition	894,140	28,585	285,426	314,011	580,129
2019 Hazard Mitigation Federal Grant-Demolition	160,636	-	32,600	32,600	128,036
2019 Homeland Security Federal Grant-Generator	35,000	-	34,993	34,993	7
2019 Homeland Security Federal Grant-Shower Trailer	50,500	-	48,700	48,700	1,800
CARES Act Grant	2,764,649	81,099	1,761,175	1,842,274	922,375
Stream/Creek Clean Up State Grant	52,617	51,055	-	51,055	1,562
2017 Joint Land Use Study Federal Grant	261,850	254,194	-	254,194	7,656
Watershed Restoration	516,262	-	-	-	516,262
Regional Park Improvement Grant	400,000	398,833	-	398,833	1,167
Total Expenditures	6,176,273	1,228,663	2,382,427	3,611,090	2,565,183
Revenues over (under) expenditures	\$ -	\$ (37,562)	(207,814)	\$ (245,376)	\$ 245,376
Fund balances, beginning of year			(37,592)		
Fund balances, end of year			\$ (245,406)		

CAPITAL PROJECT FUNDS

Capital Project Funds account for funds to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

Individual Fund Descriptions:

School Construction Fund - accounts for funds used for construction of new school facilities.

Capital Project Fund - accounts for funds used for industrial and economic development.

SCHEDULE 27
Onslow County, North Carolina
SCHOOL CONSTRUCTION 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			Actual			Variance Positive (Negative)
	Prior Years	Amendments	June 30, 2021	Prior Years	Current Year	Total to Date	
Revenues							
Restricted intergovernmental:							
State grant	\$ 12,792,910	\$ -	\$ 12,792,910	\$ 10,365,975	\$ 151,743	\$ 10,517,718	\$ 2,275,192
Capital Reserve fund	-	369,150	369,150	-	-	-	369,150
Investment earnings	92,167	-	92,167	653,709	2,779	656,488	(564,321)
Total revenues	12,885,077	369,150	13,254,227	11,019,684	154,522	11,174,206	2,080,021
Expenditures							
Dixon Middle School	28,086,672	-	28,086,672	28,086,672	-	28,086,672	-
Regional Skills Center	12,792,910	-	12,792,910	10,365,975	151,743	10,517,718	2,275,192
Richlands Elementary School	24,038,557	-	24,038,557	22,153,893	1,118	22,155,011	1,883,546
West Central Elementary School	30,275,683	-	30,275,683	7,616,471	16,622,160	24,238,631	6,037,052
New Southern Elementary School	32,459,154	-	32,459,154	11,006,170	18,941,085	29,947,255	2,511,899
Old Dixon Middle Demolition	-	369,150	369,150	-	300,190	300,190	68,960
Total expenditures	127,652,976	369,150	128,022,126	79,229,181	36,016,296	115,245,477	12,776,649
Revenues over (under) expenditures	(114,767,899)	-	(114,767,899)	(68,209,497)	(35,861,774)	(104,071,271)	(10,696,628)
Other financing sources (uses):							
Transfers from (to) other funds	-	-	-	-	300,190	300,190	(300,190)
Proceeds from issuance of debt	114,767,899	-	114,767,899	115,970,080	-	115,970,080	(1,202,181)
Total other financing sources (uses)	114,767,899	-	114,767,899	115,970,080	300,190	116,270,270	(1,502,371)
Revenues and other financing sources over (under) expenditures	\$ -	\$ -	\$ -	\$ 47,760,583	(35,561,584)	\$ 12,198,999	\$ (12,198,999)
FUND BALANCES, beginning of year					47,760,583		
FUND BALANCES, end of year					\$ 12,198,999		

CAPITAL PROJECT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

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

	Project Authorization			Actual			Variance Positive (Negative)
	Prior Years	Amendments	June 30, 2021	Prior Years	Current Year	Total to Date	
Revenues:							
Restricted intergovernmental							
State grants	\$ 3,278,862	\$ 249,200	\$ 3,528,062	\$ 2,899,145	\$ 172,715	\$ 3,071,860	\$ 456,202
Total restricted	3,278,862	249,200	3,528,062	2,899,145	172,715	3,071,860	456,202
Unrestricted intergovernmental							
Other income	-	-	-	40,574	-	40,574	(40,574)
Investment earnings (costs)	272,408	-	272,408	767,203	(12,147)	755,056	(482,648)
Total unrestricted	272,408	-	272,408	807,777	(12,147)	795,630	(523,222)
Total revenues	3,551,270	249,200	3,800,470	3,706,922	160,568	3,867,490	(67,020)
Expenditures							
Capital projects							
Government Center Public Buildings	20,631,520	-	20,631,520	20,631,506	-	20,631,506	14
Vehicle Maintenance Building	4,682,449	-	4,682,449	4,682,449	-	4,682,449	-
Discovery Gardens	1,180,390	25,000	1,205,390	1,051,573	15,322	1,066,895	138,495
Sylvester House Preservation	100,000	-	100,000	16,600	-	16,600	83,400
Tax Software	1,255,000	-	1,255,000	1,182,749	-	1,182,749	72,251
800 MHZ Infrastructure	11,737,709	-	11,737,709	11,737,708	-	11,737,708	1
Courthouse Construction	20,000,000	-	20,000,000	19,545,057	54,060	19,599,117	400,883
E&P Development-Waterway Maintenance	626,523	-	626,523	626,523	-	626,523	-
Justice Complex Improvements	1,697,120	-	1,697,120	1,697,120	-	1,697,120	-
Health Department Demolition and Parking Lot	2,340,766	-	2,340,766	2,340,766	-	2,340,766	-
Crisis Center Intervention	2,025,888	-	2,025,888	1,794,909	53,046	1,847,955	177,933
Animal Shelter Expansion Project	4,255,000	-	4,255,000	1,103,185	1,830,283	2,933,468	1,321,532
Beach Access Repair	709,000	-	709,000	277,723	130,692	408,415	300,585
Burton Park Bike Trail	-	448,784	448,784	-	295,916	295,916	152,868
Total expenditures	71,241,365	473,784	71,715,149	66,687,868	2,379,319	69,067,187	2,647,962
Revenues over (under) expenditures	(67,690,095)	(224,584)	(67,914,679)	(62,980,946)	(2,218,751)	(65,199,697)	(2,714,982)
Other financing sources (uses):							
Proceeds (costs) from issuance of debt	91,629,515	-	91,629,515	94,378,597	-	94,378,597	(2,749,082)
Transfers from (to) other funds	9,505,111	224,584	9,729,695	9,714,891	324,584	10,039,475	(309,780)
Total other financing sources (uses)	101,134,626	224,584	101,359,210	104,093,488	324,584	104,418,072	(3,058,862)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ 33,444,531	\$ -	\$ 33,444,531	\$ 41,112,542	(1,894,167)	\$ 39,218,375	\$ (5,773,844)
FUND BALANCES, beginning of year					7,321,576		
FUND BALANCES, end of year					\$ 5,427,409		

PROPRIETARY FUNDS

Proprietary Funds account for operations that are financed and operated in a manner similar to private business enterprises-where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that the periodic determination of net income is appropriate for accountability purposes. The County utilizes the following proprietary funds:

Solid Waste Fund - accounts for operations at the County landfill.

Airport Fund - accounts for operations at Albert J. Ellis Airport.

SCHEDULE OF REVENUES AND EXPENDITURES

BUDGET AND ACTUAL (Non-GAAP)

For the Fiscal Year Ended June 30, 2021

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

	2021			2020
	Budget	Actual	Variance Positive (Negative)	Actual
REVENUES:				
Charges for services				
Tipping fees	\$ 4,982,332	\$ 5,714,851	\$ 732,519	\$ 4,821,813
Debris fees	1,574,608	1,573,456	(1,152)	1,586,888
Site fees	439,616	603,919	164,303	426,422
Other operating revenues	856,493	1,198,476	341,983	1,100,133
Total operating revenues	7,853,049	9,090,702	1,237,653	7,935,256
Nonoperating revenues				
Restricted intergovernmental	-	-	-	51,213
Investment earnings	14,036	7,667	(6,369)	292,299
Total nonoperating revenues	14,036	7,667	(6,369)	343,512
Total revenues	7,867,085	9,098,369	1,231,284	8,278,768
EXPENDITURES				
Solid Waste Administration				
Salaries and benefits	289,540	287,855	1,685	308,370
Contracted services	-	-	-	147,155
Other expenditures	614,242	23,205	591,037	29,218
Total	903,782	311,060	592,722	484,743
Landfill operations				
Salaries and benefits	793,488	755,813	37,675	802,189
Contracted services	71,265	28,296	42,969	45,896
Other expenditures	3,122,980	933,423	2,189,557	1,181,174
Total	3,987,733	1,717,532	2,270,201	2,029,259
Recycling				
Salaries and benefits	50,684	50,652	32	22,068
Contracted services	75,000	40,201	34,799	10,735
Other expenditures	578,654	457,675	120,979	357,509
Total	704,338	548,528	155,810	390,312
Electronics Recycling				
Contracted services	26,700	22,090	4,610	11,799
Total	26,700	22,090	4,610	11,799
Refuse sites				
Salaries and benefits	397,466	364,057	33,409	311,002
Contracted services	167,102	132,256	34,846	151,103
Other expenditures	286,970	42,365	244,605	50,105
Total	851,538	538,678	312,860	512,210
Keep Onslow Beautiful				
Other expenditures	330	-	330	6,272
Total	330	-	330	6,272
White goods				
Salaries and benefits	110,350	108,998	1,352	105,597
Other expenditures	77,257	20,224	57,033	24,472
Total	187,607	129,222	58,385	130,069
Environmental compliance				
Salaries and benefits	54,199	45,337	8,862	52,751
Other expenditures	307,120	249,394	57,726	194,008
Total	361,319	294,731	66,588	246,759

SOLID WASTE FUND**SCHEDULE OF REVENUES AND EXPENDITURES****BUDGET AND ACTUAL (Non-GAAP)**

For the Fiscal Year Ended June 30, 2021

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

	2021			2020	
	Budget	Actual	Variance Positive (Negative)	Actual	
Capital outlays	\$ 1,459,372	\$ -	\$ 1,459,372	\$ -	
Total expenditures	8,482,719	3,561,841	4,920,878	3,811,423	
Revenues over (under) expenditures	(615,634)	5,536,528	6,152,162	4,467,345	
Other financing sources					
Transfers from (to) other funds	(269,422)	(219,674)	49,748	(581,197)	
Revenues and other financing sources over (under) expenditures and other financing uses	(885,056)	5,316,854	6,201,910	3,886,148	
Appropriated fund balance	885,056	-	(885,056)	-	
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	\$ -	5,316,854	\$ 5,316,854	\$ 3,886,148	
Reconciliation from budgetary basis (modified accrual) to full accrual basis:					
Reconciling items:					
Transfer of asset from general fund		(23,335)		-	
Depreciation		(1,342,672)		(1,306,574)	
Change in compensated absences		2,688		2,058	
Change in OPEB liability		(247,280)		(119,856)	
Change in OPEB deferred outflows		55,458		26,599	
Change in OPEB deferred inflows		21,742		(105,005)	
Change in net pension liability		(146,408)		(55,481)	
Change in deferred outflows - pensions		61,601		(49,730)	
Change in deferred inflows - pensions		(15,516)		(4,831)	
Increase in accrued landfill closure and postclosure care costs		(847,165)		(772,372)	
Total reconciling items		(2,480,887)		(2,385,192)	
Change in net position	\$	2,835,967	\$	1,500,956	
Change in net position:					
Solid Waste Fund	\$	2,835,967	\$	1,500,956	
Solid Waste Construction Fund (Statement 30)		(28,846)		864,668	
	\$	2,807,121	\$	2,365,624	

SCHEDULE 30
Onslow County, North Carolina
SOLID WASTE CONSTRUCTION PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Project Authorization</u>			<u>Actual</u>			<u>Variance Positive (Negative)</u>
	<u>Prior Years</u>	<u>Amendments</u>	<u>June 30, 2021</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues:							
Other income	\$ 23,000	\$ -	\$ 23,000	\$ 24,343	\$ -	\$ 24,343	\$ 1,343
Investment Earnings	37,112	-	37,112	37,297	213	37,510	398
Total Revenue	60,112	-	60,112	61,640	213	61,853	1,741
Expenditures							
General Improvements	8,995,282	-	8,995,282	7,298,282	575,408	7,873,690	1,121,592
Total Capital Expenditures	8,995,282	-	8,995,282	7,298,282	575,408	7,873,690	1,121,592
Revenues over (under) expenditures	(8,935,170)	-	(8,935,170)	(7,236,642)	(575,195)	(7,811,837)	1,123,333
Other financing sources (uses):							
Transfers from other funds	8,935,170	-	8,935,170	8,569,619	-	8,569,619	(365,551)
Total other financing sources (uses)	8,935,170	-	8,935,170	8,569,619	-	8,569,619	(365,551)
Revenue and other financing sources over (under) expenditures and financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,332,977</u>	<u>(575,195)</u>	<u>\$ 757,782</u>	<u>\$ 757,782</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis:							
Capital expenditures that were capitalized based on capitalization threshold					546,349		
Change in net position					<u>\$ (28,846)</u>		

SCHEDULE OF REVENUES AND EXPENDITURES

BUDGET AND ACTUAL (Non-GAAP)

