

REVIEWED

By SLGFD at 1:48 pm, Jan 12, 2022

RICHMOND COUNTY, NORTH CAROLINA
FINANCIAL STATEMENTS
June 30, 2021

RICHMOND COUNTY, NORTH CAROLINA
 June 30, 2021

BOARD OF COUNTY COMMISSIONERS

Jeff Smart, Chairman

Justin Dawkins, Vice-Chairman

Tavares Bostic

Don Bryant

Andy Grooms

Toni Maples

Rick Watkins

COUNTY OFFICIALS

Bryan Land
County Manager

Cary Garner
Finance Officer

William R. Webb Jr.
County Attorney

Dena R. Cook
Clerk to Board

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FINANCIAL SECTION



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INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners
Richmond County
Rockingham, North Carolina

Report on the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information Richmond 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of Net Pension Asset and County Contributions, the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and Schedule of County Contributions, the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, and the Other Postemployment Benefits Schedules of Changes in the Total OPEB Liability and Related Ratios on pages 4 through 12 and 60 through 66, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

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

The combining and individual fund financial statements, budgetary schedules, other schedules and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and 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. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2021 on our consideration of Richmond County 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 the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Richmond County's internal control over financial reporting and compliance.

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

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

Whiteville, NC

December 15, 2021

Management's Discussion and Analysis

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

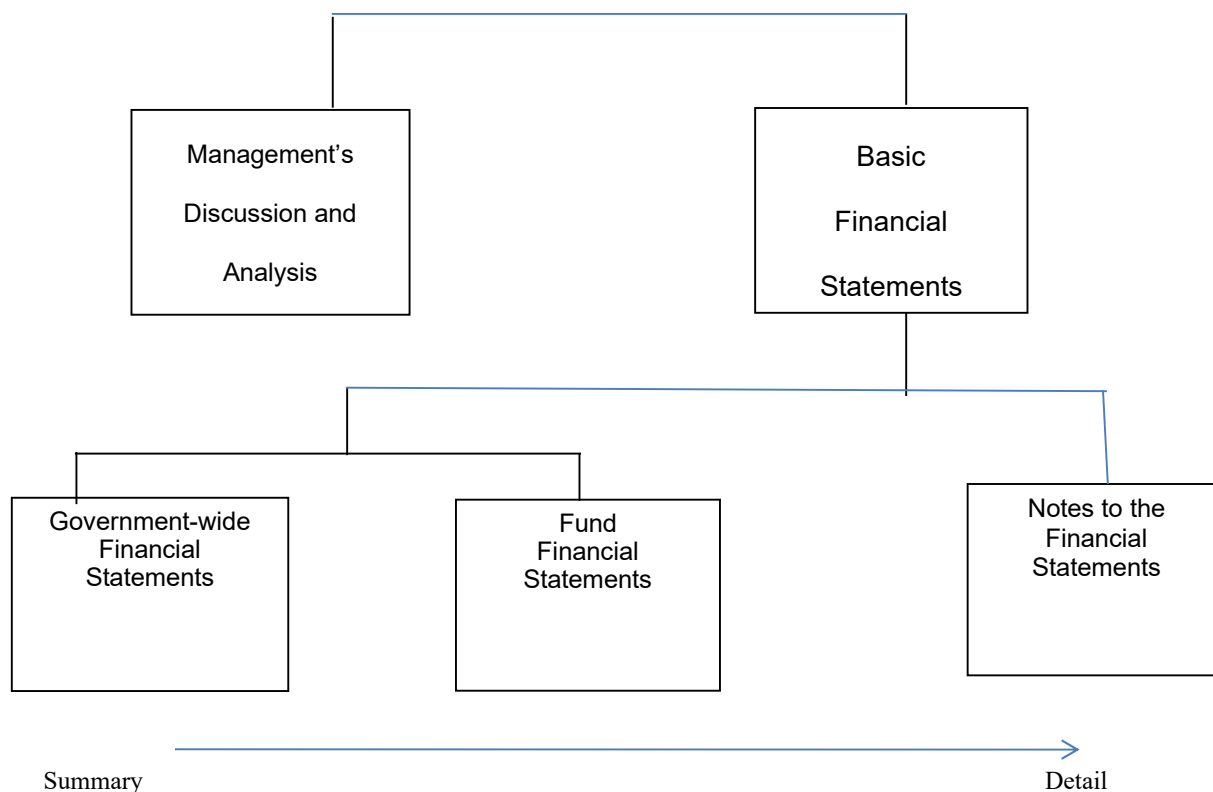
Financial Highlights

- The assets and deferred outflows of resources of Richmond County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$68,017,979 (net position).
- The government's total net position increased by \$5,347,916, primarily due to increased net position in the governmental activities and business-type activities.
- As of the close of the current fiscal year, Richmond County's governmental funds reported combined ending fund balances of \$23,940,781, an increase of \$4,537,422 in comparison with the prior year. Approximately 54.29 percent of this total amount, or \$12,997,583 is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$9,651,726, or 18.27 percent of total general fund expenditures for the fiscal year. Available fund balance was \$13,013,173 or 24.64 percent of total general fund expenditures.
- Richmond County's total debt increased \$1,152,384 (4.70%) during the current fiscal year. The key factors in this change were the scheduled principal repayments on existing general obligation bonds of \$1,541,000 and \$54,000, in the governmental activities and business-type activities, respectively. These repayments were coupled with ongoing installment purchase activities. In addition, the balances for compensated absences, total pension liability, net pension liability, and net OPEB liability increased.
- Richmond County maintained its Aa3 rating from Moody's Investors and maintained its A+ rating from Standard and Poor's rating services bond rating.

Overview of the Financial Statements

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

Required Components of Annual Financial Report
Figure 1



Basic Financial Statements

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

The next statements (Exhibits 3 through 9) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statement.

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

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

Government-wide Financial Statements

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

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the total of the County's assets and deferred outflows of resources and the total liabilities and deferred inflows of resources. Measuring net position is one way to gage the County's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the County's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water and sewer and landfill services offered by Richmond 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. Richmond 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 Richmond County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

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

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

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start after Exhibit 9.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Richmond County’s progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning at Exhibit A-1, directly after the notes.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government’s financial condition. The County’s assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$68,017,979 as of June 30, 2021. The County’s net position increased by \$5,347,916 for the fiscal year ended June 30, 2021. One of the largest portions, \$51,589,534, reflects the County’s net investment in capital assets (e.g. land, buildings, machinery, and equipment). Richmond County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Richmond 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. An additional portion of Richmond County’s net position, \$13,057,152, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$3,371,293 is unrestricted; this balance may be used to meet the government’s ongoing obligations to citizens and creditors.

Under North Carolina law, the County is responsible for providing capital funding for the schools. The County has chosen to meet its obligation to provide the schools capital funding by using a mixture of County funds and general obligation debt. The assets funded by the County, however, are owned and utilized by the schools. Since the County, as the issuing government, acquires no capital assets, the County incurred a liability without a corresponding increase in assets. At the end of the fiscal year, approximately \$11,120,000 of the outstanding debt on the County’s financial statements was related to assets included in the public schools financial statements. However, since the majority of this school related debt is general obligation debt, it is collateralized by the full faith, credit, and taxing power of the County. Accordingly, the County is authorized and required by State law to levy ad valorem taxes, without limit as to rate and amount, as may be necessary to pay the debt service on its general obligation bonds.

Richmond County’s Net Position
Figure 2

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 32,135,182	\$ 22,915,779	\$ 17,308,964	\$ 15,587,362	\$ 49,444,146	\$ 38,503,141
Capital assets	33,606,553	35,027,491	39,224,456	40,736,675	72,831,009	75,764,166
Total assets	65,741,735	57,943,270	56,533,420	56,324,037	122,275,155	114,267,307
Total deferred outflows of resources	1,524,727	1,752,846	131,766	155,128	1,656,493	1,907,974
Long-term liabilities						
outstanding	30,345,966	31,432,266	11,139,946	11,726,635	41,485,912	43,158,901
Other liabilities	17,524,709	10,027,613	1,301,826	1,339,077	18,826,535	11,366,690
Total liabilities	47,870,675	41,459,879	12,441,772	13,065,712	60,312,447	54,525,591
Total deferred inflows of resources	1,524,727	1,752,846	131,766	155,128	1,656,493	1,907,974
Net position:						
Net investment in capital assets	22,631,827	22,554,432	28,957,707	29,989,373	51,589,534	52,543,805
Restricted	13,057,152	11,731,149	-	-	13,057,152	11,731,149
Unrestricted	(12,265,286)	(15,181,745)	15,636,579	13,543,743	3,371,293	(1,638,002)
Total net position	\$ 23,423,693	\$ 19,103,836	\$ 44,594,286	\$ 43,533,116	\$ 68,017,979	\$ 62,636,952

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

- The property tax collection percentage increased from 96.96% to 97.62%. This rate is lower than the statewide average of 98.83%.
- Continued low cost of debt due to the County's high bond rating.