For the Fiscal Year Ended June 30, 2021

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

	2021			2020	
	Budget	Actual	Variance Positive (Negative)	Actual	
REVENUES:					
Charges for services					
Rents and parking	\$ 1,383,583	\$ 1,292,562	\$ (91,021)	\$ 1,153,657	
Fees	1,396,878	1,405,995	9,117	1,428,806	
Other operating revenues	26,352	27,436	1,084	31,100	
Total operating revenues	2,806,813	2,725,993	(80,820)	2,613,563	
Nonoperating revenues (expenses)					
Restricted intergovernmental	606,894	3,253,877	2,646,983	1,794,290	
Investment earnings	252	280	28	9,492	
Sale of fixed assets	3,151	3,178	27	13,201	
Total nonoperating revenues (expenses)	610,297	3,257,335	2,647,038	1,816,983	
Total revenues	3,417,110	5,983,328	2,566,218	4,430,546	
EXPENDITURES					
Airport Administration					
Salaries and benefits	405,408	407,264		391,238	
Other expenditures	250,815	203,102		194,745	
Total	656,223	610,366	45,857	585,983	
Airport Airside					
Salaries and benefits	559,501	514,392		472,997	
Contract services	15,659	8,739		11,665	
Repairs and maintenance	89,371	77,709		160,176	
Other expenditures	131,167	116,304		134,681	
Total	795,698	717,144	78,554	779,519	
Airport Terminal					
Salaries and benefits	694,172	656,573		664,987	
Contracted services	18,014	16,460		22,331	
Repairs and maintenance	201,875	175,389		151,328	
Other expenditures	254,733	201,837		241,403	
Total	1,168,794	1,050,259	118,535	1,080,049	
Airport Landside					
Salaries and benefits	57,763	50,982		35,550	
Repairs and maintenance	10,900	2,961		3,167	
Other expenditures	2,361	1,350		941	
Total	71,024	55,293	15,731	39,658	
Airport Parking					
Salaries and benefits	209,083	219,210		218,974	
Repairs and maintenance	4,800	1,739		2,377	
Other expenditures	50,977	44,506		46,283	
Total	264,860	265,455	(595)	267,634	

Onslow County, North Carolina

AIRPORT OPERATIONS FUND**SCHEDULE OF REVENUES AND EXPENDITURES****BUDGET AND ACTUAL (Non-GAAP)**

For the Fiscal Year Ended June 30, 2021

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

	2021			2020	
	Budget	Actual	Variance Positive (Negative)	Actual	
Capital outlays	\$ 82,000	\$ -	\$ 82,000	\$ 4,465	
Total expenditures	3,038,599	2,698,517	340,082	2,757,308	
Revenues over (under) expenditures	378,511	3,284,811	2,906,300	1,673,238	
Other financing sources					
Transfers from (to) other funds	(379,621)	(379,619)	2	(312,231)	
Total	(379,621)	(379,619)	2	(312,231)	
Revenues and other financing sources over (under) expenditures and other financing uses	(1,110)	2,905,192	2,906,302	1,361,007	
Appropriated fund balance	1,110	-	(1,110)	-	
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	\$ -	2,905,192	\$ 2,905,192	1,361,007	
Reconciliation from budgetary basis (modified accrual) to full accrual basis:					
Reconciling items:					
Capital outlay		-		4,465	
Depreciation		(2,846,080)		(2,663,777)	
Change in compensated absences		(12,467)		(20,430)	
Change in OPEB liability		5,351		(160,553)	
Change in OPEB deferred outflows		16,073		21,472	
Change in OPEB deferred inflows		36,213		(74,225)	
Change in net pension liability		(378,167)		(27,741)	
Change in deferred outflows - pensions		194,809		(24,866)	
Change in deferred inflows - pensions		(20,175)		(2,416)	
Change in retainage payable		-		193,102	
Total reconciling items		(3,004,443)		(2,754,969)	
Change in net position	\$	(99,251)	\$	(1,393,962)	
Change in net position:					
Airport Fund	\$	(99,251)	\$	(1,393,962)	
Airport Construction Fund (Statement 32)		1,370,606		2,700,135	
	\$	1,271,355	\$	1,306,173	

SCHEDULE 32
Onslow County, North Carolina
AIRPORT CONSTRUCTION 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			Actual			Variance
	Prior Years	Amendments	June 30, 2021	Prior Years	Current Year	Total to Date	Positive (Negative)
Revenues:							
Restricted intergovernmental							
State AIP 31	\$ 38,170	\$ -	\$ 38,170	\$ 38,170	\$ -	\$ 38,170	\$ -
State AIP 32	31,771	-	31,771	-	-	-	(31,771)
State AIP 33	16,696	-	16,696	-	-	-	(16,696)
State Terminal Building Construction	343,860	-	343,860	416,145	-	416,145	72,285
State GA Terminal/Apron	4,329,416	-	4,329,416	4,029,412	277,179	4,306,591	(22,825)
State Passenger Boarding Bridges	-	-	-	33,855	-	33,855	33,855
State Air Traffic Control Tower	2,400,000	-	2,400,000	2,400,000	-	2,400,000	-
State Airfield Electrical Improvements	2,015,000	-	2,015,000	1,618,078	393,476	2,011,554	(3,446)
Total state grants	9,174,913	-	9,174,913	8,535,660	670,655	9,206,315	31,402
Federal AIP 31	\$ 1,653,216	\$ -	\$ 1,653,216	\$ 1,653,216	\$ -	\$ 1,653,216	\$ -
Federal AIP 32	1,189,135	-	1,189,135	1,189,135	-	1,189,135	-
Federal AIP 33	634,462	-	634,462	622,639	-	622,639	(11,823)
Federal Terminal Building Construction	-	-	-	18,363,221	-	18,363,221	18,363,221
Federal FAA Entitlement Terminal Bldg. Const.	18,390,811	-	18,390,811	27,590	-	27,590	(18,363,221)
Federal FAA Entitlement GA Terminal/Apron	105,000	-	105,000	105,000	-	105,000	-
Federal Grant	169,249	-	169,249	166,380	-	166,380	(2,869)
Federal Grant	2,693,725	-	2,693,725	2,347,304	232,442	2,579,746	(113,979)
Federal Air/Landside Pavement	7,952,901	-	7,952,901	7,952,901	-	7,952,901	-
Federal Reimbursement Airfield Improvements	18,950	-	18,950	18,950	-	18,950	-
Federal Passenger Boarding Bridges	1,378,958	-	1,378,958	1,350,202	-	1,350,202	(28,756)
Federal Airside/Aircraft Apron	1,800,000	-	1,800,000	1,422,489	-	1,422,489	(377,511)
Federal Air Traffic Control Tower	2,000,000	-	2,000,000	2,000,000	-	2,000,000	-
Federal AIP 41- EA	-	363,700	363,700	-	30,501	30,501	(333,199)
Federal AIP 41-Firetruck	-	750,000	750,000	-	-	-	(750,000)
Federal AIP 41-Snow Removal Equipment	-	270,000	270,000	-	2,750	2,750	(267,250)
Federal AIP 44- Taxiway Runway Rehabilitation	-	570,000	570,000	-	-	-	(570,000)
Total federal grants	37,986,407	1,953,700	39,940,107	37,219,027	265,693	37,451,469	(534,938)
Total restricted	47,161,320	1,953,700	49,115,020	45,754,687	936,348	46,657,784	(503,536)
Unrestricted intergovernmental							
Contract facility charges	1,357,200	-	1,357,200	3,125,583	359,359	3,484,942	2,127,742
Passenger facility charges	8,221,873	(69,310)	8,152,563	7,460,476	495,502	7,955,978	(196,585)
Tenant contribution	750,000	-	750,000	775,002	-	775,002	25,002
Sale of surplus property	-	-	-	14,251	-	14,251	14,251
Investment earnings	345,610	-	345,610	470,576	953	471,529	125,919
Total unrestricted	10,674,683	(69,310)	10,605,373	11,845,888	855,814	12,701,702	2,096,329
Total revenues	\$ 57,836,003	\$ 1,884,390	\$ 59,720,393	\$ 57,600,575	\$ 1,792,162	\$ 59,359,486	\$ 1,592,793
Expenditures							
Capital projects							
Terminal-AIP 31	\$ 1,791,996	\$ -	\$ 1,791,996	\$ 1,791,996	\$ -	\$ 1,791,996	\$ -
Terminal-AIP 32	1,510,384	-	1,510,384	1,510,383	-	1,510,383	1
Terminal-AIP 33	667,855	-	667,855	655,409	-	655,409	12,446
Terminal Building Construction	25,470,773	-	25,470,773	25,261,292	-	25,261,292	209,481
New GA Terminal/Apron	5,616,182	-	5,616,182	5,616,182	-	5,616,182	-
Professional Services	188,055	-	188,055	184,867	-	184,867	3,188
Professional Services	2,845,501	-	2,845,501	2,719,873	-	2,719,873	125,628
Landside-Land Acquisition	1,008,472	-	1,008,472	659,771	-	659,771	348,701
Airside-Air/Landside Pavement & Utility	10,460,322	-	10,460,322	10,330,109	-	10,330,109	130,213
Airside-Airfield Improvements	29,028	-	29,028	29,028	-	29,028	-
Terminal Passenger Boarding Bridges	1,960,546	-	1,960,546	1,951,351	-	1,951,351	9,195
Airside-Aircraft Apron Rehabilitation	2,000,000	-	2,000,000	1,580,470	-	1,580,470	419,530
Airside-Rotating Beacon Refurbishment	29,619	-	29,619	29,618	-	29,618	1
Airside-Air Traffic Control Tower	5,793,200	-	5,793,200	5,597,625	37,664	5,635,289	157,911
PFC Application #7	65,000	-	65,000	33,678	24,577	58,255	6,745
Landside-Rental Car Service Site	447,200	-	447,200	405,630	-	405,630	41,570
Airfield Electrical Improvements 2017	2,330,000	-	2,330,000	2,250,174	-	2,250,174	79,826
South GA Site Development	2,314,087	-	2,314,087	2,060,907	-	2,060,907	253,180
Environmental Assessment	663,700	-	663,700	242,881	77,482	320,363	343,337
Firetruck	-	780,000	780,000	-	-	-	780,000
Snow Removal Equipment	-	275,000	275,000	-	2,750	2,750	272,250
Taxiway Runway Rehabilitation	-	570,000	570,000	-	2,693	2,693	567,307
Total expenditures	65,191,920	1,625,000	66,816,920	62,911,244	145,166	63,056,410	-
Revenues over (under) expenditures	(7,355,917)	259,390	(7,096,527)	(5,310,669)	1,646,996	(3,696,924)	3,735,093
Other financing sources (uses):							
Financing Costs	(105,352)	-	(105,352)	-	-	-	105,352
Capital contributions	8,189,906	-	8,189,906	-	-	-	(8,189,906)
Transfers from other funds	557,563	-	557,563	-	-	-	(557,563)
Transfers to other funds	(1,286,200)	(259,390)	(1,545,590)	-	(276,390)	-	1,545,590
Total other financing sources (uses)	7,355,917	(259,390)	7,096,527	-	(276,390)	-	(7,096,527)
Revenues and other financing sources over (under) expenditures and other financing uses							
	\$ -	\$ -	\$ -	\$ (5,310,669)	1,370,606	\$ (3,696,924)	\$ (3,735,093)
Reconciliation of Modified Accrual Basis to Full Accrual Basis:							
Capital expenditures that were capitalized based on capitalization threshold							-
Change in net position					\$ 1,370,606		

FIDUCIARY FUNDS

Fiduciary funds consist of two types: trust funds and custodial funds.

Custodial Funds are used to account for assets the County holds on behalf of others. The County utilizes the following custodial funds:

Custodial Funds

Bear Creek Volunteer Fire Fund - accounts for moneys deposited by the County for the benefit of the operations of Bear Creek Volunteer Fire Department

Municipal Tax Fund - accounts for the proceeds of property taxes that are collected by the County on behalf of the municipalities within the County

SCHEDULE 33
Onslow County, North Carolina
**COMBINING STATEMENT OF FIDUCIARY
NET POSITION**
June 30, 2021

	<u>Bear Creek Volunteer Fire</u>	<u>Municipal Tax Fund</u>	<u>Totals</u>
Assets:			
Cash and cash equivalents	\$ 48,955	\$ 59,368	\$ 108,323
Liabilities:			
Due to other government	<u>-</u>	<u>59,368</u>	<u>59,368</u>
Net Position:			
Restricted for other government	<u>48,955</u>	<u>-</u>	<u>48,955</u>
Total net position	<u><u>\$ 48,955</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 48,955</u></u>

SCHEDULE 34
Onslow County, North Carolina
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY
NET POSITION**
June 30, 2021

	Bear Creek Volunteer Fire	Municipal Tax Fund	Totals
Additions:			
Ad valorem taxes for other governments	\$ -	\$ 29,555,005	\$ 29,555,005
	<u>-</u>	<u>29,555,005</u>	<u>29,555,005</u>
Deductions:			
Tax distributions to other governments	-	29,555,005	29,555,005
	<u>-</u>	<u>29,555,005</u>	<u>29,555,005</u>
Net increase (decrease) in net position	-	-	-
Net position, beginning, as previously reported	-	-	-
Prior period restatement - change in accounting principle	48,955	-	48,955
Net position, beginning, restated	<u>48,955</u>	<u>-</u>	<u>48,955</u>
Net position, ending	<u>\$ 48,955</u>	<u>\$ -</u>	<u>\$ 48,955</u>

GOVERNMENTAL CAPITAL ASSETS

SCHEDULE 35
Onslow County, North Carolina
COMPARATIVE SCHEDULE OF CAPITAL ASSETS
BY SOURCE
June 30, 2021 and 2020

GOVERNMENTAL FIXED ASSETS	<u>2021</u>	<u>2020</u>
Land	\$ 14,751,546	\$14,036,171
Buildings	141,505,194	142,413,725
Improvements	27,191,178	25,801,312
Equipment	21,839,927	21,006,140
Computer Equipment	7,733,378	6,318,898
Vehicles	13,115,919	12,215,602
Heavy Equipment	338,488	338,448
Construction in process	3,282,689	1,691,732
	<hr/>	<hr/>
Total Governmental Fixed Assets	\$ 229,758,319	\$ 223,822,028
	<hr/> <hr/>	<hr/> <hr/>

INVESTMENT IN FIXED ASSETS BY SOURCE:

General Fund	\$ 50,290,469	\$ 49,382,118
Capital Project Funds	177,800,554	172,821,888
Donations	1,667,296	1,618,062
	<hr/>	<hr/>
Total Investment in Governmental Fixed Assets	\$ 229,758,319	\$ 223,822,068
	<hr/> <hr/>	<hr/> <hr/>