Richmond County Changes in Net Position
Figure 3

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 2,644,228	\$ 2,739,224	\$ 10,394,591	\$ 10,280,825	\$ 13,038,819	\$ 13,020,049
Operating grants and contributions	13,347,854	12,525,612	766,196	449,035	14,114,050	12,974,647
Capital grants and contributions	242,257	389,665	-	-	242,257	389,665
General revenues:						
Property taxes	31,184,168	29,635,854	-	-	31,184,168	29,635,854
Other taxes	12,162,929	9,431,581	-	-	12,162,929	9,431,581
Grants and contributions not restricted to specific programs	230,729	221,579	-	-	230,729	221,579
Other	269,331	476,094	67,595	139,400	336,926	615,494
Total revenues	60,081,496	55,419,609	11,228,382	10,869,260	71,309,878	66,288,869
Expenses:						
General government	7,501,569	6,458,027	-	-	7,501,569	6,458,027
Public safety	14,526,125	13,666,415	-	-	14,526,125	13,666,415
Transportation	469,724	517,178	-	-	469,724	517,178
Economic and physical development	2,306,120	1,735,573	-	-	2,306,120	1,735,573
Human services	17,462,955	15,784,006	-	-	17,462,955	15,784,006
Cultural and recreation	667,443	711,336	-	-	667,443	711,336
Education	12,280,955	14,390,849	-	-	12,280,955	14,390,849
Interest on long-term debt	579,859	771,796	-	-	579,859	771,796
Landfill	-	-	3,138,636	2,963,267	3,138,636	2,963,267
Water and sewer	-	-	7,028,576	7,434,716	7,028,576	7,434,716
Total expenses	55,794,750	54,035,180	10,167,212	10,397,983	65,961,962	64,433,163
Increase (decrease) in net position before transfers	4,286,746	1,384,429	1,061,170	471,277	5,347,916	1,855,706
Transfers	-	-	-	-	-	-
Increase (decrease) in net position	4,286,746	1,384,429	1,061,170	471,277	5,347,916	1,855,706
Net position, beginning	19,103,836	17,719,407	43,533,116	43,061,839	62,636,952	60,781,246
Net position, restated	19,136,947	17,719,407	43,533,116	43,061,839	62,670,063	60,781,246
Net position, ending	\$ 23,423,693	\$ 19,103,836	\$ 44,594,286	\$ 43,533,116	\$ 68,017,979	\$ 62,636,952

Governmental activities. Governmental activities increased the County's net position by \$4,286,746. Key elements of this increase are as follows:

- Increase in property tax revenues and other taxes.

Business-type activities. Business-type activities increased the County's net position by \$1,061,170. Key elements of this increase are as follows:

- A significant increase in charges for services
- A significant decrease in expenses for both the landfill and water and sewer fund

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Richmond County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Richmond County's financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Richmond County. At the end of the current fiscal year, Richmond County's fund balance available in the General Fund was \$13,013,173 while total fund balance reached \$18,454,503. As a measure of the general fund's liquidity, it may be useful to compare both available fund balance and total fund balance to total fund expenditures. Available fund balance represents 24.64 percent of total General Fund expenditures, while total fund balance represents 34.94 percent of that same amount.

At June 30, 2021, the governmental funds of Richmond County reported a combined fund balance of \$23,940,781 a 23.38 percent increase over last year. The primary reason for this increase was an increase in property tax and sales tax collections.

General Fund Budgetary Highlights. During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by \$8,106,740.

Proprietary Funds. Richmond County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Solid Waste Fund at the end of the fiscal year amounted to \$4,798,824, and those for the Water and Sewer Fund equaled \$10,807,812. The total change in net position for both funds was \$1,059,935 and \$1,235, respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of Richmond County's business-type activities.

Capital Asset and Debt Administration

Capital assets. Richmond County's capital assets for its governmental and business – type activities as of June 30, 2021, totals \$72,831,009 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, and vehicles.

Richmond County's Capital Assets (net of depreciation)

Figure 4

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 2,695,771	\$ 2,590,845	\$ 570,654	\$ 570,654	\$ 3,266,425	\$ 3,161,499
Construction in process	877,322	788,970	1,400,656	442,999	2,277,978	1,231,969
Buildings and sites	25,279,267	26,439,954	1,327,778	1,370,208	26,607,045	27,810,162
Furniture, fixtures and equipment	3,830,228	4,241,195	594,971	612,019	4,425,199	4,853,214
Water and Sewer systems	923,965	966,527	24,237,920	25,736,439	25,161,885	26,702,966
Water treatment plant	-	-	10,726,499	11,885,515	10,726,499	11,885,515
Other improvements	-	-	365,978	118,841	365,978	118,841
Total	\$ 33,606,553	\$ 35,027,491	\$ 39,224,456	\$ 40,736,675	\$ 72,831,009	\$ 75,764,166

Major capital asset transactions during the year include:

- Purchase of new equipment, vehicles, and improvements throughout the County.
- Addition of construction in progress on Airport projects
- Addition of construction in progress on Water and Sewer facilities.

Long-term Debt. As of June 30, 2021, Richmond County had total bonded debt outstanding of \$9,927,000, all of which is debt backed by the full faith and credit of the County and installment obligations of \$11,515,726.

Richmond County's Outstanding Debt Figure 5

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 9,927,000	\$ 11,468,000	\$ -	\$ 54,000	\$ 9,927,000	\$ 11,522,000
Unamortized premium	306,338	351,721	-	-	306,338	351,721
Installment purchases	10,767,726	12,128,059	748,000	878,423	11,515,726	13,006,482
Revenue Bonds	844,820	926,335	9,518,749	10,109,718	10,363,569	11,036,053
Compensated absences	1,662,849	1,443,373	179,014	164,287	1,841,863	1,607,660
Total pension liability	2,941,435	1,951,636	833,190	654,265	3,774,625	2,605,901
Net pension liability	7,714,445	6,057,795	-	-	7,714,445	6,057,795
Net OPEB Liability	6,837,233	5,114,778	694,183	520,208	7,531,416	5,634,986
	\$ 41,001,846	\$ 39,441,697	\$ 11,973,136	\$ 12,380,901	\$ 52,974,982	\$ 51,822,598

Richmond County's total liabilities increased by \$1,152,384 (2.22 percent) during the past fiscal year, primarily due to the scheduled principal repayments on existing general obligation bonds of \$1,541,000 and \$54,000, in the governmental activities and business-type activities, respectively, offset by increases in compensated absences, total pension liability, net pension liability and net OPEB liability.

As mentioned in the financial highlights section of this document, Richmond County maintained its Aa3 bond rating from Moody's Investor Service and maintained its A+ rating from Standard and Poor's Corporation and maintained a 81 rating from the North Carolina Municipal Council, which is equivalent to an A Rating. This bond rating is a clear indication of the sound financial condition of Richmond County. This achievement is a primary factor in keeping interest costs low on the County's outstanding debt.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Richmond County is \$269,241,330.

Additional information regarding Richmond County's long-term debt can be found in notes to the financial statements under Section B.

Economic Factors and Next Year's Budgets and Rates

The County's unemployment rate is around 5.9%, as compared to the state-wide average of 4.1%. However, despite the current recession, the economic outlook for Richmond County is looking better.

Overall sales tax revenue has shown growth in the amount of 13.68% for the Fiscal year ended 2021. The increase has exceeded expectations as such was unknown entering the first season of Covid-19.

The Rockingham Dragway has approximately 75 drag races per year. The dragway adds a significant boost to the County's economy as well as that of surrounding counties. The Rockingham Speedway remains dormant currently as a NASCAR venue and the local economy still feels the effects of the loss of such.

Recently, the Rockingham Speedway has been purchased and will be used as the site for music concerts and events. The economic impact to Richmond County was estimated to be \$40 million.

Investment by the State, County and the municipalities within the County has allowed the County to compete with other counties and states for new and expanded industries. This investment primarily in infrastructure such as roads, water, sewer, and industrial parks has really aided the County's marketability. Enviva, RSI and Direct Pack are all recent additions to our economy. The County's effort to put our citizens back to work isn't without a cost however. A tremendous amount of incentives are required to stay competitive for new industries. Additionally, there are several viable economic development projects indicating 2021-22 has the potential to be another positive year for the County.

For budgeting purposes, several adjustments were made to 2021-22 budget to allow for the continued economic uncertainty of the pandemic. The County commissioners have adopted a budget that is conservative in Revenue and realistic in regards to Expenses. One major investment was to implement a recruitment and retention pay plan in the Sheriff's Department. A cost of living increase was budgeted for employees at 2.5%. Small budget increases were allowed for Richmond County Schools and Richmond Community College.

Some initial effects of the pandemic concerning water revenue collections, occupancy taxes collections, and aviation fuel sales at the County airport are starting to return to pre-pandemic levels. Last year we noted several County revolving loan receivables that had become delinquent. Things are improving in this area as well. The County has also received the first tranche, approximately \$4.35 million, in American Rescue Plan Funds with the second tranche expected before the close of Fiscal year 2022. The office of the County manager will actively suggest ways to the Board of Commissioners for these transformational funds to be diligently appropriated to make transformational changes in Richmond County.

Budget Highlights for the Fiscal Year Ending June 30, 2022

Governmental Activities: The property tax rate was maintained at 83 cents per one hundred (\$100) valuation.

Budgeted expenditures in the General Fund stand at \$55,657,370 which is an increase over 20-21 actual expenditures by 4.89%. Much of the increase is related to changes in budgeting philosophy as related to full position funding.

Business-type Activities: Commercial and Residential water rates each saw an increase for 2021-2022 of 2%. Solid waste rates will not increase in 2020-2021 for Commercial, however Residential will increase 2.4%.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, Richmond County, Post Office Box 504, Rockingham, North Carolina 28380. You can also call (910)-997-8200, visit our website www.richmondnc.com or send an email to cary.garner@richmondnc.com for more information.