**SCHEDULE OF GOVERNMENTAL CAPITAL ASSETS
BY FUNCTION AND ACTIVITY**
June 30, 2021

Function & Activity	Land	Improvements	Buildings	Equipment	Vehicles	Heavy Equipment	Construction In Process	Total
General Government:								
Governing Body	\$ -	\$ -	\$ -	\$ 22,272	\$ -	\$ -	\$ -	\$ 22,272
Administration	-	-	-	42,381	-	-	-	42,381
Taxes	-	-	-	1,942,908	85,826	-	-	2,028,734
Revaluation	-	-	-	-	64,370	-	-	64,370
Human Resources	-	-	-	22,458	19,610	-	-	42,068
Court Facilities	-	169,301	-	116,278	-	-	-	285,579
District Attorney	-	14,904	-	-	-	-	-	14,904
Probation	-	33,959	1,025,576	165,977	-	-	-	1,225,512
Elections	-	12,284	-	444,182	-	-	-	456,466
Register of Deeds	-	192,832	-	152,588	-	-	-	345,420
ITS	-	-	-	1,067,928	-	-	-	1,067,928
GIS	-	-	-	316,257	-	-	-	316,257
ITS-Activities	-	-	-	3,948,776	-	-	-	3,948,776
Purchasing	-	8,200	-	37,253	48,298	20,354	-	114,105
Central Garage	-	-	4,523,011	131,974	422,234	-	-	5,077,219
Public Buildings	-	-	-	97,542	329,813	-	-	427,355
Non-departmental	12,375,659	10,964,579	46,310,964	1,622,401	-	-	-	71,273,603
Total General Government	12,375,659	11,396,059	51,859,551	10,131,175	970,151	20,354	-	86,752,949
Public Safety:								
Sheriff	-	-	-	967,235	5,359,836	-	-	6,327,071
Communications	-	95,346	1,527,459	13,462,825	-	-	-	15,085,630
Jail	-	2,952,923	56,664,730	609,388	40,367	-	-	60,267,408
Emergency Mgt.	-	140,632	2,186,962	532,336	128,784	-	-	2,988,714
Emergency Responder Services	-	-	-	62,424	52,761	-	-	115,185
Bear Creek	36,250	10,624	252,770	33,521	825,282	-	-	1,158,447
Freedom Way	-	-	55,251	-	19,500	-	-	74,751
Emergency Med. Ser.	-	116,501	400,379	1,361,117	3,560,040	-	-	5,438,037
Fire & Rescue Comission	-	-	-	6,504	167,751	-	-	174,255
Animal Control	-	425,770	669,022	173,584	258,222	-	-	1,526,598
Inspections	-	-	-	-	216,002	-	-	216,002
Construction in progress	-	-	-	-	-	-	3,266,089	3,266,089
Total Public Safety	36,250	3,741,796	61,756,573	17,208,934	10,628,545	-	3,266,089	96,638,187

**SCHEDULE OF GOVERNMENTAL CAPITAL ASSETS
BY FUNCTION AND ACTIVITY**

June 30, 2021

	Land	Improvements	Buildings	Equipment	Vehicles	Heavy Equipment	Construction In Process	Total
Economic & Physical Development								
Planning	\$ -	\$ -	\$ -	\$ 2,040	\$ -	\$ -	\$ -	\$ 2,040
Building Inspections	-	-	-	34,335	93,631	-	-	127,966
Central Permitting	-	-	-	2,040	-	-	-	2,040
Agriculture	-	1,273,351	-	27,675	58,736	-	-	1,359,762
Soil Conservation	-	-	-	37,415	39,109	-	-	76,524
Total Economic and Physical Development	-	1,273,351	-	103,505	191,476	-	-	1,568,332
Human Services:								
Consolidated Human Services	201,714	3,979,702	19,966,126	270,629	-	-	-	24,418,171
Health	-	-	-	302,192	-	-	-	302,192
Environmental Health	-	-	27,860	169,031	371,649	-	-	568,540
Social Services	-	11,876	-	212,776	358,581	-	-	583,233
Council on Aging	13,761	31,759	163,408	54,939	18,035	-	-	281,902
Veterans Services	-	-	-	9,671	-	-	-	9,671
Total Human Services	215,475	4,023,337	20,157,394	1,019,238	748,265	-	-	26,163,709
Cultural & Recreational:								
Libraries	83,723	1,364,234	5,680,831	283,652	43,804	-	-	7,456,244
Parks & Recreation	1,768,554	5,233,311	914,594	643,130	368,266	147,496	-	9,075,351
Museum	271,885	159,090	1,063,795	35,196	-	-	-	1,529,966
Construction in progress	-	-	-	-	-	-	16,600	16,600
Total Cultural & Recreational	2,124,162	6,756,635	7,659,220	961,978	412,070	147,496	16,600	18,078,161
Environmental Protection:								
Vector/Mosquito Control	-	-	72,456	148,475	165,412	170,638	-	556,981
Total Environmental Protection	-	-	72,456	148,475	165,412	170,638	-	556,981
Total Governmental Capital Assets	\$ 14,751,546	\$ 27,191,178	\$ 141,505,194	\$ 29,573,305	\$ 13,115,919	\$ 338,488	\$ 3,282,689	\$ 229,758,319

SCHEDULE 37

Onslow County, North Carolina

SCHEDULE OF CHANGES IN GOVERNMENTAL CAPITAL ASSETS
BY FUNCTION AND ACTIVITY

June 30, 2021

Function and Activity	Governmental Capital Assets June 30, 2020	Additions	Retirements	Reclassifications and Adjustments	Governmental Capital Assets June 30, 2021
General Government					
Governing Body	\$ 22,272	\$ -	\$ -	\$ -	\$ 22,272
Administration	42,381	-	-	-	42,381
Taxes	2,028,734	-	-	-	2,028,734
Revaluation	65,119	-	749	-	64,370
Human Resources	42,068	-	-	-	42,068
Court Facilities	285,579	-	-	-	285,579
Legal	14,904	-	-	-	14,904
Probation	1,225,512	-	-	-	1,225,512
Elections	356,782	398,034	298,350	-	456,466
Register of Deeds	152,588	192,832	-	-	345,420
ITS	4,822,560	507,452	-	2,948	5,332,960
Purchasing	114,105	-	-	-	114,105
Public Works Garage	4,945,411	176,484	44,086	(590)	5,077,219
Facilities Maintenance	435,473	40,088	25,004	(23,201)	427,356
Communications	2,948	-	-	(2,948)	-
Non-Departmental/Surplus	72,004,802	736,677	1,444,888	(22,974)	71,273,617
Total General Government	86,561,238	2,051,567	1,813,077	(46,765)	86,752,963
Public Safety:					
Sheriff	5,491,011	1,107,063	274,717	3,713	6,327,070
Jail	60,061,545	205,862	-	-	60,267,407
Communications	14,933,013	254,135	101,517	-	15,085,631
Emergency Management	2,805,661	253,697	23,384	67,925	3,103,899
Emergency Medical Ser.	4,613,890	636,087	66,432	254,492	5,438,037
Emergency Services	1,927,037	-	406,278	(113,306)	1,407,453
Animal Control	1,566,939	31,258	71,599	(3)	1,526,595
Inspection/code enf.	238,339	216,002	237,735	(604)	216,002
Construction in progress	1,338,636	1,927,453	-	-	3,266,089
Total Public Safety	92,976,071	4,631,557	1,181,662	212,217	96,638,183

SCHEDULE 37

Onslow County, North Carolina

SCHEDULE OF CHANGES IN GOVERNMENTAL CAPITAL ASSETS
BY FUNCTION AND ACTIVITY

June 30, 2021

Function and Activity	Governmental Capital Assets				Reclassifications	Governmental Capital Assets	
	June 30, 2020	Additions	Retirements		and Adjustments	June 30, 2021	
Economic & Physical Dev.							
Agriculture Extension	\$ 1,359,762	\$ -	\$ -	\$ -	\$ -	\$ 1,359,762	
Planning	135,298	72,174	75,426	-	-	132,046	
Soil and Water Conservation	76,524	-	-	-	-	76,524	
Total Econ. & Phy. Develop.	1,571,584	72,174	75,426	-	-	1,568,332	
Human Services:							
Consolidated Human Services	24,459,667	231,448	-	(272,949)		24,418,166	
Health	831,765	248,254	181,616	(27,670)		870,733	
Social Services	195,747	430,425	42,939	-		583,233	
Senior Services	270,568	11,333	-	-		281,901	
Veteran Services	9,671	-	-	-		9,671	
Total Human Services	25,767,418	921,460	224,555	(300,619)		26,163,704	
Cultural & Recreational:							
Library - Main Branch	2,055,917	54,268	-	-		2,110,185	
Library - Swansboro	132,082	-	-	-		132,082	
Library - Snead Ferry	4,792,577	-	-	-		4,792,577	
Library - Richlands	421,399	-	-	-		421,399	
Parks & Recreation	7,096,023	2,004,850	25,523	-		9,075,350	
Museum	1,521,671	8,294	-	-		1,529,965	
Construction in progress	353,096	-	336,497	-		16,599	
Total Cultural & Recreation	16,372,765	2,067,412	362,020	-		18,078,157	
Environmental Protection:							
Vector/Mosquito Control	572,992	32,422	31,393	(17,041)		556,980	
Total Environmental Protection	572,992	32,422	31,393	(17,041)		556,980	
Total Governmental Capital Assets	\$ 223,822,068	\$ 9,776,592	\$ 3,688,133	\$ (152,208)	\$	\$ 229,758,319	

ADDITIONAL FINANCIAL DATA

This section contains additional information on property taxes, interfund and component unit transfers, and cash and investments.

Schedule of Ad Valorem Taxes Receivable

Analysis of Current Tax Levy - County-wide Levy

Analysis of Current Tax Levy - Secondary Market Disclosures

Schedule of Cash and Investment Balances

Schedule of Interfund Transactions

Calculation of Debt Service Coverage Ratio in the Solid Waste Fund

SCHEDULE 38
Onslow County, North Carolina
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
June 30, 2021

Fiscal Year	Uncollected Balance June 30, 2020	Additions	Collections and Credits	Uncollected Balance June 30, 2021
2020-2021	\$ -	\$ 94,651,913	\$ 93,566,263	\$ 1,085,650
2019-2020	1,062,896	-	660,119	402,776
2018-2019	411,241	-	152,762	258,479
2017-2018	193,446	-	52,472	140,975
2016-2017	187,147	-	45,172	141,975
2015-2016	177,825	-	32,119	145,706
2014-2015	156,361	-	28,879	127,483
2013-2014	333,246	-	12,118	321,128
2012-2013	441,296	-	12,577	428,719
2011-2012	300,042	-	9,517	290,525
2010-2011	296,482	-	287,110	9,372
	<u>\$ 3,559,981</u>	<u>\$ 94,651,913</u>	<u>\$ 94,859,107</u>	<u>\$ 3,352,787</u>
Less allowance for uncollectible taxes General Fund				(1,322,911)
Ad valorem taxes receivable - net				<u>\$ 2,029,876</u>
Reconcilement with revenues:				
Ad valorem taxes - General Fund				\$ 106,433,280
Reconciling items				
Penalties and interest				(446,043)
Motor Vehicle taxes				(11,632,211)
Releases on prior years				213,663
Amounts written off for prior years				290,294
Refund overpaid taxes				124
Total reconciling items				<u>(11,574,173)</u>
Total Collections and Credits				<u>\$ 94,859,107</u>

SCHEDULE 39
Onslow County, North Carolina
ANALYSIS OF CURRENT TAX LEVY-COUNTY-WIDE LEVY
June 30, 2021

	County Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 15,448,766,492	0.00705	\$ 108,913,804	\$ 97,156,328	\$ 11,757,476
Penalties	-	-	103,086	103,086	-
Total	15,448,766,492		109,016,890	97,259,414	11,757,476
Adjustment: Motor Vehicles					75,106
Adjustment: Bill with value of \$111,510 added in error and then released				1,072	
Discoveries:					
Current year discoveries and (releases) net	21,463,894	0.00705	151,320	151,320	-
Prior year taxes	-		288,641	288,641	-
Total	15,470,230,386		109,456,851	97,700,447	11,832,582
Abatements	(432,416,250)	0.00705	(3,048,535)	(3,048,535)	-
Total property valuation	<u>\$ 15,037,814,136</u>				
Net Levy			106,408,317	94,651,913	11,832,582
Uncollected taxes at June 30, 2020			1,085,650	1,085,650	-
Current years taxes collected			\$ 105,322,666	\$ 93,566,262	\$ 11,832,582
Current levy collection percentage			98.98%	98.85%	100.00%

SCHEDULE 40
Onslow County, North Carolina
ANALYSIS OF CURRENT TAX LEVY
SECONDARY MARKET DISCLOSURES
June 30, 2021

Assessed Valuation:	
Assessment Ratio*	
Real property	\$ 12,465,365,674
Personal property	950,126,950
Public service companies**	1,622,321,512
<hr/>	
Total assessed valuation	15,037,814,136
Tax rate per \$100	0.00705
Levy (including discoveries, releases and abatements)***	\$ 106,016,590
<hr/>	

- * Percentage of appraised value has been established by statute
- ** Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission
- *** The levy includes interest and penalties

SCHEDULE 41
Onslow County, North Carolina
SCHEDULE OF CASH AND INVESTMENT BALANCES
June 30, 2021

	Amounts Presented On Statements	Cost Value	Market Value
Cash			
On hand	42,713,136	42,713,136	42,713,136
In demand deposits including NCCMT	136,858,846	136,858,846	136,858,846
	<u>179,571,982</u>	<u>179,571,982</u>	<u>179,571,982</u>
Other investments			
Commercial Paper (held by the dealer bank's trust department in the name of the County)	2,626,008	2,626,008	2,626,008
Total other investments	<u>2,626,008</u>	<u>2,626,008</u>	<u>2,626,008</u>
Total cash and investments	\$ 182,197,990	\$ 182,197,990	\$ 182,197,990

Distribution by Funds:

		<u>Carrying Value</u>
General Funds		
General Fund	57,279,898	
Workers Compensation Fund	384,682	
Burton Industrial Park	1,684,030	
Benefit Fund	428,176	
Reserve Fund	27,992,655	
Disaster Contingency Fund	5,302,217.00	
Capital Improvements Fund	1,744,886	
LEO Separation Allowance	1,365,604	
Health Insurance Fund	2,328,093	
Revaluation Fund	<u>159,444</u>	\$ 98,669,685
Special Revenue Funds		
Memorial Fund	11,910	
Emergency 911 Fund	904,959	
Register of Deeds Fund	335,910	
Community Assistance Fund	<u>500,872</u>	1,753,651
Grant Project Funds		
Grant Project Funds	19,452,022	19,452,022
Capital Project Fund		
Capital Project Fund	<u>5,420,606</u>	5,420,606
School Construction Fund		
School Construction Fund	14,858,007	14,858,007
Enterprise Funds		
Solid Waste Fund	29,764,249	
Airport Fund	<u>12,171,447</u>	41,935,696
Fiduciary Funds		
Custodial Funds	<u>108,323</u>	108,323
		<u>\$ 182,197,990</u>

SCHEDULE 42
Onslow County, North Carolina
SCHEDULE OF INTERFUND TRANSACTIONS
June 30, 2021

	Transfers	
	From	To
Operating Transfer From/To Other Funds:		
General Fund		
Workers Comp Fund	\$ -	\$ 500,000
Economic Development Fund	-	200,000
Revaluation Fund	-	116,250
Health Insurance Fund	-	2,057,493
Capital Improvement Fund	-	1,504,519
Capital Reserve Fund		78,222
Solid Waste Fund	219,674	-
Airport Fund	656,009	-
Capital Project Fund	-	324,584
Workers Comp Fund		
General Fund	500,000	-
Revaluation Fund		
General Fund	116,250	-
Health Insurance Fund		
General Fund	2,057,493	-
Reserve Fund		
General Fund	78,222	-
School Construction Projects		300,190
Capital Improvement Fund		
General Fund	1,504,519	-
School Construction Projects		
Reserve Fund	300,190	
Capital Project Fund		
General Fund	324,584	-
Economic Development		
General Fund	200,000	-
Solid Waste Fund		
General Fund	-	219,674
Airport Fund		
General Fund	-	656,009
Airport Construction	276,390	-
Airport Construction Fund		
Airport Fund		276,390
Total operating transfers-other funds	\$ 6,233,331	\$ 6,233,331
Operating Transfers From/To Component Units:		
General Fund		
Component Units - discretely presented		
Onslow County ABC Board	\$ 1,222,422	\$ -
Component Units - discretely presented		
Onslow County ABC Board		
General Fund	-	1,222,422
Total operating transfers - component units	\$ 1,222,422	\$ 1,222,422

SCHEDULE 43
Onslow County, North Carolina
**CALCULATION OF DEBT SERVICE COVERAGE RATIO
IN THE SOLID WASTE FUND**
June 30, 2021

	<u>2021</u>	<u>2020</u>
Gross Revenue	\$ 9,090,702	\$ 7,935,256
Current Expense (1)	3,881,949	4,201,044
Net Operating Revenues	5,208,753	3,734,212
Non-Operating Revenues (2)	860,047	860,047
Net Revenues Available for Debt Service	6,068,800	4,594,259
Debt Service(4)	-	-
Balance after Debt Service	\$ 6,068,800	\$ 4,594,259
Debt Service Coverage Ratio (3)	-	-

(1) Not including depreciation, interest expense, and accrued landfill closure and post-closure costs

(2) Non-operating revenues include interest earnings

(3) Ratio of Net Revenues Available for Debt Service to Debt Service

(4) Excluding early retirement of debt

STATISTICAL SECTION (UNAUDITED)

The information presented in this section is provided for additional analysis purposes only and has not be subjected to audit verification as presented. The information is split into the 5 categories listed below:

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity

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

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Table 1
Onslow County, North Carolina
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 41,295,541	\$ 52,499,284	35,009,562	\$ 21,751,936	\$ 27,383,173	\$ 46,638,251	\$ 43,059,886	\$50,192,124	\$ 85,246,277	\$ 56,516,949
Restricted	21,880,805	17,933,655	17,587,375	20,415,082	24,513,219	43,772,141	46,966,936	43,091,160	130,186,871	66,835,016
Unrestricted	(57,291,328)	(55,307,563)	(21,429,680)	(18,480,500)	(31,553,746)	(97,008,911)	(114,211,226)	(106,106,599)	(223,753,003)	(127,162,147)
Total governmental activities net position	\$ 5,885,018	\$ 15,125,376	\$ 31,167,257	\$ 23,686,518	\$ 20,342,646	\$ (6,598,519)	\$ (24,184,404)	\$ (12,823,315)	\$ (8,319,855)	\$ (3,810,182)
Business-type activities										
Net investment in capital assets	\$ 9,920,340	\$ 6,996,050	7,584,760	\$ 52,764,262	\$ 61,195,486	\$ 66,859,805	\$ 68,322,013	\$70,579,752	\$ 71,593,259	\$ 69,271,987
Restricted	-	434,333	3,621,795	11,506,481	5,973,043	3,116,482	-	-	-	-
Unrestricted	6,679,992	10,381,899	5,658,668	(1,147,250)	3,426,382	5,474,333	4,682,337	12,172,146	14,215,538	20,615,286
Total business-type activities net position	\$ 16,600,332	\$ 17,812,282	\$ 16,865,223	\$ 63,123,493	\$ 70,594,911	\$ 75,450,620	\$ 73,004,350	\$82,751,898	\$ 85,808,797	\$ 89,887,273
Primary government										
Net investment in capital assets	\$ 51,215,881	\$ 59,495,334	\$ 42,594,322	\$ 74,516,198	\$ 88,578,659	\$ 113,498,056	\$ 111,381,899	\$120,771,876	\$ 156,839,536	\$ 125,788,936
Restricted	21,880,805	18,367,988	21,209,170	31,921,563	30,486,262	46,888,623	46,966,936	43,091,160	130,186,871	66,835,016
Unrestricted	(50,611,336)	(44,925,664)	(15,771,012)	(19,627,750)	(28,127,364)	(91,534,578)	(109,528,889)	(93,934,453)	(209,537,465)	(106,546,861)
Total primary governmental net position	\$ 22,485,350	\$ 32,937,658	\$ 48,032,480	\$ 86,810,011	\$ 90,937,557	\$ 68,852,101	\$ 48,819,946	\$69,928,583	\$ 77,488,942	\$ 86,077,091

Table 2
Onslow County, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
General government	\$ 15,560,998	\$ 14,799,008	\$ 22,777,669	\$ 30,659,150	\$ 47,971,694	\$ 70,662,241	\$ 30,274,066	\$ 41,439,497	\$ 35,892,558	\$ 28,525,739
Public safety	28,802,679	32,660,320	36,093,273	33,008,595	33,239,161	37,686,112	51,253,280	48,915,138	55,185,894	47,303,063
Transportation	2,936,231	2,661,338	2,690,594	256,337	252,469	273,784	279,622	334,593	556,315	36,670
Economic and physical development	3,070,191	3,168,507	2,908,105	3,058,587	2,595,080	965,006	3,085,350	4,359,635	5,579,280	2,713,128
Human services	43,152,170	42,198,540	41,384,535	42,075,113	34,890,914	37,879,610	41,763,091	39,083,017	39,905,959	39,940,186
Environmental protection	486,504	431,598	428,552	375,724	337,895	493,372	655,346	459,241	525,988	522,395
Cultural and recreation	3,994,784	3,491,814	4,307,435	3,489,563	4,225,753	3,868,999	5,090,754	4,736,706	5,183,532	4,906,254
Education	43,724,834	48,109,492	48,109,492	39,606,710	54,574,794	56,535,827	64,271,131	66,461,235	67,784,613	110,067,561
Interest on debt	8,221,233	8,093,175	7,766,668	7,035,533	6,948,105	10,002,444	3,442,845	3,336,187	3,583,856	3,749,373
Total governmental activities	149,949,624	155,613,792	166,466,323	159,565,312	185,035,865	218,367,395	200,115,485	209,125,249	214,197,995	237,764,369
Business-type activities:										
Solid waste	7,323,629	5,808,913	5,372,303	5,544,747	5,542,587	5,323,833	8,015,286	5,557,599	6,279,990	6,071,786
Airport	-	-	-	2,908,190	2,785,503	5,205,255	3,684,276	4,584,741	5,814,572	5,848,126
Total business-type activities	7,323,629	5,808,913	5,372,303	8,452,937	8,328,090	10,529,088	11,699,562	10,142,340	12,094,562	11,919,912
Total primary government expenses	\$ 157,273,253	\$ 161,422,705	\$ 171,838,626	\$ 168,018,249	\$ 193,363,955	\$ 228,896,483	\$ 211,815,047	\$ 219,267,589	\$ 226,292,557	\$ 249,684,281
Program Revenues										
Governmental activities										
Charges for services:										
General government	\$ 2,182,950	\$ 1,787,860	\$ 2,131,857	\$ 3,446,028	\$ 3,296,243	\$ 2,496,439	\$ 3,613,784	\$ 3,726,989	\$ 4,127,347	\$ 1,634,730
Public safety	6,002,452	6,147,792	6,447,295	4,967,549	5,618,146	5,321,934	6,766,387	5,949,465	6,263,772	10,474,131
Transportation	1,909,151	3,174,812	2,239,559	-	-	-	-	-	-	-
Economic and physical development	177,695	161,775	109,049	106,112	101,562	110,697	-	-	-	161,071
Human services	4,411,314	4,663,733	4,420,348	4,360,533	4,442,703	3,853,199	2,931,194	2,437,817	3,079,326	3,951,095
Cultural and recreation	266,546	250,904	414,953	402,178	429,525	431,446	403,862	402,314	364,743	371,133
Education	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions:										
General government	1,250,276	1,118,654	9,816,366	7,192,983	7,644,059	9,205,609	9,008,880	14,572,460	10,635,445	11,533,789
Public safety	836,718	1,073,486	874,443	703,787	811,431	1,505,781	195,748	206,699	189,256	4,332,731
Transportation	349,362	328,046	487,700	256,337	252,469	239,784	-	-	-	-
Economic and physical development	604,233	80,484	43,598	1,005,327	1,047,960	1,003,593	-	-	-	36,782
Human services	25,043,577	23,385,442	22,939,407	26,159,904	26,144,754	25,477,765	21,490,500	22,896,833	25,496,801	19,710,572
Environmental protection	56,737	-	16,796	411,025	354,669	446,860	-	-	-	4,111
Cultural and recreation	259,635	233,124	232,538	242,506	248,092	263,451	33,341	33,341	-	280,081
Education	1,562	-	-	-	-	-	-	-	-	655,579
Capital grants and contributions:										
General government	-	-	-	-	50,303	-	2,940,557	3,203,115	2,221,199	3,993,328
Public safety	3,400	-	-	-	-	-	-	-	-	724,203
Transportation	2,598,850	144,210	4,860,837	-	-	-	-	-	-	-
Economic and physical development	-	-	2,046,467	-	-	-	-	-	-	-
Cultural and recreation	19,604	-	-	-	-	-	-	-	-	-
Education	3,000,000	3,000,000	-	1,646,000	3,171,574	1,735,703	3,524,824	5,792,579	879,998	376,743
Total governmental activities program revenues	48,974,062	45,550,322	57,081,213	50,900,269	53,613,490	52,092,261	50,909,077	59,221,612	53,257,887	58,240,079

Table 2
Onslow County, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-type activities:										
Charge for services - Solid waste	6,876,377	5,969,509	5,653,844	5,634,478	5,565,184	5,782,673	6,392,590	9,632,711	7,935,256	9,090,702
Charge for services - Airport				3,011,013	4,028,920	3,685,014	3,912,780	4,290,018	3,586,509	3,580,854
Operating grants and contributions - Solid Waste	198,301	788,394	408,088	410,136	448,614	526,806	-	-	-	-
Operating grants and contributions - Airport	-	-	-	-	-	4,555	-	-	-	4,190,225
Capital grants and contributions - Solid Waste	-	-	-	197,557	-	197,927	9,714	-	51,213	-
Capital grants and contributions - Airport	-	-	-	-	-	-	2,395,674	6,299,494	4,025,875	-
Total business-type activities program revenues	7,074,678	6,757,903	6,061,932	9,253,184	10,042,718	10,196,975	12,710,758	20,222,223	15,598,853	16,861,781
Total primary government program revenues	\$ 56,048,740	\$ 52,308,225	\$ 63,143,145	\$ 60,153,453	\$ 63,656,208	\$ 62,289,236	\$ 63,619,835	\$ 79,443,835	\$ 68,856,740	\$ 75,101,860
Net (Expense)/Revenue										
Governmental activities	\$ (100,975,562)	\$ (110,063,470)	\$ (109,385,112)	\$ (108,665,043)	\$ (131,422,375)	\$ (166,275,134)	\$ (149,206,408)	\$ (149,903,637)	\$ (160,940,109)	\$ (179,524,290)
Business-type activities	(248,951)	948,990	689,629	800,247	1,714,628	(332,113)	1,011,196	10,079,883	3,504,291	4,941,869
Total primary government net (expense)/revenue	\$ (101,224,513)	\$ (109,114,480)	\$ (108,695,483)	\$ (107,864,796)	\$ (129,707,747)	\$ (166,607,247)	\$ (148,195,212)	\$ (139,823,754)	\$ (157,435,818)	\$ (174,582,421)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	74,515,960	77,688,298	82,125,826	88,826,062	90,617,420	92,571,203	96,527,768	101,817,468	102,111,111	106,430,584
Local option sales tax	35,124,668	36,431,687	37,749,744	38,646,343	39,677,477	42,089,627	43,916,852	50,551,745	54,290,940	65,299,792
Other taxes and licenses	2,947,134	2,895,039	2,800,525	2,841,268	2,825,316	3,100,073	5,695,866	6,639,066	6,387,482	5,736,301
Investment earnings	252,501	246,202	206,322	402,355	337,455	650,781	1,222,070	1,587,232	1,270,205	43,558
Gain (loss) on disposal of investment	-	-	-	-	-	-	-	-	-	3,467,500
Gain (loss) on disposal of asset	-	-	-	-	-	-	-	-	-	(2,212,420)
Miscellaneous	1,651,581	2,042,600	(14,010)	1,833,997	(6,379,618)	1,522,712	312,883	303,652	556,013	3,822,533
Transfers	2,500,000	-	2,086,436	-	518,780	389,085	928,534	574,342	827,818	875,683
Total governmental activities:	116,991,844	119,303,826	125,426,996	133,068,255	128,078,512	142,462,311	148,603,973	161,473,505	165,443,569	183,463,531
Business-type activities:										
Other taxes and licenses	-	-	381,391	407,735	412,005	428,688	502,911	461,977	-	-
Investment earnings	49,469	60,509	41,010	42,795	41,666	62,159	220,585	491,055	353,224	9,112
Grants	-	-	291,299	18,541,290	6,553,343	5,085,800	17,592	27,271	-	-
Miscellaneous	1,161,606	202,451	(263,952)	(35,808)	(731,449)	260	(59,132)	5,101	27,202	3,178
Transfers	(2,500,000)	-	(2,086,436)	-	(518,780)	(389,085)	(928,534)	(574,342)	(827,818)	(875,683)
Total business-type activities	(1,288,925)	262,960	(1,636,688)	18,956,012	5,756,785	5,187,822	(246,578)	411,062	(447,392)	(863,393)
Total primary government	\$ 115,702,919	\$ 119,566,786	\$ 123,790,308	\$ 152,024,267	\$ 133,835,297	\$ 147,650,133	\$ 148,357,395	\$ 161,884,567	\$ 164,996,177	\$ 182,600,138
Change in Net Position										
Governmental activities	16,016,282	9,240,356	16,041,883	24,403,212	(3,343,863)	(23,812,823)	(602,435)	11,569,868	4,503,460	3,939,241
Business-type activities	(1,537,876)	1,211,950	(947,059)	19,756,259	7,471,413	4,855,709	764,618	10,490,945	3,056,899	4,078,476
Total primary government	\$ 14,478,406	\$ 10,452,306	\$ 15,094,824	\$ 44,159,471	\$ 4,127,550	\$ (18,957,114)	\$ 162,183	\$ 22,060,813	\$ 7,560,359	\$ 8,017,717