BASIC
FINANCIAL STATEMENTS

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

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 20,486,185	\$ 15,002,550	\$ 35,488,735
Receivables, net	1,414,655	1,795,952	3,210,607
Notes receivable, net	466,344	-	466,344
Due from other governments	4,064,291	99,189	4,163,480
Internal balances	-	-	-
Inventories	-	197,570	197,570
Assets held from foreclosure	-	-	-
Restricted cash and cash equivalents	4,353,754	213,703	4,567,457
Net pension asset	58,244	-	58,244
Prepaid expenses	1,291,709	-	1,291,709
Capital assets:			
Land, improvements, and construction in progress	3,573,093	1,971,310	5,544,403
Other capital assets, net of depreciation	30,033,460	37,253,146	67,286,606
Total capital assets	<u>33,606,553</u>	<u>39,224,456</u>	<u>72,831,009</u>
Total assets	<u>65,741,735</u>	<u>56,533,420</u>	<u>122,275,155</u>
DEFERRED OUTFLOWS OF RESOURCES			
Bond Issuance Cost	180,940	-	180,940
Pension related deferrals	5,203,912	461,184	5,665,096
OPEB related deferrals	1,692,508	173,220	1,865,728
Total Deferred Outflows of Resources	<u>7,077,360</u>	<u>634,404</u>	<u>7,711,764</u>
LIABILITIES			
Accounts payable and accrued expenses	2,361,875	245,164	2,607,039
Miscellaneous liabilities	1,600	-	1,600
Customer deposits	-	149,540	149,540
Accrued interest payable	151,600	73,932	225,532
Unspent ARP Funds	4,353,754	-	4,353,754
Long-term liabilities:			
Net Pension Liability - LGERS	7,714,445	833,190	8,547,635
Total Pension Liability - LEOSSA	2,941,435	-	2,941,435
Due within one year	3,292,434	476,648	3,769,082
Due in more than one year	27,053,532	10,663,298	37,716,830
Total long-term liabilities	<u>41,001,846</u>	<u>11,973,136</u>	<u>52,974,982</u>
Total liabilities	<u>47,870,675</u>	<u>12,441,772</u>	<u>60,312,447</u>
DEFERRED INFLOWS OF RESOURCES			
Prepaid Taxes	119,496	-	119,496
Pension related deferrals	229,619	12,199	241,818
OPEB related deferrals	1,175,612	119,567	1,295,179
Total Deferred Inflows of Resources	<u>1,524,727</u>	<u>131,766</u>	<u>1,656,493</u>
NET POSITION			
Net investment in capital assets	22,631,827	28,957,707	51,589,534
Restricted for:			
Stabilization by State Statute	4,152,454	-	4,152,454
General Government	82,907	-	82,907
Public Safety	853,296	-	853,296
Economic and Physical Development	2,520,553	-	2,520,553
Human Services	1,244,859	-	1,244,859
Cultural and Recreational	190,722	-	190,722
Education	3,952,792	-	3,952,792
Register of Deeds pension plan	59,569	-	59,569
Unrestricted (deficit)	<u>(12,265,286)</u>	<u>15,636,579</u>	<u>3,371,293</u>
Total net position	<u>\$ 23,423,693</u>	<u>\$ 44,594,286</u>	<u>\$ 68,017,979</u>

The notes to the financial statements are an integral part of this statement.

Richmond County
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental Activities:							
General government	\$ 7,501,569	\$ 949,884	\$ 403,455	\$ -	\$ (6,148,230)	\$ -	\$ (6,148,230)
Public safety	14,526,125	627,450	155,369	-	(13,743,306)	-	(13,743,306)
Transportation	469,724	176,300	304,610	-	11,186	-	11,186
Economic and physical development	2,306,120	1,200	1,919,635	-	(385,285)	-	(385,285)
Human services	17,462,955	871,999	10,564,785	-	(6,026,171)	-	(6,026,171)
Cultural and recreation	667,443	13,865	-	-	(653,578)	-	(653,578)
Education	12,280,955	3,530	-	242,257	(12,035,168)	-	(12,035,168)
Interest/Fees on long-term debt	579,859	-	-	-	(579,859)	-	(579,859)
Total governmental activities	55,794,750	2,644,228	13,347,854	242,257	(39,560,411)	-	(39,560,411)
Business-type activities:							
Solid Waste	3,138,636	4,103,421	90,333	-	-	1,055,118	1,055,118
Water and Sewer	7,028,576	6,291,170	675,863	-	-	(61,543)	(61,543)
Total business-type activities	10,167,212	10,394,591	766,196	-	-	993,575	993,575
	\$ 65,961,962	\$ 13,038,819	\$ 14,114,050	\$ 242,257	(39,560,411)	993,575	(38,566,836)
General revenues:							
Taxes:							
Property taxes, levied for general purpose					31,184,168	-	31,184,168
Local option sales tax					11,245,090	-	11,245,090
Other taxes and licenses					917,839	-	917,839
Grants and contributions not restricted to specific programs					230,729	-	230,729
Investment earnings, unrestricted					24,795	1,275	26,070
Miscellaneous, unrestricted					107,739	66,320	174,059
Gain/(loss) on disposal of assets					136,797	-	136,797
Transfers					-	-	-
Total general revenues					43,847,157	67,595	43,914,752
Change in net position					4,286,746	1,061,170	5,347,916
Net position, beginning					19,103,836	43,533,116	62,636,952
Restatement					33,111	-	33,111
Net position, beginning, restated					19,136,947	43,533,116	62,670,063
Net position, ending					\$ 23,423,693	\$ 44,594,286	\$ 68,017,979

The notes to the financial statements are an integral part of this statement.

**Richmond County
Balance Sheet
Governmental Funds
June 30, 2021**

	<u>Major</u>	<u>Nonmajor</u>	
	<u>General</u>	<u>Governmental</u>	<u>Total</u>
		<u>Funds</u>	
ASSETS			
Cash and cash equivalents	\$ 15,511,096	\$ 4,975,089	\$ 20,486,185
Restricted cash and cash equivalents	4,353,754	-	4,353,754
Receivables, net	1,224,946	135,850	1,360,796
Notes receivable, net	-	466,344	466,344
Due from other governments	4,033,013	31,278	4,064,291
Due from other funds	4,218	38,992	43,210
Prepaid expenses	1,288,876	2,833	1,291,709
Total assets	<u>\$ 26,415,903</u>	<u>\$ 5,650,386</u>	<u>\$ 32,066,289</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 2,337,835	\$ 24,040	\$ 2,361,875
Due to other funds	38,992	4,218	43,210
Unspent ARP Funds	4,353,754	-	4,353,754
Total liabilities	<u>6,732,181</u>	<u>28,258</u>	<u>6,760,439</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes Receivable	1,109,723	135,850	1,245,573
Prepaid Taxes	119,496	-	119,496
Total Deferred Inflows of Resources	<u>1,229,219</u>	<u>135,850</u>	<u>1,365,069</u>
Fund balances:			
Nonspendable:			
Prepaid items	1,288,876	2,833	1,291,709
Restricted:			
Stabilization by State Statute	4,152,454	-	4,152,454
Register of Deeds	82,907	-	82,907
Public safety	20,856	777,430	798,286
Fire protection	-	55,010	55,010
Cultural and Recreational	190,722	-	190,722
Economic and physical development	-	2,520,553	2,520,553
Human services	1,155,525	89,334	1,244,859
Education	1,907,456	2,045,336	3,952,792
Committed:			
Animal Shelter	3,981	-	3,981
Assigned:			
Subsequent year's expenditures	-	-	-
Unassigned	9,651,726	(4,218)	9,647,508
Total fund balances	<u>18,454,503</u>	<u>5,486,278</u>	<u>23,940,781</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 26,415,903</u>	<u>\$ 5,650,386</u>	<u>\$ 32,066,289</u>

**Richmond County
Balance Sheet
Governmental Funds
June 30, 2021**

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

Total Fund Balance - Governmental Funds		\$ 23,940,781
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	66,641,248	
Less accumulated depreciation	<u>(33,034,695)</u>	
Net capital assets		33,606,553
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are unavailable in the fund		53,859
Charges related to advance refunding bond issue.		180,940
Net Pension Asset (Liability)		
LGERS		(7,714,445)
ROD		58,244
Deferred outflows of resources related to pensions, OPEB		
LGERS		2,651,166
ROD		5,939
LEOSSA		884,672
OPEB		1,539,978
Benefit payments and pension administration costs for LEOSSA		40,399
Contributions to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position		1,621,736
Contributions to OPEB plan in the current fiscal year		152,530
Deferred inflows of resources for taxes and special assessments receivable		1,245,573
Pension related deferrals		
LGERS		(112,945)
ROD		(7,446)
LEOSSA		(109,228)
OPEB related deferrals		(1,175,612)
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:		
Bonds, leases, and installment financing payable	(21,539,546)	
Unamortized bond premium	(306,338)	
Compensated absences	(1,662,849)	
Total pension liability (LEOSSA)	(2,941,435)	
Total OPEB Liability	(6,837,233)	
Accrued interest payable	<u>(151,600)</u>	<u>(33,439,001)</u>
Net position of governmental activities		<u>\$ 27,777,447</u>

The notes to the financial statements are an integral part of this statement.

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

	<u>Major</u>	<u>Nonmajor</u>	
	<u>General</u>	<u>Governmental</u>	<u>Total</u>
		<u>Funds</u>	
REVENUES			
Ad valorem taxes	\$ 30,181,673	\$ 1,271,179	\$ 31,452,852
Local option sales taxes	11,245,089	-	11,245,089
Other taxes and licenses	495,781	-	495,781
Special assessments	-	115,252	115,252
Unrestricted intergovernmental	240,458	-	240,458
Restricted intergovernmental	11,696,968	1,784,002	13,480,970
Permits and fees	591,918	-	591,918
Sales and services	2,058,678	-	2,058,678
Investment earnings	13,782	11,013	24,795
Miscellaneous	644,387	-	644,387
Total revenues	<u>57,168,734</u>	<u>3,181,446</u>	<u>60,350,180</u>
EXPENDITURES			
Current:			
General government	6,874,454	-	6,874,454
Public safety	11,666,639	1,881,650	13,548,289
Transportation	375,873	-	375,873
Economic and physical development	1,916,040	-	1,916,040
Human services	15,587,125	1,001,025	16,588,150
Cultural and recreational	633,482	-	633,482
Education	12,280,955	-	12,280,955
Debt service:			
Principal	3,224,917	81,514	3,306,431
Interest and other charges	585,637	26,030	611,667
Bond Issuance Costs	1,000	-	1,000
Total expenditures	<u>53,146,122</u>	<u>2,990,219</u>	<u>56,136,341</u>
Excess (deficiency) of revenues over expenditures	<u>4,022,612</u>	<u>191,227</u>	<u>4,213,839</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	-	-
Transfers to other funds	-	-	-
Loan proceeds	323,583	-	323,583
Total other financing sources (uses)	<u>323,583</u>	<u>-</u>	<u>323,583</u>
Net change in fund balance	<u>4,346,195</u>	<u>191,227</u>	<u>4,537,422</u>
Fund balances, beginning as previously reported	14,103,800	5,266,448	19,370,248
Prior period restatement	4,508	28,603	33,111
Fund balances, beginning as restated	<u>14,108,308</u>	<u>5,295,051</u>	<u>19,403,359</u>
Fund balances, ending	<u>\$ 18,454,503</u>	<u>\$ 5,486,278</u>	<u>\$ 23,940,781</u>

Richmond County
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2021

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

Net change in fund balances - total governmental funds	\$ 4,537,422
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	675,005
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements.	(2,095,943)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.	1,621,736
Benefit payments and administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	40,399
Contributions and pension administration costs for OPEB are deferred outflows of resources on the Statement of Net Position	152,530
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities -- it affects only the government-wide statement of net position	(323,583)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net position in the government-wide statements.	3,306,431
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)	20,911
Compensated absences	(219,476)
OPEB expense	(250,780)
Deferred refunding cost - amortization	(33,486)
County's portion of collective pension expense	(2,921,119)
Revenues reported in the statement of activities that do not provide current financial resources are not recorded as revenues in the fund statements.	
Amortization of debt premium	45,383
Increase (decrease) in deferred inflows of resources - taxes receivable - at end of year	(256,909)
Increase (decrease) in accrued taxes receivable at end of year	(11,775)
Total changes in net position of governmental activities	<u>\$ 4,286,746</u>

The notes to the financial statements are an integral part of this statement.