Table 3
Onslow County, North Carolina
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Non Spendable	\$ 385,272	\$ 378,401	\$ 315,160	\$ 838,763	\$ 203,256	\$ 562,492	\$ 814,237	\$ 773,528	\$ 567,451	\$ 1,732,769
Restricted	18,604,070	16,815,361	22,979,240	26,533,879	22,976,631	23,639,266	25,386,881	34,867,587	35,874,295	42,215,610
Committed	9,971,633	12,732,066	14,119,181	30,203,810	30,637,191	30,276,933	27,316,359	26,944,428	29,819,759	32,874,355
Assigned	16,512,852	14,352,225	15,045,048	13,175,417	16,844,249	20,139,611	16,927,244	13,137,690	12,107,419	7,325,426
Unassigned	17,260,233	19,527,233	13,343,077	11,959,790	10,911,833	4,222,223	2,693,101	1,488,632	11,407,297	30,887,315
Total general fund	\$ 62,734,060	\$ 63,805,286	\$ 65,801,706	\$ 82,711,658	\$ 81,573,160	\$ 78,840,525	\$ 73,137,822	\$ 77,211,865	\$ 89,776,221	\$ 115,035,475
All Other Governmental Funds										
Restricted										
Special revenue funds	1,342,657	1,017,659	1,088,535	1,158,894	1,256,264	1,296,626	1,590,694	1,466,699	1,375,310	1,137,171
Capital project funds	1,934,078	100,635	367,482	459,776	280,324	530,280	14,988,273	7,184,221	9,903,212	5,661,817
School Construction	-	-	-	-	-	18,305,969	13,465,458	5,181,106	89,714,721	21,445,864
Committed										
Special revenue funds	21,645	70,292	74,553	59,908	36,140	183,747	59,046	57,273	37,504	470,272
Capital project funds	4,508,352	40,669,482	30,406,223	8,290,150	15,602,676	20,206,565	-	-	-	-
School Construction	-	-	-	(1,422,280)	15,683,840	-	-	-	-	-
Assigned										
Special revenue funds	-	-	49,764	103,339	11,740	74,154	120,862	70,816	399,679	165,554
Capital project funds	-	-	115,378	-	-	-	-	-	-	-
Unassigned										
Special revenue funds	(75,401)	(26,802)	(172,624)	(18,547)	(188,708)	(28,551)	(264,339)	(253,998)	(244,532)	11,910
Capital project funds	-	-	-	-	-	-	(4,754,917)	(513,442)	(2,581,636)	(234,408)
School Construction	-	-	-	-	-	-	(7,957,147)	(3,737,132)	(41,954,138)	(9,246,865)
Total all other governmental funds	\$ 7,731,331	\$ 41,831,266	\$ 31,929,311	\$ 8,631,240	\$ 32,682,276	\$ 40,568,790	\$ 17,247,930	\$ 9,455,543	\$ 56,650,120	\$ 19,411,315

Table 3a
Onslow County, North Carolina
Fund Balances of Governmental Funds as % of Expenditures
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Expenditures	\$ 157,177,551	\$ 161,852,822	\$ 173,120,035	\$ 168,044,709	\$ 189,919,382	\$ 196,570,603	\$ 197,981,073	\$ 208,381,422	\$ 204,506,234	\$ 214,454,554
Non Spendable	0.25%	0.23%	0.18%	0.50%	0.11%	0.29%	0.41%	0.37%	0.28%	0.81%
Restricted	11.84%	10.39%	13.27%	15.79%	12.10%	12.03%	12.82%	16.73%	17.54%	19.69%
Committed	6.34%	7.87%	8.16%	17.97%	16.13%	15.40%	13.80%	12.93%	14.58%	15.33%
Assigned	10.51%	8.87%	8.69%	7.84%	8.87%	10.25%	8.55%	6.30%	5.92%	3.42%
Unassigned	10.97%	12.06%	7.71%	7.12%	5.75%	2.15%	1.36%	0.71%	5.58%	14.40%
Total general fund	39.91%	39.42%	38.01%	49.22%	42.95%	40.11%	36.94%	37.05%	43.90%	53.64%
All Other Governmental Funds										
Expenditures	\$ 7,412,474	\$ 9,749,587	\$ 28,194,360	\$ 14,430,800	\$ 29,666,330	\$ 44,491,470	\$ 29,536,490	\$ 16,749,065	\$ 21,297,267	\$ 42,482,344
Restricted										
Special revenue funds	18.11%	10.44%	3.86%	8.03%	4.23%	2.91%	5.39%	8.76%	6.46%	2.68%
Capital project funds	26.09%	1.03%	1.30%	3.19%	0.94%	1.19%	50.74%	42.89%	46.50%	13.33%
School Construction	0.00%	0.00%	0.00%	0.00%	0.00%	41.14%	45.59%	30.93%	421.25%	50.48%
Committed										
Special revenue funds	0.29%	0.72%	0.26%	0.42%	0.12%	0.41%	0.20%	0.34%	0.18%	1.11%
Capital project funds	60.82%	417.14%	107.85%	57.45%	52.59%	45.42%	0.00%	0.00%	0.00%	0.00%
School Construction	0.00%	0.00%	0.00%	-9.86%	52.87%	0.00%	0.00%	0.00%	0.00%	0.00%
Assigned										
Special revenue funds	0.00%	0.00%	0.18%	0.72%	0.04%	0.17%	0.41%	0.42%	1.88%	0.39%
Capital project funds	0.00%	0.00%	0.41%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School Construction	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Unassigned										
Special revenue funds	-1.02%	-0.27%	-0.61%	-0.13%	-0.64%	-0.06%	-0.89%	-1.52%	-1.15%	0.03%
Capital project funds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-16.10%	-3.07%	-12.12%	-0.55%
School Construction	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-26.94%	-22.31%	-196.99%	-21.77%
Total all other governmental funds	104.29%	429.05%	113.25%	59.81%	110.17%	91.18%	58.40%	56.45%	266.00%	45.69%

Table 4
Onslow County, North Carolina
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes:										
Property tax	\$ 74,594,932	\$ 77,685,835	\$ 82,381,962	\$ 90,012,138	\$ 91,827,237	\$ 93,509,432	\$ 96,117,729	\$101,909,216	\$ 101,896,530	\$ 106,433,280
Sales tax	35,124,668	36,431,687	37,749,744	38,646,343	39,677,477	42,089,627	43,916,852	50,551,745	54,290,940	65,299,793
Other tax	2,947,134	2,895,039	2,800,525	2,841,268	2,825,316	3,100,073	3,568,100	4,368,131	4,213,636	5,736,302
Total taxes	112,666,734	117,012,561	122,932,231	131,499,749	134,330,030	138,699,132	143,602,681	156,829,092	160,401,106	177,469,375
Intergovernmental	34,684,046	31,307,663	41,366,424	37,692,797	36,644,051	41,143,776	38,832,259	48,566,042	41,596,545	41,433,703
Charges for Services, Permits and Fees	14,867,213	15,398,482	15,763,061	13,693,426	17,414,422	12,660,575	12,824,418	12,548,839	13,709,979	16,918,741
Interest	250,812	246,202	206,322	402,355	337,455	650,781	1,255,411	1,620,573	1,270,205	43,558
Miscellaneous	1,059,099	1,004,686	1,293,058	1,024,576	1,152,512	1,956,647	907,651	1,008,851	958,320	3,809,327
Total Revenues	163,527,904	164,969,594	181,561,096	184,312,903	189,878,470	195,110,911	197,422,420	220,573,397	217,936,155	239,674,704
Expenditures										
General Government	13,839,700	13,546,837	21,549,070	22,999,946	24,933,886	25,552,823	25,354,964	34,309,619	27,489,815	26,557,504
Public Safety	27,696,591	29,816,004	32,356,310	33,994,452	34,737,802	36,090,773	37,427,739	39,232,744	39,927,404	43,859,054
Transportation	1,966,533	1,864,069	2,024,051	256,337	252,469	273,784	273,784	273,306	314,252	34,000
Economic Development	3,621,583	3,054,463	2,843,520	3,125,569	3,017,868	3,554,015	2,783,456	2,581,381	2,666,655	2,515,593
Human Services	43,049,213	41,131,828	41,123,280	42,979,592	45,155,903	46,909,201	39,381,167	37,599,707	37,507,766	37,032,249
Environmental Protection	459,966	483,414	388,634	418,666	481,995	441,254	414,835	378,105	452,156	484,361
Culture and Recreation	3,703,656	3,523,774	4,097,889	4,067,374	4,051,113	4,258,693	4,149,174	4,363,328	4,432,383	4,549,043
E-911	264,966	78,234	316,131	304,588	314,300	341,161	-	-	-	-
Education	43,724,834	48,109,492	48,109,492	39,606,710	54,574,794	56,535,827	72,402,213	72,713,602	76,889,017	83,118,916
Capital Outlay	6,628,862	9,543,564	27,847,160	15,810,784	29,831,178	43,882,522	32,250,518	18,624,591	23,333,807	46,239,587
Debt Service:										
Principal	11,358,243	12,736,387	12,709,662	12,083,616	13,983,748	14,067,486	8,395,045	10,718,761	8,655,373	8,797,126
Interest and Fees	8,275,880	7,714,343	7,949,197	8,077,532	8,250,656	9,154,534	4,684,668	4,335,343	4,134,873	3,749,465
Total Expenditures	164,590,027	171,602,409	201,314,396	183,725,166	219,585,712	241,062,073	227,517,563	225,130,487	225,803,501	256,936,898
Excess of revenues over (under) expenditures	(1,062,123)	(6,632,815)	(19,753,300)	587,737	(29,707,242)	(45,951,162)	(30,095,143)	(4,557,090)	(7,867,346)	(17,262,194)
Other Financing Sources (Uses)										
Transfers in	5,084,659	5,515,670	6,975,085	20,386,729	6,703,709	4,815,915	8,136,104	9,032,864	4,091,299	5,003,036
Transfers out	(2,584,659)	(5,515,670)	(4,888,649)	(20,386,729)	(6,184,929)	(4,129,830)	(7,207,570)	(8,458,522)	(3,263,481)	(4,127,353)
Proceeds from issuance of debt	335,000	81,862,358	9,643,440	61,671,787	51,986,289	49,561,822	-	-	66,625,196	-
Proceeds from sale of property held for investment	-	-	-	-	-	-	-	-	-	3,467,500
Proceeds from sale of capital assets	39,716	256,239	117,891	1,290,607	114,717	419,649	143,046	264,405	173,265	111,146
Appropriated fund balance	-	-	-	-	-	-	-	-	-	12,476
Transfer to escrow agent	-	(40,314,625)	-	(61,299,846)	-	-	-	-	-	-
Total other financing sources (uses)	2,874,716	41,803,972	11,847,767	1,662,548	52,619,786	50,667,556	1,071,580	838,747	67,626,279	4,466,805
Net change in fund balances	\$ 1,812,593	\$ 35,171,157	\$ (7,905,533)	\$ 2,250,284	\$ 22,912,543	\$ 4,716,393	\$ (29,023,563)	\$ (3,718,343)	\$ 59,758,933	\$ (12,795,389)
Debt service as a percentage of noncapital expenditures	12.43%	12.62%	11.91%	12.01%	11.72%	11.78%	6.70%	7.29%	6.32%	5.95%

Table 5
Onslow County, North Carolina
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended 30-Jun	Real Property				Personal Property	Public Service Companies ²	Exemptions	Total Taxable Assessed Value	Total Direct Tax Rate ³	Estimated Actual Taxable Value ⁴	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Industrial Property	Present-use Value ¹							
2012	9,245,167,973	1,682,814,273	24,394,430	142,138,096	1,558,905,126	235,265,035	105,140,261	12,783,544,672	0.585	12,898,339,897	99.85%
2013	9,780,653,503	1,774,523,012	24,394,430	143,861,236	1,680,109,281	237,905,066	292,394,369	13,349,052,159	0.585	13,220,239,568	103.19%
2014	10,070,041,503	1,742,233,183	23,753,560	140,333,245	1,370,781,476	245,936,849	304,430,612	13,288,649,204	0.585	13,160,419,476	103.08%
2015	9,425,864,578	1,818,264,946	21,282,240	129,609,455	1,694,406,591	243,106,513	295,631,090	13,036,903,233	0.675	12,911,102,745	97.83%
2016	9,583,040,338	1,837,274,076	22,555,280	292,376,515	1,636,719,724	284,070,687	310,057,493	13,345,979,127	0.675	13,217,196,190	97.83%
2017	9,733,175,407	1,874,018,606	22,086,340	292,342,825	1,813,199,894	290,126,822	321,003,804	13,703,946,090	0.675	13,571,708,926	97.83%
2018	9,967,919,548	1,886,558,006	23,348,540	121,110,965	2,019,208,424	315,527,205	342,994,851	13,990,677,837	0.675	13,990,677,837	102.45%
2019	10,048,593,750	2,036,604,494	29,444,271	125,910,010	1,929,078,328	316,590,295	184,332,780	14,301,888,368	0.705	14,506,429,017	99.86%
2020	10,401,088,550	2,020,378,745	29,074,682	123,988,410	1,968,326,347	326,924,995	407,483,501	14,462,298,228	0.705	15,229,884,402	97.64%
2021	10,720,024,591	2,080,781,104	32,397,018	123,102,185	2,174,129,598	339,795,890	432,416,250	15,037,814,136	0.705	16,849,091,468	91.82%

Source: Annual County Report of Valuation and Property Tax Levies

Notes:

¹ Present use value property is agricultural, horticultural and forestland for which the owner has applied for the property to be taxed at its present use.