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 29,301,752	\$ 29,301,752	\$ 30,181,673	\$ 879,921
Local option sales tax	8,014,072	9,486,482	11,245,089	1,758,607
Other taxes and licenses	462,000	482,750	495,781	13,031
Unrestricted intergovernmental	260,700	260,700	240,458	(20,242)
Restricted intergovernmental	11,837,178	17,802,440	11,696,968	(6,105,472)
Permits and fees	409,200	659,200	591,918	(67,282)
Sales and services	2,144,217	2,144,217	2,058,678	(85,539)
Investment earnings	97,200	97,200	13,791	(83,409)
Miscellaneous	639,205	639,205	644,387	5,182
Total revenues	<u>53,165,524</u>	<u>60,873,946</u>	<u>57,168,743</u>	<u>(3,705,203)</u>
Expenditures:				
Current:				
General government	6,080,815	7,580,806	6,786,491	794,315
Public safety	12,038,434	12,255,934	11,666,639	589,295
Transportation	974,689	974,689	375,873	598,816
Economic and physical development	1,432,261	6,481,015	1,916,040	4,564,975
Human services	16,057,535	17,389,030	15,587,125	1,801,905
Cultural and recreational	755,578	755,578	633,482	122,096
Intergovernmental:				
Education	12,359,702	12,359,702	12,280,955	78,747
Debt service:				
Principal retirement	3,268,336	3,277,336	3,224,917	52,419
Interest and other charges	586,914	586,914	585,637	1,277
Bond issuance costs	-	-	1,000	(1,000)
Total expenditures	<u>53,554,264</u>	<u>61,661,004</u>	<u>53,058,159</u>	<u>8,602,845</u>
Revenues over (under) expenditures	<u>(388,740)</u>	<u>(787,058)</u>	<u>4,110,584</u>	<u>4,897,642</u>
Other financing sources (uses):				
Transfers from other funds	568,549	568,549	-	(568,549)
Transfers to other funds	(179,809)	(179,809)	-	179,809
Loan proceeds	-	323,583	323,583	-
Appropriated fund balance	-	74,735	-	(74,735)
Total other financing sources (uses)	<u>388,740</u>	<u>787,058</u>	<u>323,583</u>	<u>(463,475)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>4,434,167</u>	<u>\$ 4,434,167</u>
Fund balance, beginning of year			14,065,192	
Prior Period Restatement			<u>4,508</u>	
Fund balance, end of year			<u>\$ 18,503,867</u>	

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

General Fund - fund balance, end of year	\$ 18,503,867
A legally budgeted Tax Revaluation Fund is consolidated into the General Fund for reporting purposes:	
Investment earnings	(9)
Transfer from General Fund	-
Expenditures	(87,963)
Fund balance, beginning of year	<u>38,608</u>
Fund balance, ending (Exhibit 4)	<u><u>\$ 18,454,503</u></u>

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

	Major		
	Solid Waste	Water and	
	Fund	Sewer Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 4,208,868	\$ 10,793,682	\$ 15,002,550
Accounts receivable, net	1,044,361	751,591	1,795,952
Due from other governments	60,597	38,592	99,189
Inventories	-	197,570	197,570
Prepaid items	-	-	-
Total current assets	<u>5,313,826</u>	<u>11,781,435</u>	<u>17,095,261</u>
Noncurrent assets:			
Restricted Cash and cash equivalents	-	213,703	213,703
Capital assets:			
Land and construction in progress	279,955	1,691,355	1,971,310
Other capital assets, net of depreciation	<u>1,543,542</u>	<u>35,709,604</u>	<u>37,253,146</u>
Total capital assets	<u>1,823,497</u>	<u>37,400,959</u>	<u>39,224,456</u>
Total assets	<u>7,137,323</u>	<u>49,396,097</u>	<u>56,533,420</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>211,523</u>	<u>422,881</u>	<u>634,404</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	79,023	166,141	245,164
Customer deposits	-	149,540	149,540
Accrued interest payable	2,468	71,464	73,932
Bonds and notes payable	<u>41,556</u>	<u>435,092</u>	<u>476,648</u>
Total current liabilities	<u>123,047</u>	<u>822,237</u>	<u>945,284</u>
Noncurrent liabilities:			
Compensated absences	74,727	104,287	179,014
Total OPEB liability	240,648	453,535	694,183
Net pension liability	284,051	549,139	833,190
Bonds and notes payable	<u>332,444</u>	<u>9,457,657</u>	<u>9,790,101</u>
Total noncurrent liabilities	<u>931,870</u>	<u>10,564,618</u>	<u>11,496,488</u>
Total liabilities	<u>1,054,917</u>	<u>11,386,855</u>	<u>12,441,772</u>
DEFERRED INFLOWS OF RESOURCES	<u>45,608</u>	<u>86,158</u>	<u>131,766</u>
NET POSITION			
Net investment in capital assets	1,449,497	27,508,210	28,957,707
Restricted	-	29,943	29,943
Unrestricted	<u>4,798,824</u>	<u>10,807,812</u>	<u>15,606,636</u>
Total net position	<u>\$ 6,248,321</u>	<u>\$ 38,345,965</u>	<u>\$ 44,594,286</u>

The notes to the financial statements are an integral part of this statement.

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

	Major		
	Solid Waste Fund	Water and Sewer Fund	Total
OPERATING REVENUES			
Charges for services	\$ 4,066,976	\$ 6,193,210	\$ 10,260,186
Water and sewer taps	-	65,500	65,500
Other operating revenues	36,445	32,460	68,905
Total operating revenues	4,103,421	6,291,170	10,394,591
OPERATING EXPENSES			
Administration	-	987,993	987,993
Water system maintenance	-	1,096,504	1,096,504
Water treatment plant	-	1,082,417	1,082,417
Settled water treatment plant	-	858,658	858,658
Solid waste collection	734,298	-	734,298
Landfill operations	2,086,660	-	2,086,660
Solid waste enforcement officer	95,127	-	95,127
Depreciation and amortization	211,598	2,742,762	2,954,360
Total operating expenses	3,127,683	6,768,334	9,896,017
Operating income (loss)	975,738	(477,164)	498,574
NONOPERATING REVENUES (EXPENSES)			
Interest and investment revenue	237	1,038	1,275
Sale of Assets	-	-	-
Interest on long-term debt	(10,953)	(260,242)	(271,195)
White goods disposal tax	23,932	-	23,932
Scrap tire disposal tax	65,208	-	65,208
Electronic disposal	1,193	-	1,193
Reimbursements	-	675,863	675,863
Miscellaneous revenue	4,580	61,740	66,320
Total nonoperating revenues (expenses)	84,197	478,399	562,596
Income (loss) before contributions and transfers	1,059,935	1,235	1,061,170
Other financing sources (uses)			
Transfers	-	-	-
Capital contributions	-	-	-
Total other financing sources (uses)	-	-	-
Change in net position	1,059,935	1,235	1,061,170
Total net position, beginning	5,188,386	38,344,730	43,533,116
Total net position, ending	\$ 6,248,321	\$ 38,345,965	\$ 44,594,286

The notes to the financial statements are an integral part of this statement.

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

	Major		
	Solid Waste Fund	Water and Sewer Fund	Total
Cash flows from operating activities:			
Cash received from customers	\$ 4,227,556	\$ 6,923,277	\$ 11,150,833
Cash paid for goods and services	(1,762,962)	(2,642,007)	(4,404,969)
Cash paid to employees for services	(1,097,186)	(1,557,510)	(2,654,696)
Net cash provided by operating activities	<u>1,367,408</u>	<u>2,723,760</u>	<u>4,091,168</u>
Cash flows from noncapital financing activities:			
Other nonoperating revenues	<u>94,913</u>	<u>737,603</u>	<u>832,516</u>
Net cash provided (used) by noncapital financing activities	<u>94,913</u>	<u>737,603</u>	<u>832,516</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(425,445)	(1,016,697)	(1,442,142)
Disposal of capital assets	-	-	-
Principal paid on debt	(88,867)	(686,525)	(775,392)
Loan proceeds	-	-	-
Interest paid on debt	(11,394)	(263,884)	(275,278)
Capital contributions	-	-	-
Net cash used by capital and related financing activities	<u>(525,706)</u>	<u>(1,967,106)</u>	<u>(2,492,812)</u>
Cash flows from investing activities:			
Interest on investments	<u>237</u>	<u>1,038</u>	<u>1,275</u>
Net increase (decrease) in cash and cash equivalents	936,852	1,495,295	2,432,147
Cash and cash equivalents, beginning	<u>3,272,016</u>	<u>9,512,090</u>	<u>12,784,106</u>
Cash and cash equivalents, ending	<u>\$ 4,208,868</u>	<u>\$ 11,007,385</u>	<u>\$ 15,216,253</u>

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

	Major		
	Solid Waste Fund	Water and Sewer Fund	Total
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	\$ 975,738	\$ (477,164)	\$ 498,574
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	211,598	2,742,762	2,954,360
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	147,120	637,881	785,001
Due from other governments	(22,985)	5,826	(17,159)
Inventories	-	(57,295)	(57,295)
Prepaid items	-	-	-
Deferred outflows of resources for pensions	(24,810)	(47,964)	(72,774)
Deferred outflows of resources for OPEB	(47,701)	(84,010)	(131,711)
Increase (decrease) in:			
Accounts payable and accrued liabilities	3,583	(204,076)	(200,493)
Customer deposits	-	(11,600)	(11,600)
Compensated absences	11,674	3,053	14,727
Net Pension Liability	60,999	117,926	178,925
Deferred inflows of resources for pensions	1,351	2,611	3,962
Deferred outflows of resources for OPEB	(9,472)	(17,852)	(27,324)
Total OPEB Liability	60,313	113,662	173,975
Total adjustments	391,670	3,200,924	3,592,594
Net cash provided by (used in) operating activities	\$ 1,367,408	\$ 2,723,760	\$ 4,091,168

The notes to the financial statements are an integral part of this statement.

Richmond County
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	<u>Custodial Funds</u>
Assets	
Cash and cash equivalents	<u>\$ 193,133</u>
Total assets	<u>193,133</u>
Liabilities and Net Position	
Liabilities:	
Due to other governments	<u>71,304</u>
Total liabilities	<u>71,304</u>
Net position:	
Restricted for:	
Individuals, organizations, and other governments	<u>121,829</u>
Total fiduciary net position	<u><u>\$ 121,829</u></u>

The notes to the financial statements are an integral part of this statement.

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

	<u>Custodial Funds</u>
Additions	
Ad valorem taxes collected for other governments	\$ 863,240
Collections on behalf of inmates	<u>228,529</u>
Total additions	<u>1,091,769</u>
Deductions	
Tax distributions to other governments	863,240
Payments on behalf of inmates	<u>174,800</u>
Total deductions	<u>1,038,040</u>
Net increase (decrease) in fiduciary net position	53,729
Net position - beginning, as previously reported	-
Prior period restatement	<u>68,100</u>
Net position - beginning, as restated	<u>68,100</u>
Net position - ending	<u><u>\$ 121,829</u></u>

The notes to the financial statements are an integral part of this statement.

Richmond County
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 1: Summary Of Significant Accounting Policies

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

A. Reporting Entity

The County, which is governed by a 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 unit, a legally separate entity for which the County is financially accountable. The component unit of the County, Richmond County Industrial Facilities and Pollution Control, has no financial transactions or account balances; therefore, it does not appear in the combined financial statements.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation, Measurement Focus – Basis of Accounting

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

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

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

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

The County reports the following major governmental funds:

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

The County reports the following major enterprise funds:

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

Water and Sewer Fund. This fund accounts for the operation of the County treatment and transmission.

The County reports the following fund types:

Custodial Funds. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Custodial funds are used to account for assets the County holds on behalf of others that meet certain criteria. The County maintains the following custodial funds: the Municipal Tax Fund, which accounts for ad valorem and vehicle property taxes that are billed and collected by the County for various municipalities within the County but are not revenues to the County, and the Jail Inmate Pay Fund, which holds cash deposits made to inmates as payment for work performed while incarcerated as well as cash collections for the benefit of inmates from their friends and families.

Non-major Funds. The County maintains 23 legally budgeted funds. The East Rockingham Fire District, Cordova Fire District, Northside Fire District, Mt Creek Fire District, Hamlet Fire District, Ellerbe Fire District, Rockingham Fire District, Hoffman Fire District, Revolving Loan Fund, Emergency Telephone System, 2010 Single Family Rehab, 2003 CDBG / P&P, Ritz Craft CDBG, Ledbetter Special Assessment Fund, Disaster Response Fund, COVID 19 Recovery Act Grant, and Representative Payee Fund are all reported as nonmajor special revenue funds. The Hwy 74 Industrial Park Project, School Capital Reserve, Economic Development Capital Reserve, E-911 Construction, Ledbetter Dam Project, and Cordova School Improvement Funds are all reported as nonmajor capital project funds.

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

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

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

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

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

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

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

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

C. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General, the Special Revenue (excluding the Grant Project Funds), the School Capital Reserve, the Economic Development Capital Reserve, and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for all other capital projects funds (excluding the School and Economic Development Capital Reserve Funds), and the grant project funds, which are special revenue fund types.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for the general fund, the special revenue and enterprise fund. The County Manager is authorized to transfer appropriations within a fund up to \$5,000; however, any revisions that alter total expenditures of any fund or exceed \$5,000 must be approved by the governing board. During the year, several amendments to the original budget were necessary, the effects of which were not material. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

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

1. Deposits and Investments

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

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

The North Carolina Capital Management Trust (NCCMT) is authorized by G.S. 159-30(c)(8). The Government Portfolio, is a 2a7 fund which invests in treasuries and government agencies and is rated AAAM by S&P. The NCCMT Government Portfolio is reported at fair value.

2. Cash and Cash Equivalents

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

3. Restricted Assets

Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. Money in the Tax Revaluation Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. The unrecognized grant proceeds from the American Rescue Plan are classified as restricted because their use is completely restricted to the purpose for which the funds were approved. The amount of customer deposits and USDA reserve are shown as restricted cash in the proprietary fund. The following table illustrates the breakdown of Richmond County restricted cash.

Richmond County Restricted Cash

Governmental Activities	
General Fund - Tax Revaluation	\$ -
General Fund - American Rescue Plan Funds	4,353,754
Total Governmental Activities	<u>\$ 4,353,754</u>
Business-Type Activities	
Water and Sewer Fund	
Customer Deposit	\$ 149,540
USDA Reserve	64,163
Total Business-Type Activities	<u>\$ 213,703</u>
Total Restricted Cash	<u>\$ 4,567,457</u>

4. Ad Valorem Taxes Receivable

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

5. Allowance for Doubtful Accounts

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

6. Inventories and Prepaid Items

The inventories of the County are valued at cost (first in, first out), which approximates market. The inventory of the County's Enterprise Fund is recorded as an expense as it is consumed.

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

7. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost in the Governmental Funds. Donated capital assets are recorded at their estimated fair value at the date of donation. 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. Minimum capitalization costs are \$5,000 for land, buildings, improvements, substations, lines, and other plant and distribution systems, infrastructure, furniture and equipment, and vehicles.

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

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

Any interest incurred during the construction phase of proprietary fund type capital assets is reflected in the capitalized value of the asset constructed.

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

	<u>Years</u>
Buildings	50
Improvements	25
Furniture and Equipment	10
Vehicles	5
Computer Equipment	3

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 that had previously been classified as an asset, 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 this criterion for this category - prepaid taxes and taxes receivable, pension related deferrals, 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 on the statements of net position.

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

10. Compensated Absences

The vacation policy of the County provides for the accumulation of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the County's government-wide and proprietary funds, an expense and liability for compensated absences and the salary-related payments are recorded as the leave is earned.

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

11. Net Position/Fund Balances

Net Position

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

Fund Balances

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

The governmental fund types classify fund balances 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.

Prepaid items - portion of fund balance that is not an available resource because it represents the year-end balance of prepaid expenses, which is not spendable resources.

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

Fund Balances (continued)

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

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

Restricted for Public Safety - portion of fund balance that is restricted by revenue source for certain emergency telephone system expenditures and drug forfeiture reserves.

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

Restricted for Economic and Physical Development - portion of fund balance that is restricted by revenue source for economic and physical development improvements and expenditures.

Restricted for Cultural and Recreational - portion of fund balance that is restricted by revenue source for truancy trust and leath endowments.

Restricted for Health Services - portion of fund balance that is restricted by revenue source for health services.

Restricted for Education- portion of fund balance that is restricted by revenue source for future school capital outlay expenditures.

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

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

Committed for Animal Shelter - portion of fund balance that is committed for animal shelter expenditures.

Assigned Fund Balance - portion of fund balance that the Richmond 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 authorized the manager to modify the appropriations by resource or appropriation within funds up to \$5,000.

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

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

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

NOTE II: Stewardship, Compliance and Accountability

A. Deficit Fund Balance or Net Position of Individual Funds

The County reported deficit fund balances in the following accounts:

Nonmajor funds:

2010 Single Family Rehab Grant	\$	4,218
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Expenditures will be closely monitored and appropriate budgetary amendments will be made as circumstances occur, with proper consideration given to necessary year-end accruals. For the project funds, outside funding is anticipated, but the General Fund (central depository) covers the expenses until the funding is received, so a transfer is not recorded in those situations.

NOTE III: Detail Notes On All Funds

A. Assets

1. Deposits

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

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

At June 30, 2021 the County's deposits had a carrying amount of \$19,296,185 and a bank balance of \$20,614,993. Of the carrying amount \$3,818 was cash on hand. Of the bank balance, \$1,236,014 was covered by federal depository insurance; the remaining \$19,378,978 was covered by collateral and held under the Pooling Method.

2. Investments

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

<u>Investment Type</u>	<u>Valuation Measurement Method</u>	<u>Fair Value</u>	<u>Less Than 6 Months</u>	<u>6-12 Months</u>	<u>1-3 Years</u>
NC Capital Management Trust - Government Portfolio	Fair Value - Level 1	\$ 20,953,140	\$ 20,953,140	\$ -	\$ -
Total		<u>\$ 20,953,140</u>	<u>\$ 20,953,140</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

In accordance with the general statutes, agriculture, horticulture, and forest land 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.