The difference in taxes on the present use basis and the taxes that would have been payable are a lien on the property and are deferred. The taxes become due if the property ceases to qualify for present use value. The preceding three fiscal years taxes are then required to be paid.

² Public service companies valuations are provided to the County by the North Carolina Department of Revenue. These amounts include both real and personal property.

³ Per \$100 of value.

⁴ The estimated market value is calculated by dividing the assessed value by an assessment-to-sales ratio determined by the State Department of Revenue. The ratio is based on actual property sales which took place during the fiscal year.

⁵ Property in Onslow County is reassessed every four years. The last reassessment was on January 1, 2018 and was the basis for fiscal 2018 taxes.

Table 6
Onslow County, North Carolina
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Onslow County	\$ 0.5850	\$ 0.5850	\$ 0.5850	\$ 0.6750	\$ 0.6750	\$ 0.6750	\$ 0.6750	\$ 0.7050	\$ 0.7050	\$ 0.7050
<u>Municipality Rates:</u>										
Holly Ridge	0.4150	0.4150	0.4150	0.4150	0.4150	0.4150	0.4150	0.4050	0.3900	0.3800
Jacksonville	0.5380	0.5380	0.5380	0.6420	0.6420	0.6420	0.6420	0.6420	0.6420	0.6420
North Topsail Beach	0.2355	0.2355	0.3755	0.3932	0.3932	0.3932	0.3932	0.3435	0.4100	0.4600
Richlands	0.3700	0.3700	0.3600	0.3800	0.3800	0.3800	0.3800	0.3800	0.4000	0.4000
Surf City (1)	0.2826	0.3100	0.4100	0.4100	0.4100	0.4100	0.4100	0.4100	0.4100	0.4100
Swansboro	0.3930	0.3930	0.3500	0.3500	0.3500	0.3500	0.3500	0.3500	0.3500	0.3500

¹ This municipality became a multi-county town through annexation in 1988.

Notes:

^A Property was revalued in 2018

^B For each government, certain motor vehicles were taxed at the preceding year's rates.

Source: Onslow County Tax Administration

Table 7
Onslow County, North Carolina
Principal Property Tax Payers
Current Year and Ten Years Ago

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Jones Onslow EMC	155,641,457	1	1.04%	115,955,228	1	0.91%
Duke Energy Progress	96,435,009	2	0.64%			
PR Jacksonville Limited Partnership	56,559,356	3	0.38%	39,371,480	4	0.31%
Wal Mart Real Estate Business Trust	43,964,304	4	0.29%			
Spectrum Southwest	35,276,252	5	0.23%			
Traingle Palisades at Jacksonville LLC	29,891,869	6	0.20%			
Bailey & Fuller Properties LLC	29,017,191	7	0.19%			
Stanadyne Corporation	27,691,378	8	0.18%			
Brunswick Timber LLC	25,417,230	9	0.17%			
BRC Jacksonville Commons LLC	24,201,221	10	0.16%			
Carolina Telephone				47,908,013	3	0.38%
Progress Energy Carolinas				51,366,079	2	0.40%
Puller Place LLC				23,432,730	7	0.18%
Cross Pointe Developers LLC				22,102,690	8	0.17%
Abbingtion SPE LLC				21,537,052	9	0.17%
Arlington West Apartment Homes LLC				30,344,070	5	0.24%
Jax Commons LLC				21,219,842	10	0.17%
Liberty Point at Piney Green Apartments				25,297,470	6	0.20%
Total	524,095,267		3.49%	398,534,654		3.12%

Source: County Tax Administration

* Value includes prior year discovery assessments.

Table 8
Onslow County, North Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years
Expressed in Thousands

Fiscal Year Ended 30-Jun	Taxes levied for the Fiscal Year	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount Collected	Percent of Levy Collected		Amount	Percent of Levy Collected
2012	75,432	71,749	95.12%	2,422	74,171	98.33%
2013	79,022	74,883	94.76%	2,381	77,264	97.78%
2014	78,566	75,301	95.84%	2,079	77,380	98.49%
2015	82,177	79,757	97.06%	1,830	81,587	99.28%
2016	83,333	81,172	97.41%	1,959	83,131	99.76%
2017	84,550	82,560	97.65%	1,599	84,159	99.54%
2018	85,825	84,486	98.44%	949	85,435	99.55%
2019	91,165	90,009	98.73%	552	90,561	99.34%
2020	91,948	90,535	98.46%	644	91,179	99.16%
2021	94,652	93,385	98.66%	-	93,385	98.66%

Source: Onslow County Tax Administration

Table 9
Onslow County, North Carolina
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities						Business-type Activities			Total Primary Government	Per Capita (1)	Percentage of Personal Income (1)
	General Obligation Bonds	Installment Purchase Obligations	Bond Anticipation Notes	Limited Obligation Bonds	Certificates of Participation	Unamortized Premium	General Obligation Bonds	Revenue Bonds	Special Obligation Bonds			
2012	\$ 88,492,808	\$ 12,175,520	\$ -	\$ -	\$ 61,500,000	\$ 1,057,808	\$ -	\$ -	\$ 4,305,000	\$ 167,531,136	909	2.02%
2013	87,547,123	10,129,133	-	40,996,930	57,555,000	2,496,930	-	-	3,650,000	202,375,116	1,059	2.40%
2014	81,240,776	16,922,742	-	40,996,930	53,610,000	9,462,706	-	-	2,970,000	205,203,154	1,062	2.46%
2015	67,455,000	11,783,043	-	38,500,000	51,095,000	16,313,676	-	-	2,265,000	187,411,719	973	2.29%
2016	61,830,000	9,679,295	-	83,325,000	46,980,000	20,032,115	-	-	1,535,000	223,381,410	1,152	2.51%
2017	56,000,000	7,676,809	-	124,050,000	42,885,000	25,426,683	-	-	780,000	256,818,492	1,313	2.95%
2018	50,140,000	5,990,682	-	119,145,000	38,810,000	23,510,330	-	-	-	237,596,012	1,203	2.60%
2019	44,440,000	4,719,554	-	113,260,000	34,695,000	21,593,978	-	-	-	218,708,532	1,100	NA
2020	38,770,000	3,734,777	-	161,350,000	30,620,000	31,182,819	-	-	-	265,657,596	1,282	NA
2021	33,135,000	2,750,000	-	172,955,000	7,770,000	28,691,207	-	-	-	245,301,207	1,168	NA

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

(1) See Schedule 14 for personal income and population data.

Table 10
Onslow County, North Carolina
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding				Percentage of Personal Income(1)	Percentage of Actual Taxable Value of Property(2)	Per Capita(1)
	General Obligation Bonds	Unamortized Premium	Less: Amounts Restricted to Repaying Principal	Total			
2012	\$ 87,435,000	\$ 1,057,808	-	\$ 88,492,808	1.07%	0.69%	480
2013	79,990,000	7,557,123	-	87,547,123	1.04%	0.66%	458
2014	74,275,000	6,965,776	-	81,240,776	0.97%	0.61%	420
2015	67,455,000	9,393,934	-	76,848,934	0.94%	0.59%	399
2016	61,830,000	8,570,316	-	70,400,316	0.79%	0.53%	363
2017	56,000,000	7,746,698	-	63,746,698	0.73%	0.47%	326
2018	50,140,000	6,923,081	-	57,063,081	0.63%	0.41%	289
2019	44,440,000	6,099,464	-	50,539,464	NA	0.35%	254
2020	38,770,000	5,275,847	-	44,045,847	NA	0.30%	213
2021	33,135,000	4,452,230	-	37,587,230	NA	0.25%	179

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

(1) See Schedule 14 for personal income and population data.

(2) See schedule 5 for property value data.

Table 11
Onslow County, North Carolina
Legal Debt Margin Information
Last Ten Fiscal Years
(dollars in thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Assessed Value of Property	\$ 12,792,909	\$ 13,349,052	\$ 13,316,023	\$ 13,036,903	\$ 13,154,328	\$ 13,703,946	\$ 13,935,632	\$ 14,210,500	\$ 14,462,298	\$ 15,037,814
Debt Limit, 8% of Assessed Value (Statutory Limitation)	1,023,433	1,067,924	1,065,282	1,042,952	1,052,346	1,096,316	1,114,851	1,136,840	1,156,984	1,203,025
Amount of Debt Applicable to Limit										
General obligation bonds	88,493	84,631	81,240	67,455	61,830	56,000	50,140	44,440	38,770	33,135
Bonds authorized but not issued	3,780	-	-	-	-	-	-	-	-	-
Installment purchase agreements	12,176	10,129	16,922	11,783	9,679	7,676	5,990	4,719	3,734	2,750
Bond anticipation bonds	-	-	-	-	-	-	-	-	-	-
Limited obligation bonds	-	40,997	40,996	38,500	83,325	124,050	119,145	113,260	161,350	172,955
Certificates of participation	61,500	57,555	53,610	51,095	46,980	42,885	38,810	34,695	30,620	7,770
Special obligation bonds	4,305	-	2,970	2,265	1,535	780	-	-	-	-
Gross Debt	170,254	193,312	195,738	171,098	203,349	231,391	214,085	197,114	234,474	216,610
Less:										
Special obligation Bonds	4,305	3,650	2,970	2,265	1,535	780	-	-	-	-
Total net debt applicable to limit	165,949	189,662	192,768	168,833	201,814	230,611	214,085	197,114	234,474	216,610
Legal Debt Margin	\$ 857,484	\$ 878,262	\$ 872,514	\$ 874,119	\$ 850,532	\$ 865,705	\$ 900,766	\$ 939,726	\$ 922,510	\$ 986,415
Total net debt applicable to the limit as a percentage of debt limit	16.21%	17.76%	18.10%	16.19%	19.18%	21.04%	19.20%	17.34%	20.27%	18.01%

Note: NC Statute GS159-55 limits the county's outstanding debt to 8% of the appraised value of property subject to taxation. The following deductions are made from gross debt to arrive at net debt applicable to the limit: money held for payment of principal; debt incurred for water, sewer, gas, or electric power purposes; uncollected special assessments, funding and refunding bonds not yet issued; and revenue bonds.

The legal debt margin is the difference between the debt limit and the county's net debt outstanding applicable to the limit, and represents the county's legal borrowing authority.

Table 12
Onslow County, North Carolina
Computation of Direct and Overlapping Debt
General Obligation Bonds
June 30, 2021

<u>Governmental Unit</u>	<u>Debt Outstanding</u>		<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>		
Direct Debt:				
Onslow County	\$ 245,301,207	\$ -	100.00%	\$ 245,301,207
Overlapping Debt:				
Jacksonville	\$ -	\$ -	100.00%	\$ -
Holly Ridge	72,000	-	100.00%	72,000
North Topsail Beach	-	-	100.00%	-
Richlands	-	-	100.00%	-
Surf City *	-	-	42.82%	-
Swansboro	-	-	100.00%	-
Total direct and overlapping debt				<u>\$ 245,373,207</u>

* Municipality is split between Onslow and Pender County this percent represents share of property tax from Onslow County

Table 13
Onslow County, North Carolina
Calculation of Debt Service Coverage
Solid Waste Fund
Last Ten Years
(amounts expressed in thousands)

Fiscal Year Ended June 30	Gross Operating Revenue	Direct Operating Expenses	Non Operating Revenues	Net Revenue Available for Debt Service	Debt Service Requirements				Coverage
					Principal	Interest	Total		
2011	\$ 7,107	\$ 3,495	\$ 94	\$ 3,706	\$ 610	\$ 196	\$ 806	\$ 5	
2012	7,074	4,577	418	2,915	635	175	810	3.60	
2013	7,033	5,810	50	1,273	655	151	806	1.58	
2014	7,229	5,540	-	1,689	680	129	809	2.09	
2015	6,554	5,135	-	1,419	705	106	811	1.75	
2016	6,890	5,256	-	1,634	730	80	810	2.02	
2017	6,995	5,304	-	1,691	755	55	810	2.09	
2018	6,980	4,919	-	2,061	780	27	807	2.55	
2019	10,531	6,998	-	3,533	-	-	-	-	
2020	8,279	6,469	-	1,810	-	-	-	-	
2021	8,959	6,781	-	2,178	-	-	-	-	

Source: Onslow County Audits

Table 14
Onslow County, North Carolina
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population(1)	Personal Income (2) (thousands of dollars)	Per Capita Personal Income (2)	Median Age (1)	Public School Enrollment(3)	Unemployment Rate(4)
2012	184,228	8,296,419	45,277	26.60	24,232	9.20%
2013	191,030	8,421,526	44,124	25.90	24,889	7.50%
2014	193,221	8,342,524	44,078	26.29	25,169	6.20%
2015	192,645	8,188,720	44,349	26.26	25,314	6.30%
2016	193,914	8,892,158	47,517	26.40	25,839	5.50%
2017	195,621	8,719,755	44,972	26.51	26,055	5.00%
2018	197,455	9,121,475	46,142	26.24	26,329	4.60%
2019	198,483	N/A	N/A	N/A	26,654	4.80%
2020	207,252	N/A	N/A	N/A	N/A	7.20%
2021	210,056	N/A	N/A	26.75	27,608	5.30%