Year Levied	Tax	Interest	Total
2017	\$ 860,750	\$ 282,366	\$ 1,143,116
2018	911,776	216,547	1,128,323
2019	885,565	130,621	1,016,186
2020	901,359	51,828	953,187
	<u>\$ 3,559,450</u>	<u>\$ 681,362</u>	<u>\$ 4,240,812</u>

4. Receivables

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

	Accounts	Taxes and Related Accrued Interest	Due From Other Governments	Other	Total
Governmental activities:					
General	\$ 115,223	\$ 2,544,314	\$ 4,033,013	\$ -	\$ 6,692,550
Other Governmental	-	240,790	31,278	466,344	738,412
Total receivables	115,223	2,785,104	4,064,291	466,344	7,430,962
Allow. for doubtful accounts	-	(1,485,672)	-	-	(1,485,672)
Total governmental activities	<u>\$ 115,223</u>	<u>\$ 1,299,432</u>	<u>\$ 4,064,291</u>	<u>\$ 466,344</u>	<u>\$ 5,945,290</u>
Business-type activities:					
Solid Waste	\$ 1,386,819	\$ -	\$ 60,597	\$ -	\$ 1,447,416
Water & Sewer	843,518	-	38,592	-	882,110
Total receivables	2,230,337	-	99,189	-	2,329,526
Allow. for doubtful accounts	(434,385)	-	-	-	(434,385)
Total business-type activities	<u>\$ 1,795,952</u>	<u>\$ -</u>	<u>\$ 99,189</u>	<u>\$ -</u>	<u>\$ 1,895,141</u>

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

Local Option Sales Tax	\$ 2,996,486
White Goods, Scrap Tire, and Solid Waste Tax	30,665
Sales Tax Refund	255,973
State - Motor Vehicle	276,107
Lottery	121,129
Other Grants (DHHS)	483,120
Total	<u>\$ 4,163,480</u>

Notes Receivable

Notes receivable from various private entities have been established by the County through the Revolving Loan Fund. The purpose of these notes is to provide a source of financing to these entities. The remaining balance of these notes as of June 30, 2021 is \$466,344.

5. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,590,845	\$ 104,926	\$ -	\$ 2,695,771
Construction in Progress	788,970	88,352	-	877,322
Total capital assets not depreciated	3,379,815	193,278	-	3,573,093
Capital assets being depreciated:				
Water & Sewer lines Industrial Park	1,702,491	-	-	1,702,491
Buildings and sites	44,946,625	52,257	-	44,998,882
Furniture, fixtures, and equipment	15,967,311	429,470	(29,999)	16,366,782
Total capital assets being depreciated	62,616,427	481,727	(29,999)	63,068,155
Less accumulated depreciation for:				
Water & Sewer lines Industrial Park	735,964	42,562	-	778,526
Buildings and sites	18,506,671	1,212,944	-	19,719,615
Furniture, fixtures, and equipment	11,726,116	840,437	(29,999)	12,536,554
Total accumulated depreciation	30,968,751	2,095,943	(29,999)	33,034,695
Total capital assets being depreciated, net	31,647,676	(1,614,216)	-	30,033,460
Governmental activities capital assets, net	\$ 35,027,491	\$ (1,420,938)	\$ -	\$ 33,606,553

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

Governmental Activities:	
General government	\$ 664,967
Public safety	687,681
Transportation	191,761
Economic and physical development	366,922
Human services	171,619
Cultural and recreation/Education	12,993
Total depreciation expense	<u>\$ 2,095,943</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Solid Waste Fund				
Capital assets not being depreciated:				
Land	\$ 279,955	\$ -	\$ -	\$ 279,955
Total capital assets not depreciated	<u>279,955</u>	<u>-</u>	<u>-</u>	<u>279,955</u>
Capital assets being depreciated:				
Buildings	1,777,529	-	-	1,777,529
Equipment	4,140,519	151,612	-	4,292,131
Other improvements	828,393	273,833	-	1,102,226
Total capital assets being depreciated	<u>6,746,441</u>	<u>425,445</u>	<u>-</u>	<u>7,171,886</u>
Less accumulated depreciation for:				
Buildings	986,148	34,332	-	1,020,480
Equipment	3,721,046	150,570	-	3,871,616
Other improvements	709,552	26,696	-	736,248
Total accumulated depreciation	<u>5,416,746</u>	<u>211,598</u>	<u>-</u>	<u>5,628,344</u>
Total capital assets being depreciated, net	<u>1,329,695</u>	<u>213,847</u>	<u>-</u>	<u>1,543,542</u>
Solid Waste capital assets, net	<u>\$ 1,609,650</u>	<u>\$ 213,847</u>	<u>\$ -</u>	<u>\$ 1,823,497</u>
Water and Sewer Fund				
Capital assets not being depreciated:				
Land	\$ 290,699	\$ -	\$ -	\$ 290,699
Construction in Progress	442,999	957,657	-	1,400,656
Total capital assets not depreciated	<u>733,698</u>	<u>957,657</u>	<u>-</u>	<u>1,691,355</u>
Capital assets being depreciated:				
Buildings	653,587	-	-	653,587
Water systems	49,992,141	-	-	49,992,141
Sewer systems	1,174,376	-	-	1,174,376
Water treatment plant	24,920,892	-	-	24,920,892
Equipment	2,375,029	59,040	-	2,434,069
Total capital assets being depreciated	<u>79,116,025</u>	<u>59,040</u>	<u>-</u>	<u>79,175,065</u>
Less accumulated depreciation for:				
Buildings	74,760	8,098	-	82,858
Water systems	24,269,382	1,471,100	-	25,740,482
Sewer systems	1,160,696	27,419	-	1,188,115
Water treatment plant	13,035,377	1,159,016	-	14,194,393
Equipment	2,182,483	77,130	-	2,259,613
Total accumulated depreciation	<u>40,722,698</u>	<u>2,742,763</u>	<u>-</u>	<u>43,465,461</u>
Water and Sewer Fund capital assets, net	<u>\$ 39,127,025</u>	<u>\$ (1,726,066)</u>	<u>\$ -</u>	<u>\$ 37,400,959</u>
Business-type activities capital assets, net	<u>\$ 40,736,675</u>	<u>\$ (1,512,219)</u>	<u>\$ -</u>	<u>\$ 39,224,456</u>

Construction Commitments

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

Project	Spent-to-date	Remaining Commitment
Anson Pump Station Project	\$ 1,042,957	\$ 129,287
Total	<u>\$ 1,042,957</u>	<u>\$ 129,287</u>

B. Liabilities

1. Payables

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

	Vendors	Salaries and Benefits	Accrued Interest	Other	Total
Governmental activities:					
General	\$ 1,735,439	\$ 606,377	\$ 151,600	\$ 1,600	\$ 2,495,016
Other Governmental	24,040	-	-	-	24,040
Total governmental activities	<u>\$ 1,759,479</u>	<u>\$ 606,377</u>	<u>\$ 151,600</u>	<u>\$ 1,600</u>	<u>\$ 2,519,056</u>
Business-type activities:					
Solid Waste	\$ 56,665	\$ 22,358	\$ 2,468	\$ -	\$ 81,491
Water & Sewer	124,174	41,967	71,464	-	237,605
Total business-type activities	<u>\$ 180,839</u>	<u>\$ 64,325</u>	<u>\$ 73,932</u>	<u>\$ -</u>	<u>\$ 319,096</u>

2. Pension Plan Obligations and Other Postemployment Obligations

a. Local Governmental Employees' Retirement System

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

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

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

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2021, was 10.84% of compensation for law enforcement officers and 10.22% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$1,793,752 for the year ended June 30, 2021.

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

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

At June 30, 2021, the County reported a liability of \$8,547,635 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2021 the County's proportion was 0.2392% (measured as of June 30, 2020), which was a decrease of 0.00658% from its proportion as of June 30, 2020 (measured as of June 30, 2019).

For the year ended June 30, 2021, the County recognized pension expense of \$2,923,374. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,079,416	\$ -
Changes of assumptions	636,112	-
Net difference between projected and actual earnings on pension plan investments	1,202,850	-
Changes in proportion and differences between County Contributions and proportionate share of contributions	19,124	125,144
County contributions subsequent to the measurement date	1,793,752	
Total	<u>\$ 4,731,254</u>	<u>\$ 125,144</u>

\$1,793,752 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 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	\$ 791,255
2023	1,063,446
2024	601,675
2025	355,982
2026	-
Thereafter	-

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

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

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

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

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate</u>
Fixed Income	29%	1.4%
Global Equity	42%	5.3%
Real Estate	8%	4.3%
Alternatives	8%	8.9%
Credit	7%	6.0%
Inflation Protection	6%	4.0%

The information above is based on 30 year expectations developed with the consulting actuary for the 2020 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability (asset)	\$ 17,342,220	\$ 8,547,635	\$ 1,238,716

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

b. **Law Enforcement Officers' Special Separation Allowance**

Plan Description

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

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

Retirees receiving benefits	9
Terminated plan members entitled to but not yet receiving benefits	
Active plan members	60
Total	<u>69</u>

Summary of Significant Accounting Policies

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

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

Actuarial Assumptions

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

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index. The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five year period ending December 31, 2019.

Mortality Rate

Deaths After Retirement (Healthy): RMortality 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 Before Retirement: Mortality rates are based on the Safety Mortality Table for Employees.

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

Contributions

The County is required by article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. 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 \$83,359 as benefits came due for the reporting period.

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

At June 30, 2021, the County reported a total pension liability of \$2,941,435. The total pension liability was measured as of June 30, 2020 based on a December 31, 2019 actuarial valuation. The total pension liability was rolled forward to June 30, 2020 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2021, the County recognized pension expense of \$283,681.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 177,003	\$ 58,453
Changes of assumptions	707,669	50,775
County benefit payments and plan administrative expense made subsequent to the measurement date	40,399	-
Total	<u>\$ 925,071</u>	<u>\$ 109,228</u>

The County paid \$40,399 in benefit payments subsequent to the measurement date that are reported as deferred outflows of resources related to pensions which will be recognized as a decrease of the total pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2022	166,313
2023	170,168
2024	151,433
2025	151,939
2026	135,591
Thereafter	-

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

	1% Decrease (0.93%)	Discount Rate (1.93%)	1% Increase (2.93%)
Total pension liability	\$ 3,207,090	\$ 2,941,435	\$ 2,698,397

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

	2021
Beginning balance	\$ 1,951,636
Service Cost	96,047
Interest on the total pension liability	62,265
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	159,948
Changes in assumptions or other inputs	754,898
Benefit payments	(83,359)
Other changes	-
Ending balance of the total pension liability	<u>\$ 2,941,435</u>

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

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

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

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

c. **Supplemental Retirement Income Plan for Law Enforcement Officers**

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

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. The County currently contributes five percent on behalf of all law enforcement employees. Also, the law enforcement officers may make voluntary contributions to the plan. The County has extended this benefit to all its full time employees and contributes seven percent on behalf of all non-law enforcement employees.