Notes:

(1) State demographics website demography.osbm.nc.gov. figure is as of July
previous reports used a different website, preceding years were changed to new website figures

(2) www.bea.gov CA1-3 and www.osbm.state.nc.us/demog/countytotals (single age)

(3) N.C. Department of Public Instruction, First Month Average Daily Membership, www.dpi.state.nc.us/fbs/resources/data/esas
Onslow County Board of Education

(4) N. C. Department of Commerce, www.nccommerce.com, June figures

* per 2010 census

Table 15
Onslow County, North Carolina
Principal Employers
Current Year and Nine Years Ago

Employer	2021			2012		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
US Department of Defense*	1000+	1	See	1000+	1	See
Onslow County Board of Education	1000+	2	Below	1000+	2	Below
Camp Lejeune MCCA				1000+	3	
Marine Corps Exchange Service	1000+	3				
Wal-Mart Associates, Inc.	1000+	4		1000+	6	
Onslow County Government	1000+	5		1000+	5	
Onslow Memorial Hospital	1000+	6		1000+	4	
Food Lion	500-999	7		500-999	8	
Coastal Carolina Community College	500-999	8		500-999	7	
City of Jacksonville	500-999	9		500-999	10	
Concentrix/Convergys Customer Mgmt Group	500-999	10		500-999	9	

Source: NC Department of Commerce

Note: Actual number of employees is not available; therefore, the range/ranking provided by the Employment Security Commission is used

* includes civil servants

Table 16
Onslow County, North Carolina
Full-time Equivalent County Government Employees by Function,
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government	123	127	130	135	136	131.45	135	140	144	144
Public safety	430	426	461	465	436	446	461	474	526	530
Transportation	23	23	28	0	-	-	-	-	-	-
Economic & physical development	33	31	31	32	32	31	31	31	32	33
Human Services	474	455	467	451	451	443	444	453	461	440
Environmental protection	4	4	4	4	4	4	4	4	3	3
Cultural and recreational	67	65	88	87	66	66	66	66	84	86
Enterprise Fund - Solid Waste	27	27	27	27	27	27	28	28	28	28
Enterprise Fund - Airport	-	-	-	31	22	28	27	27	32	31
Total	1181	1158	1236	1232	1174	1176.45	1196	1223	1310	1295

Source: County Human Resources Department

Note: This schedule represents number of employees budgeted per fiscal year rounded to the nearest whole number

Table 17
Onslow County, North Carolina
Operating Indicators by Function/Program,
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government										
Number of registered voters	92,076	92,234	94,684	95,408	90,601	100,159	108,298	100,782	107,398	106,058
Marriage licenses issued	2,851	2,714	2,697	2,633	2,577	2,662	2,691	2,585	2,034	1,801
Deeds recorded	6,613	6,984	6,658	7,152	7,292	8,320	8,984	9,116	9,979	11,953
Public Safety										
# of Civil papers received at sheriffs	23,847	25,377	25,471	26,226	24,834	25,554	24,717	23,113	20,491	18,537
# of Civil papers served at sheriffs	18,789	19,781	19,299	20,318	19,856	20,443	20,243	1,847	16,228	14,796
# of E911 EMS calls	16,691	17,510	25,587	26,447	29,020	31,573	32,161	28,729	21,772	22,757
# of E911 Fire calls	3,919	12,598	3,964	3,917	4,304	4,876	4,618	11,069	22,578	13,999
# of E911 law enforcement calls	48,861	46,348	60,347	67,373	75,878	85,501	95,024	96,734	87,768	78,830
Animal Complaints	7,719	8,348	9,203	8,039	6,567	7,636	9,003	9,678	8,799	8,879
Animals sheltered	6,477	6,012	5,889	6,297	4,788	4,346	4,756	4,775	4,442	3,409
Transportation										
Enplanements	174,903	172,285	162,867	151,903	146,417	156,010	153,723	157,594	126,901	136,966
Economic & Physical Development										
# of building permits	2,074	1,827	1,760	2,249	2,097	2,667	3,598	4,890	5,132	5,913
# of building inspections	29,416	30,980	28,221	22,767	20,852	20,923	26,951	31,147	38,497	32,887
Human Services										
Health Dept										
# of Food & Lodging inspections	1,528	1,514	1,335	1,486	1,812	1,974	2,061	2,437	2,443	1,481
# of patients contacts	13,077	24,612	13,653	13,578	16,709	18,589	11,889	13,834	13,375	12,680
Social Services										
# of clients served	66,076	49,269	52,810	35,769	39,370	44,598	27,691	30,483	31,759	45,074
Senior Services										
# of clients served	4,916	2,796	5,089	5,160	6,551	7,530	7,187	6,263	5,299	5,762
Veterans Services										
# clients served	22,969	44,561	35,779	35,281	39,832	42,424	41,232	43,592	50,209	49,504
Environmental Protection										
feet on waterways cleared of debris	102,145	86,369	61,232	21,648	18,565	18,565	68,251	23,232	27,980	21,120
# of citizen mosquito complaints & responses	433	307	432	705	756	756	1,040	5,249	1,956	2,153
Cultural & recreational										
# of library visits	357,559	345,982	362,800	415,545	418,004	400,029	389,346	365,853	285,632	146,987
# of museum visits	3,708	5,216	4,557	4,680	3,809	5,902	5,757		3,404	345
Enterprise Fund-Solid Waste										
Landfill & Convenience site transactions	256,457	286,791	154,969	159,816	174,956	171,676	198,109	288,357	242,296	234,958
Tonnage at sites	2,744	2,777	2,644	3,837	3,815	3,895	4,483	4,561	4,186	3,465
Recyclables tonnage from sites	621	744	1,402	646	925	1,009	625	683	920	889
White goods tonnage	199	264	349	471	581	750	942	1,173	1,136	1,085

Source: Onslow County departments

Table 18
Onslow County, North Carolina
Capital Asset Statistics by Function/Program,
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety											
Number of patrol vehicles	166	178	195	187	150	150	150	166	161	160	160
Volunteer Fire Depts	20	20	19	17	17	16	15	16	12	12	12
Volunteer Rescue Squads	9	8	7	7	7	6	5	5	1	0	0
Volunteer Fire & Rescue	-	-	-	-	1	2	2	2	3	3	2
County Fire and Rescue Stations	-	-	-	-	-	-	-	1	1	1	2
Number of EMS stations	7	7	7	7	7	7	7	7	6	6	6
Number of ambulances	32	32	24	23	23	23	28	29	30	31	21
Number of other Emergency Vehicles	-	-	-	-	-	-	12	14	14	18	12
Number of jail beds	118	528 *	528	528	528	528	528	528	528	528	528
Cultural & Recreational											
Number of Parks	13	13	13	13	13	13	13	13	13	13	15
Acreage	1050	1050	1050	1050	1050	1050	1050	1050	1073	1073	1378
Number of libraries	5	5	5	5	5	5	5	4	4	4	4
Enterprise fund											
Solid Waste											
Number of convenience sites	10	10	10	10	10	10	10	10	10	10	10
Yrs of estimated life of Landfill	11.5	12	11	13	13	13	13	30	23	22	25
Education											
Number of Public Schools	35	35	35	35	35	38	38	38	38	38	42

Source: Onslow County departments
Onslow County Board of Education
Annual CDM Report

COMPLIANCE SECTION

**Independent Auditor's 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***

To the Board of Commissioners of Onslow County
Jacksonville, 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 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 Onslow County, North Carolina (the "County"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated October 29, 2021. Our report includes a reference to other auditors who audited the financial statements of Onslow County ABC Board and Onslow County Hospital Authority, as described in our report on the County'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 Onslow County ABC Board were not audited in accordance with *Government Auditing Standards*. The financial statements of Onslow County Hospital Authority were audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of 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. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Elliott Davis, PLLC". The signature is written in a cursive, flowing style.

Raleigh, North Carolina
October 29, 2021

**Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance in Accordance with OMB Uniform Guidance
and the State Single Audit Implementation Act**

To the Board of Commissioners of Onslow County
Jacksonville, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Onslow County, North Carolina's (the "County") 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 County's major federal programs for the year ended June 30, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying *Schedule of Findings and Questioned Costs*.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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, OMB 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 the 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 the County's compliance.

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

Management of the 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 County's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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 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 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 not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, as described in the accompanying *Schedule of Findings and Questioned Costs* as item 2021-001 that we consider to be a significant deficiency.

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



Raleigh, North Carolina
October 29, 2021

**Independent Auditor's Report on Compliance for Each Major State Program
and on Internal Control Over Compliance in Accordance with OMB Uniform Guidance
and the State Single Audit Implementation Act**

To the Board of Commissioners of Onslow County
Jacksonville, North Carolina

Report on Compliance for Each Major State Program

We have audited Onslow County, North Carolina's (the "County") 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 the County's major state programs for the year ended June 30, 2021. The County's major state programs are identified in the summary of auditor's results section of the accompanying *Schedule of Findings and Questioned Costs*.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the 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 the applicable sections of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) as described in the *Audit Manual for Governmental Auditors in North Carolina* and the State Single Audit Implementation Act. Those standards, OMB 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 the 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 the County's compliance.

Opinion on Each Major State Program

In our opinion, the 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 the 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 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, material weaknesses may exist that have not been identified. However, we did identify a certain deficiency in internal control over compliance, as described in the accompanying *Schedule of Findings and Questioned Costs* as item 2021-001 that we consider to be a significant deficiency.

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

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



Raleigh, North Carolina
October 29, 2021

Onslow County, North Carolina
Schedule of Findings and Questioned Costs
For the year ended June 30, 2021

Section I. Summary of Auditor's Results

Financial Statements

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

Internal control over financial reporting:

- Material weakness(es) identified _____ yes X no
- Significant deficiency(s) identified _____ yes X none reported

Noncompliance material to financial statements noted: _____ yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness identified _____ yes X no
- Significant deficiency(s) identified X yes _____ none reported

Type of auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance
2 CFR 200.516(a): _____ yes X no

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Names of Federal Program or Cluster</u>
10.557	Special Supplemental Nutrition Program For Women, Infants, And Children
20.106	Airport Improvement Program
21.019	Coronavirus Relief Fund
93.778	Medicaid Cluster

Dollar threshold used to distinguish between type A and type B Programs: \$750,000

Auditee qualified as low risk auditee? _____ yes X no

State Awards

Internal control over major state programs:

- Material weakness 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 State Single
Audit Implementation Act _____ yes X no

Onslow County, North Carolina
Schedule of Findings and Questioned Costs
For the year ended June 30, 2021

Section I. Summary of Auditor's Results, Continued

Identification of major State programs:

Public School Building Capital Fund
A J Ellis Environmental Assessment
School Nurse Funding Initiative

Other major state programs for the County are Medical Assistance Program (Medicaid) and Aging Cluster, which are state matches of federal programs. Therefore, these programs have been included in the list of major federal programs above.

Section II. Financial Statement Findings

None

Section III. Federal Awards Findings and Questioned Costs

Finding 2021-001, Significant Deficiency over Eligibility, Repeat finding 2020-001

Information on the federal program: Medicaid Cluster (Medicaid), CFDA 93.778, U.S. Department of Health and Human Services, passed through the N.C Department of Health and Human Services, Division of Medical Assistance (DSS).

Criteria or specific requirement: Per the North Carolina Medicaid Assistance Program (Medicaid; Title XIX) Compliance Supplement and the DSS manuals (Aged, Blind and Disabled manual, Family and Children Medicaid manual and the Integrated Policy manual), case files for individuals or families receiving assistance are required to retain documentation to evidence appropriate eligibility determination, including:

- accurate record of household members and relationships
- accurate computation of countable income and resources
- verification of earned income
- accurate record of non-custodial parent

Conditions: We noted that in two instances, the case record did not contain information on non-custodial parents. In one instance, the total countable income was not recorded accurately in NC FAST based upon documentation in the case record. In three instances, the case record did not contain evidence that the household and relationship information to verify household composition.

Context: We sampled 93 payments from a total population of approximately 3.2 million payments made to the participants during the fiscal year. We noted the above condition in 6 of the 93 case files inspected for applicable payments.

Effect: Case files not containing all required documentation result in a risk that the County could provide services to individuals not eligible to receive such services or that such services could be denied to eligible individuals. Subsequent to being notified that required documentation had not been retained in case files, the County was able obtain documentation to substantiate that the applicants tested were eligible to receive benefits.

Onslow County, North Carolina

Schedule of Findings and Questioned Costs

For the year ended June 30, 2021

Section III. Federal Awards Findings and Questioned Costs, Continued

Finding 2021-001, Significant Deficiency over Eligibility, Repeat Finding 2020-001, Continued

Cause: The County did not retain required documentation in case files at the time eligibility was determined.

Recommendation: We recommend that the County train and monitor employees on the eligibility determination process. We also recommend the County review and amend current policy and procedures in place to ensure that all eligibility determination documentation is completed and retained by the County.

Section IV. State Awards Findings and Questioned Costs

Finding 2021-001 listed in Section III *Federal Award Findings and Questioned Costs* is also considered to be state award finding.



Corrective Action Plan

Finding 2021-001, Significant Deficiency over Eligibility, Repeat Finding 2020-001

Cause: The County did not retain required documentation in case files at the time eligibility was determined.

Auditors Recommendation: We recommend that the County train and monitor employees on the eligibility determination process. We also recommend the County review and amend current policy and procedures to ensure that all eligibility determination documentation is completed and retained by the County.

Corrective Action Plan: Agency realigned Medicaid to be under one Program Manager to ensure consistency with quality control and review.