Contributions for the year ended June 30, 2021 were \$201,551, which consisted of \$149,951 from the County and \$51,600 from the employees.

d. **Deferred Compensation Plan**

The County offers its employees participation in 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 the Internal Revenue Code Section 457 Deferred Compensation Plans," the County's Deferred Compensation Plan is not reported within the County's Funds. Supplemental employee contributions to the Plan for the fiscal year ended June 30, 2021 totaled \$58,144.

e. **Register of Deeds' Supplemental Pension Fund**

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

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

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$2,832 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 \$58,244 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2020. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating RODSPF employers, actuarially determined. At June 30, 2020, the County's proportion was 0.2541%, which was an increase of 0.01% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the County recognized pension revenue of \$977. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,187
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	4,984
Changes in proportion and differences between County Contributions and proportionate share of contributions	5,939	1,275
County contributions subsequent to the measurement date	2,832	-
Total	<u>\$ 8,771</u>	<u>\$ 7,446</u>

\$2,832 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	\$ 1,465
2023	533
2024	(2,249)
2025	(1,256)
2026	-
Thereafter	-

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

Inflation	3.0 Percent
Salary Increases	3.5 to 7.75 percent, including inflation and productivity factor
Investment Rate of Return	3.75 percent, net of pension plan investment expense, including inflation

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

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

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2021 is 1.4%.

The information above is based on 30 year expectations developed with the consulting actuary for the 2021 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

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

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

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
County's proportionate share of the net pension liability (asset)	(49,471)	(58,244)	(65,667)

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.

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

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

	LGERS	ROD	LEOSSA	Total
Proportionate Share of Net Pension Liability (Asset)	\$ 8,547,635	\$ (58,244)	\$ -	\$ 8,489,391
Proportionate of the Net Pension Liability (Asset)	0.2392%	0.2541%	n/a	
Total Pension Liability	\$ -	\$ -	\$ 2,941,435	\$ 2,941,435
Pension Expense	\$ 2,923,374	\$ (977)	\$ 283,681	\$ 282,704

At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	LGERS	ROD	LEOSSA	Total
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 1,079,416	\$ -	\$ 177,003	\$ 1,256,419
Changes of assumptions	636,112	-	707,669	1,343,781
Net difference between projected and actual earnings on pension plan investment	1,202,850	-	-	1,202,850
Changes in proportion and differences between County contributions and proportionate share of contributions	19,124	5,939	-	25,063
County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	1,793,752	2,832	40,399	1,836,983

Deferred Inflows of Resources

Differences between expected and actual experience	\$ -	\$ 1,187	\$ 58,453	\$ 59,640
Changes of assumptions	-	-	50,775	50,775
Net difference between projected and actual earnings on pension plan investment	-	4,984		4,984
Changes in proportion and differences between County contributions and proportionate share of contributions	125,144	1,275	-	126,419

g. Other Post-Employment Benefits

Plan Description. According to a County resolution, the County provides health care benefits through the Healthcare Benefits Plan (HCB Plan). This plan provides postemployment healthcare benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System). The County Board has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits Provided. Employees that retire with 30 years or more of creditable service and law enforcement officers with at least 15 years of service and age 55 will receive health insurance coverage until the age of 65. Health care and prescription drugs are provided by the County until the retiree is eligible for Medicare. The County pays the full cost of coverage for these benefits. Also, retirees can purchase coverage for their dependents at the County's group rates. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

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

	General	
	Employees	Law Enforcement
Retirees receiving benefits	14	9
Terminated plan members entitled to but not yet receiving	-	-
Active Plan members	310	60
Total	324	69

Total OPEB Liability

The County's total OPEB liability of \$7,531,415 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 percent
Real wage growth	1.00 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	
General Employees	3.50 to 7.75 percent
Law Enforcement Officers	3.50 to 7.35 percent
Municipal Bond Index Rate	
Prior Measurement Date	3.50 percent
Measurement Date	2.21 percent
Healthcare cost trend rates	
Pre-Medicare	7.00% for 2020 decreasing to an ultimate rate of 4.50% by 2030

Changes in the Total OPEB Liability

Total OPEB Liability as of June 30, 2019	\$ 5,634,986
Changes for the year:	
Service Cost	213,536
Interest on TOL and Cash Flows	200,632
Change in benefit terms	-
Difference between expected and actual experience	820,821
Changes of assumptions or other inputs	895,819
Net benefit payments and implicit subsidy credit **	(234,379)
Other	-
Net Changes	<u>\$ 1,896,429</u>
Total OPEB Liability as of June 30, 2020	<u>\$ 7,531,415</u>

**The net benefit payments shown above include \$62,000 due to the implicit subsidy.

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

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

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

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

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

The following presents the total OPEB liability of the County as of June 30, 2020 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) and 1-percentage-point higher (3.21 percent) than the current discount rate:

	1% Decrease (1.21 percent)	Discount Rate (2.21 Percent)	1% Increase (3.21 percent)
Total OPEB liability (asset)	\$ 7,325,476	\$ 7,531,415	\$ 6,074,048

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

The following presents the net OPEB liability of the County at June 30, 2020, as well as what the County's total OPEB liability would be if it were to calculate healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease	Current	1% Increase
Total OPEB liability (asset)	\$ 6,702,980	\$ 7,531,415	\$ 8,507,429

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 \$282,316. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 749,898	\$ 523,913
Changes of assumptions	946,706	771,267
Benefit payments and administrative costs made subsequent to the measurement date	169,123	-
Total	\$ 1,865,727	\$ 1,295,180

\$169,123 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a decrease in the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30		
2022	\$	(69,852)
2023		(69,852)
2024		(69,852)
2025		(52,034)
2026		89,921
Thereafter		573,093

h. Other Employment Benefits

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

3. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Charge on refunding of debt	\$ 180,940	\$ -
(Pensions, OPEB)- difference between expected and actual experience:		
LGERS	1,079,416	-
Register of Deeds	-	1,187
LEOSSA	177,003	58,453
OPEB	749,898	523,913
Changes of assumptions		
LGERS	636,112	-
Register of Deeds	-	-
LEOSSA	707,669	50,775
OPEB	946,706	771,267
Pensions - difference between projected and actual investment earnings		
LGERS	1,202,850	-
Register of Deeds	-	4,984
Pensions - change in proportion and difference between employer contributions and proportionate share of contributions		
LGERS	19,125	125,143
Register of Deeds	5,939	1,275
Contributions to pension plan		
LGERS	1,793,752	-
Register of Deeds	2,832	-
LEOSSA	40,399	-
Benefit payments for the OPEB plan paid subsequent to measurement date	169,123	
Prepaid taxes not yet earned (General)	-	119,496
Taxes receivable, net (General)	-	1,109,723
Taxes receivable, net (Special Revenue)	-	135,850
Total	<u>\$ 7,711,764</u>	<u>\$ 7,255,820</u>

4. Commitments

The County entered into an agreement on April 15, 2018 with FirstHealth of the Carolinas, Inc. to operate Richmond County's Emergency Medical Services. The initial term of the agreement is for a period of three years, ending July 31, 2021; the term will be automatically extended for an additional three years subject to the mutual consent of both parties. The County was in year three of the agreement at June 30, 2021. Throughout the term of this agreement, the County agrees to compensate FirstHealth \$1,041,096 the first year, \$1,072,329 for the second year, and \$1,104,499 for year three. The County compensated FirstHealth \$1,101,818 for the fiscal year ending June 30, 2021.

5. Risk Management

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in a self-funded risk financing pool administered by the North Carolina Association of County Commissioners. Through this pool, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$99 million for any one occurrence and general, auto, and professional liability coverage of up to \$2 million per occurrence. The pool is reinsured through CRL and other commercial companies for single occurrence losses in excess of \$500,000 up to a \$2 million limit for general liability coverage and \$200,000,000 of aggregate annual losses in excess of \$250,000 per occurrence for property coverage.

The County carried commercial excess liability coverage for worker's compensation claims for over \$500,000.

The County carries flood insurance through the North Carolina Association of County Commissioners, with a deductible of \$25,000 per occurrence. However, the County does not carry a separate flood insurance policy, as they are not located in a high risk area.

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Director of Finance, County Manager, and Tax Collector are each individually bonded for \$100,000 each. The Register of Deeds is bonded for \$50,000, the County Attorney is bonded for \$20,000, and the Sheriff is bonded for \$5,000.

The County carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

6. Contingent Liabilities

At June 30, 2021, the County has been threatened for litigation, but no lawsuit has yet been filed. The County is working with its attorneys, but at this time, the ultimate effect of this matters in not determined.

7. Long-Term Obligations

a. Direct Placement and Direct Borrowing Installment Purchases

As authorized by State law (G.S. 160A-20 and 153A-158.1), the County has financed various property acquisitions for use by Richmond County Board of Education by installment purchase. The installment purchase was issued pursuant to a deed of trust which requires that legal title remain with the County as long as the debt is outstanding. The County has entered into a lease with Richmond County Board of Education which transfers the rights and responsibilities for maintenance and insurance of the property to the Board of Education. The lease calls for nominal annual lease payments and also contains a bargain purchase option. Due to the economic substance of the transaction, the fixed assets associated with the installment purchase obligation are recorded by the Board of Education. The following obligations were outstanding as of June 30, 2021:

Serviced by the General Fund:

The County entered into a Direct Borrowing agreement to finance equipment for \$674,000. The loan is due in semi \$ 134,059
annual installments of \$70,897 through April, 2022; interest at 1.92%. The equipment is pledged as collateral for the loan. In the event of default, the lender may: (a) declare all installments immediately due; (b) take possession of the equipment without demand or legal process and lease or sell the equipment, or (c) release or sale any or all of the equipment at a public or private sale on such terms and notices as lessor deems reasonable and, in addition to reclaiming the total proceeds received from the lease or sale, recover damages in the amount equal to the sum of any accrued and unpaid lease payments and any other amounts deemed collectible.