- Program Manager, Supervisors and Lead Workers created a Medicaid Quality Control plan to be followed by all units that includes pulling a random sample from each caseworker every month to include at least 2 approvals and 1 denial.
- The DHB 7078, Second Party Review Worksheet, is completed for each application or case pulled to ensure that policy and procedure is followed. The Explanation of Errors section is completed for any errors discovered and the completed DHB 7078 is then attached to an email and sent to the individual caseworker along with a detailed explanation providing policy section and training materials/ OST/ or emails that reinforce the decision to cite the error. As it relates specifically to the cited error above, the DHB 7078 section B. Documentation is used to review that all required documents are placed in the case record.
- Checklists have been created and are currently being utilized to help prevent errors and all caseworkers have a copy of the DHB 7078 and are encouraged to review prior to authorizing.
- When an error is discovered, worker's name, case number and specific error are logged on a Quality Control spreadsheet. This spreadsheet is used to identify training issues and/or repetitive errors.
- The spreadsheet will be reviewed monthly by Supervisors and Lead Workers for their own unit and reviewed quarterly with all Medicaid Supervisors and Program Manager.
- Along with one-on-one emails that address the individuals making errors, group trainings will be held based on repetitive errors and knowledge checks will be utilized at the end of group trainings.
- If an individual has repeat findings after an error has been addressed there will be a meeting between the caseworker and the supervisor to discuss the issue. During this meeting, training, to include policy sections, training materials/ OST and/or emails will be provided. The caseworker will be asked to sign a training acknowledgement form stating that they have received the training, understand the policy, have no questions, and understand that a full coaching will be implemented if the errors continue. This individual will have additional work reviewed for the next 30 days.

Proposed Completion Date: Ongoing

Name/ Position Contact Person: Kimberli Sholar, Medicaid Program Manager



**Summary Schedule of Prior Audit Findings
For the year ended June 30, 2021**

Finding 2020-001, Medicaid Significant Deficiency over Eligibility

Conditions: We noted that in six instances, the case record did not contain an appropriate income conversion and computation in accordance with policy manuals. In two instances, the total countable income was not recorded accurately into NC FAST based upon documentation in the case record. In fourteen instances, the case record did not contain evidence that the household and relationship information to verify household composition. In one instance, DMV OVS/OLV was not completed.

Current status: Finding repeated at 2021-001.

Finding 2020-002, Low Income Home Energy Assistance Significant Deficiency over Eligibility

Condition: We noted in twelve instances, the total countable income was not recorded accurately into the NC FAST system based upon documentation in the case record. In three instances the rights and responsibilities page of the application was not signed by the applicant.

Current status: Supervisory staff have completed additional training for staff concerning required verifications. Supervisory and Quality Assurance staff continue to monitor the employees on the completion of required verifications and eligibility determination documentation. Staff reviewed current policies and second-party reviews are conducted by Supervisory and Quality Assurance staff to ensure that all eligibility determination documentation is completed and retained by the County. The finding is not repeated in the current year.

ONslow COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2021

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
Federal Awards:					
<u>U.S. Dept. of Agriculture</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Administration:					
State Administrative Matching Grants for the					
Supplemental Nutrition Assistance Program	10.561		\$ 1,823,907	\$ -	\$ -
Division of Public Health:					
Administration:					
Special Supplemental Nutrition Program for					
Women, Infants & Children General Admin	10.557		32,112	-	-
Women, Infants & Children Client Services	10.557		833,992	-	-
Women, Infants & Children Nutrition Education	10.557		226,239	-	-
Women, Infants & Children Breastfeeding Promo and Support	10.557		27,762	-	-
Women, Infants & Children Breastfeeding Peer Counselor	10.557		28,393	-	-
Total U.S. Department of Agriculture			2,972,405	-	-
<u>Institute of Museum and Library Services</u>					
National Foundation on Arts and Humanities					
Passed-through NC Department of Cultural Resources:					
State Library of NC					
Library Services and Technology Act LSTA-Grants to States					
Training Grants	45.310		14,825	-	-
Total Institute of Museum and Library Services			14,825	-	-
<u>U.S. Dept. of Justice</u>					
Federal Drug Forfeiture Program	16.000		23,839	-	-
FBI Safe Streets Task Force			30,867	-	-
Organized Crime Drug Enforcement Task Force			21,117	-	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0064	6,514	-	-
Equitable Sharing Program-Sheriff's Office	16.922		79,456	-	-
Justice and Mental Health Collaborative Program	16.745	2018-MO-BX-0045	199,395	-	-
Coronavirus Emergency Supplemental Funding Program	16.034	2020-VC-BX-0023	22,820	-	-
Total U.S. Dept. of Justice			384,008	-	-
<u>U.S. Dept. of Transportation</u>					
Passed-through the N.C. Department of Transportation:					
Governor's Highway Safety Program	20.600		178,707	-	-
Airport Firetruck, Snow Removal, & Environment Assessment	20.106	3-37-0033-041-2020	33,251	277,180	-
Airport Improvement Program - CARES	20.106	3-37-0033-040-2020	1,653,659	-	-
Airport Coronavirus Response Grant Program	20.106	3-37-0033-042-2021	1,507,922	-	-
Total U.S. Dept. of Transportation			3,373,539	277,180	-
<u>U.S. Dept. of Treasury</u>					
Passed-through the N.C. Office of the Governor					
Coronavirus Relief Fund	21.019		4,317,165	-	-
Passed-through the N.C. State Board of Elections					
Coronavirus Relief Fund	21.019		50,000	-	-
Total U.S. Dept. of Treasury			4,367,165	-	-
<u>Election Assistance Commission</u>					
Passed-through the N.C. State Board of Elections					
HAVA Election Security Grants - CARES	90.404		229,428	-	-
HAVA Election Security Grants	90.404		134,550	-	-
Total Election Assistance Commission			229,428	-	-
<u>U. S. Department of Homeland Security</u>					
Passed-through N.C. Dept. of Public Safety:					
Division of Emergency Management					
Emergency Management Performance Grant	97.042		\$ 44,376	\$ 9,376	\$ -
Disaster Grants - Public Assistance - Hurricane Florence	97.036	FEMA-4393DR-NC	69,222	23,074	-
Disaster Grants - Public Assistance - Hurricane Isaias	97.036		37,260	12,420	-
Homeland Security Grant Program	97.067	EMW-2019-1935/1936	83,693	-	-
Hazard Mitigation Grant - Acquisition	97.039		214,070	71,357	-
Total Division of Emergency Management			448,621	116,227	-
Total U. S. Department of Homeland Security			448,621	116,227	-

ONslow COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2021

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
<u>U.S. Dept. of Health & Human Services</u>					
Passed through NC Department of Health and Human Services					
Passed through Eastern Carolina Council of Governments					
Medicare Enrollment Assistance Program	93.071		-	3,233	-
NC Department of Insurance					
State Health Insurance Assistance Program	93.324		8,270	-	-
Aging Cluster:					
HCCBG - Access Title III - B	93.044		50,905	2,994	-
HCCBG - Access State Appropriation	N/A		-	9,446	-
HCCBG - Congregate Meals Title III - C1	93.045		29,114	1,713	-
HCCBG - Congregate Meals Families First	93.045		71,715	-	-
HCCBG - Home Delivered Meals Title III - C2	93.045		113,965	6,704	-
HCCBG - Home Delivered Meals Families First	93.045		13,142	-	-
HCCBG - Home Delivered Meals	N/A		-	48,144	-
HCCBG - In Home & Support Services Title III - B	93.044		85,983	5,058	-
HCCBG - In Home & Support Services	N/A		-	449,140	-
HCCBG - CARES Nutrition Services	93.045		51,181	-	-
HCCBG - CARES In Home	93.044		29,027	-	-
Family Caregiver Support Title III-E	93.052		-	5,972	-
Family Caregiver Support	N/A		-	18,833	-
Nutrition Services Incentive Program	93.053		20,216	-	-
Operation Fan	N/A		-	800	-
Senior Center Development	N/A		-	10,514	-
Total Aging Cluster			465,247	559,318	-
Division of Social Services					
Temporary Assistance for Needy Families	93.558		1,516,649	-	-
Child Support Enforcement	93.563		644,496	-	-
Stephanie Tubbs Jones Child Welfare Services Program:	93.645		49,266	-	-
Refugee and Entrant Assistance - State	93.566		524	-	-
Chafee Foster Care Independence Program	93.674		21,591	5,398	-
Social Services Block Grant	93.667		604,470	-	-
Low-Income Home Energy Assistance	93.568		1,434,134	-	-
Low-Income Home Energy Assistance (COVID19)	93.568		244,863	-	-
Foster Care and Adoption Cluster (Note 4)					
Foster Care - Title IV-E	93.658		879,599	123,903	-
Foster Care - Title IV-E - IV-E ADMIN COUNTY PAID TO	93.658		143,409	71,704	-
Foster Care - Title IV-E - FC & EXTEND MAX	93.658		62,987	12,876	-
Foster Care - Title IV-E - FC & EXTEND REG	93.658		346,164	75,221	-
Foster Care - Title IV-E - IV-E MAX LEVEL III	93.658		8,094	-	-
Adoption Assistance	93.659		91,888	-	-
Total Foster Care and Adoption Cluster (Note 4)			1,532,141	283,704	-
Special Children Adoption Fund	93.556		58,533	-	-
Division of Child Development and Early Education:					
Subsidized Child Care (Note 4)					
Child Care Development Fund Cluster:					
Division of Social Services:					
Child Care Development Fund - Mandatory/Match	93.596		320,523	-	-
Total Child Care Development Fund Cluster			320,523	-	-
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Medical Assistance:					
Division of Social Services:					
Administration:					
Medical Assistance Program	93.778		3,440,126	6,777	-
Division of Social Services:					
Administration:					
Children's Health Insurance Program - N.C. Health Choice	93.767		103,428	(1,294)	-
Total Division of Social Services			9,970,743	294,585	-

ONslow COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2021

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
Passed-through the N.C. Dept. of Health and Human Services: Division of Public Health:					
Coronavirus Relief Fund	21.019		\$ 236,891	\$ -	\$ -
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323		613,097	-	-
Hospital Preparedness Program (HPP) and Public Public Health Emergency Preparedness (PHEP)	93.069		45,335	-	-
Tuberculosis Demonstration, Research, Public and Professional Education	93.116		30,963	37,370	-
Cancer Prevention and Control Programs	93.898		16,375	24,050	-
Child Health					
Care Coordination for Children	93.994		109,998	-	-
Child Fatality Prevention	93.994		2,407	-	-
Child Health	93.994		81,764	17,096	-
Family Planning					
Family Planning Healthy Mothers/Healthy Children	93.994		88,715	84,912	-
Family Planning Services	93.217		113,156	-	-
Maternal Health	93.994		24,014	7,552	-
Healthy Communities					
Preventative Health and Health Services Block Grant	93.991		50,013	7,494	-
Immunization Action Plan	93.268		306,496	-	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977		58	-	-
Temporary Assistance for Needy Families	93.558		22,463	-	-
Total Division of Public health			1,741,746	178,474	-
Total U.S. Dept. of Health and Human Services			12,186,006	1,035,610	-
US Army Corp of Engineers Mosquito Control Contract W912HN-09-P-0059	12.355		1,155	-	-
Total federal awards			23,977,152	1,429,017	-
State Awards:					
<u>N.C. Dept. of Administration</u>					
Veterans Service			-	2,084	-
Total N.C. Dept. of Administration			-	2,084	-
<u>N.C. Administrative Office of the Courts</u>					
Civil License Revocation			-	19,487	-
<u>N.C. Dept. of Agriculture and Consumer Services</u>					
Soil Conservation Reimbursement Program			-	3,600	-
Soil Conservation Program Grant			-	26,880	-
Total N.C. Dept. of Agriculture and Consumer Services			-	30,480	-
<u>N.C. Dept. of Cultural Resources</u>					
Division of State Library					
State Aid to Public Libraries			-	232,180	-
Total N.C. Dept. of Cultural Resources			-	232,180	-
<u>N.C. Department of Environmental Quality</u>					
Division of Waste Management					
Scrap Tire Disposal Account Fund - Grant			-	23,822	-
Electronics Recycling Program			-	1,522	-
Total N.C. Dept. of Environmental Quality			-	25,344	-
<u>N.C. Dept. of Health and Human Services</u>					
Division of Social Services:					
Foster Care At Risk Maximization			-	8,173	-
Foster Care At Risk			-	4,097	-
Energy Assist Private Grants			-	11,849	-
State Adolescent Parenting Program			-	99,115	-
State Foster Home Maximization			-	117,663	-
State Foster Home			-	132,479	-
State Child Welfare/CPS/CS LD			-	165,844	-
Extended FC/Max NON IV-E			-	16,928	-
Foster Care Stipend COVID-19			-	72,100	-
APS/CPS Care COVID-19			-	212,781	-
Total Division of Social Service			-	841,028	-
Division of Public Health					
General Aid to Counties			-	183,511	-
General Communicable Disease Control			-	23,908	-
Food and Lodging			-	37,487	-
School Nurse Funding Initiative			-	100,000	-
STD Drugs			-	1,367	-
Mosquito and Tick Suppression			-	1,983	-
HIV/State SSBG Aid			-	17,496	-
Women's Health Service Funds			-	20,826	-
Total Division of Public Health			-	386,579	-
Division of Mental Health, Developmental Disabilities and Substance Abuse Services					
Dorthea Dix Grant-Crisis Center Improvements			-	53,046	-
Total N. C. Department of Health and Human Services			-	1,280,653	-

ONslow COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2021

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
<u>N.C. Dept. of Public Instruction</u>					
Public School Building Capital Fund - Lottery Proceeds			-	1,871,000	-
<u>N.C. Dept. of Public Safety</u>					
N.C Dept. of Juvenile Justice and Delinquency Prevention					
Temporary Shelter Services			-	66,880	-
Juvenile Restitution Program			-	204,380	-
School Treatment Program			-	146,227	-
Day Services Commitment Program			-	100,000	-
Onslow County Juvenile Crime Prevention Program			-	4,289	-
SHARP			-	33,654	-
Youth Court Diversion Program			-	73,758	-
Total N.C. Dept of Public Safety			-	629,188	-
<u>N.C. Office of State Budget and Management</u>					
Total State awards			-	4,090,417	-
Total Federal and State awards			\$ 23,977,152	\$ 5,519,434	\$ -

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the Onslow County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2021. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of Onslow County, it is not intended to and does not present the financial position, changes in net position or cash flows of Onslow County.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate

Onslow 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 and Foster Care and Adoption