The County entered into a Direct Borrowing agreement to acquire an office building for \$1,700,000. The loan is due in 1,246,667
semi annual installments of \$56,667 through April 2032; interest at 2.24%. The building is pledged as collateral for the loan. In the event of default, the lender may: (a) declare unpaid principal and accrued interest due immediately, (b) proceed by appropriate court action to enforce performance under the contract, (c) take possession of the mortgaged property and net proceeds, or (d) avail itself of any remedies available under the deed of trust.

The County entered into a Direct Placement agreement by issuing \$16,770,000 in Limited Obligation Bonds (Series 6,940,000
2012 Courthouse and Community College Improvement Bonds) to finance the construction and improvement projects at the Courthouse and the College. The payments are due in semi annual installments of \$955,000 to \$1,355,000 through April 1, 2028; interest from 2.00 percent to 4.00 percent. The Judicial Center Complex stands as collateral for the loan. In the event of default, the bond trustee or majority bondholders may exercise any of the following options: (a) declare unpaid principal and accrued interest due immediately, or (b) proceed with court action.

The County entered into a Direct Borrowing agreement to finance construction of a gymnasium for Cordova School for 1,400,000
\$2,000,000. The payments are due in annual installments of \$200,000 through October 2027; interest at 2.13%. The Cordova School property is pledged as collateral for the loan. In the event of default, the lender may: (a) Declare unpaid principal and accrued interest due immediately, (b) proceed by appropriate court action to enforce performance under the contract, or (c) avail itself of any remedies available under the deed of trust.

The County entered into a Direct Borrowing agreement to finance construction of a maintenance building. The total of 374,000
the Loan was \$1,870,000, with \$623,334 being serviced by the General Fund. Payments are due in annual installments of \$41,556 through March 2030; interest at 2.64%. The Cordova School property stands is pledged as collateral for the loan. In the event of default, the lender may: (a) Declare unpaid principal and accrued interest due immediately, (b) proceed by appropriate court action to enforce performance under the contract, or (c) avail itself of any remedies available under the deed of trust.

Installment Purchases (continued)

The County entered into a Direct Borrowing agreement to purchase equipment. The total of the loan was \$480,000, with \$250,000 being serviced by the General Fund. Payments are due in semi annual installments of \$25,969 through March 2021; interest at 1.4%. The equipment is pledged as collateral for the loan. In the event of default, the lender may: (a) declare all installments immediately due; (b) take possession of the equipment without demand or legal process and lease or sell the equipment, or (c) release or sale any or all of the equipment at a public or private sale on such terms and notices as lessor deems reasonable and, in addition to reclaiming the total proceeds received from the lease or sale, recover damages in the amount equal to the sum of any accrued and unpaid lease payments and any other amounts deemed collectible.

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The County entered into a Direct Borrowing agreement for \$471,770 to purchase equipment. Payments are due in semi annual installments of \$50,740 through April 2023; interest at 2.7%. In the event of default, the lender may: (a) declare all installments immediately due; (b) take possession of the equipment without demand or legal process and lease or sell the equipment, or (c) release or sale any or all of the equipment at a public or private sale on such terms and notices as lessor deems reasonable and, in addition to reclaiming the total proceeds received from the lease or sale, recover damages in the amount equal to the sum of any accrued and unpaid lease payments and any other amounts deemed collectible.

196,397

The County entered into a Direct Borrowing agreement for \$169,900 to purchase equipment. Payments are due in annual installments of \$14,753 through August 2035; interest at 3.50%. In the event of default, the lender may: (a) declare the entire outstanding balance immediately due; (b) proceeds by appropriate court action to enforce performance by the County, (c) Exercise all the rights and remedies of a secured party or creditor under the Uniform Commercial Code of the State of North Carolina with respect to the enforcement of the security interest granted or reserved hereunder, including without limitation, to the extent permitted by law, re-enter and take possession of the Apparatus/Facility without any court order or other process of law and without liability for entering the premises and sell, or make other disposition of the same in a commercially reasonable manner for the account of the County, and apply the proceeds of any such sale, or other disposition, after deducting all costs and expenses, including court costs and attorneys' fees, incurred with the recovery, repair, storage and other sale, or other disposition costs, toward the balance due under this Contract and, thereafter, shall pay any remaining proceeds to the County, or (d) terminate this contract and use, operate, lease, or hold any part of the apparatus/facility as the lender in its sole discretion may decide.

161,110

The County entered into a Direct Borrowing agreement with Pee Dee Electric Membership Corporation for \$323,583 to purchase equipment. Payments are due in monthly installments of \$2,697 through April 2031. This is an interest free loan. In the event of default, the secured party may declare all obligations secured hereby immediately due and payable and shall have the remedies of a Secured Party under the Uniform Commercial Code, including, specifically, the right to enter any premises and without breach of the peace to take possession of the Collateral.

315,493

Total serviced by General Fund

\$ 10,767,726

Installment Purchases (continued)

Serviced by the Water Fund and Solid Waste Fund:

The County entered into a Direct Borrowing agreement to finance construction of a maintenance building. The total of the Loan was \$1,870,000, with \$623,333 being serviced by the Water Fund. Payments are due in annual installments of \$41,556 through March 2030; interest at 2.64%. The Cordova School property stands is pledged as collateral for the loan. In the event of default, the lender may: (a) Declare unpaid principal and accrued interest due immediately, (b) proceed by appropriate court action to enforce performance under the contract, or (c) avail itself of any remedies available under the deed of trust. 374,000

The County entered into a Direct Borrowing agreement to finance construction of a maintenance building. The total of the Loan was \$1,870,000, with \$623,333 being serviced by the Solid Waste Fund. Payments are due in annual installments of \$41,555 through March 2030; interest at 2.64%. The Cordova School property stands is pledged as collateral for the loan. In the event of default, the lender may: (a) Declare unpaid principal and accrued interest due immediately, (b) proceed by appropriate court action to enforce performance under the contract, or (c) avail itself of any remedies available under the deed of trust. 374,000

The County entered into a Direct Borrowing agreement to purchase equipment. The total of the loan was \$480,000, with \$230,000 being serviced by the Solid Waste Fund. Payments are due in semi annual installments of \$23,892 through March 2021; interest at 1.4%. The equipment is pledged as collateral for the loan. In the event of default, the lender may: (a) declare all installments immediately due; (b) take possession of the equipment without demand or legal process and lease or sell the equipment, or (c) release or sale any or all of the equipment at a public or private sale on such terms and notices as lessor deems reasonable and, in addition to reclaiming the total proceeds received from the lease or sale, recover damages in the amount equal to the sum of any accrued and unpaid lease payments and any other amounts deemed collectible. -

Total serviced by the Water Fund and Solid Waste Fund \$ 748,000

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

Year Ending June 30	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2022	\$ 1,647,246	\$ 309,161	\$ 83,111	\$ 19,747	\$ 2,059,265
2023	1,506,251	260,400	83,111	17,553	1,867,315
2024	1,407,011	209,830	83,111	15,359	1,715,311
2025	1,392,340	171,270	83,111	13,165	1,659,886
2026	1,377,706	133,123	83,111	10,971	1,604,911
2027-2031	3,269,626	181,350	332,445	21,941	3,805,362
2032-2036	167,546	6,764	-	-	174,310
Total	<u>\$ 10,767,726</u>	<u>\$ 1,271,898</u>	<u>\$ 748,000</u>	<u>\$ 98,736</u>	<u>\$ 12,886,360</u>

b. General Obligation Indebtedness

The County's general obligation bonds financed by the governmental funds are collateralized by the full faith, credit, and taxing power of the County. The bonds recorded in the Water Fund are collateralized by the full faith, credit, and taxing power of the County but are paid from revenues generated from charges for services. Principal and interest requirements are appropriated when due. In the event of a default, the County agrees to pay to the Purchaser, on demand, interest on any and all amounts due and owing by the County under this agreement.

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

Serviced by the General Fund:

\$1,638,000 Refunding Series 2013A Economic Development serial bonds due in semi annual installments of \$155,000 \$ 207,000 to \$179,000 through May 1, 2023; interest at 2.26 percent

\$6,853,000 Refunding School Refunding Series 2015 bonds due in semi annual installments of \$709 to \$801,488 3,863,000 through June 30, 2027; interest at 2.25 percent

\$7,237,000 General Obligation Refunding Bond, Series 2019 due in annual principal installments ranging from 5,857,000 \$598,000 to \$706,000 through April 2030 plus semi annual interest installments at 1.90%

Total serviced by the General Fund \$ 9,927,000

Serviced by the Water Fund:

\$2,848,000 Refunding Series 2013B bonds due in semi annual installments of \$11,000 to \$536,000 through June 1, \$ - 2021; interest at 1.53 percent

Total serviced by the Water Fund \$ -

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

Year Ending June 30	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2022	\$ 1,516,000	\$ 202,879	\$ -	\$ -	\$ 1,718,879
2023	1,487,000	171,195	-	-	1,658,195
2024	1,488,000	140,135	-	-	1,628,135
2025	1,461,000	109,021	-	-	1,570,021
2026	1,433,000	78,476	-	-	1,511,476
2027-2031	2,542,000	117,812	-	-	2,659,812
2032-2036	-	-	-	-	-
Total	\$ 9,927,000	\$ 819,518	\$ -	\$ -	\$ 10,746,518

c. **Revenue Bonds**

Serviced by the General Fund:

The County issued \$1,230,713 of direct placement Special Assessment Revenue Bonds, Series 2016, to provide \$ 844,820 funding to repair the Ledbetter dam. Annual payments \$107,544, including interest at 2.81%. The final payment is March 30, 2030. The bonds will be special obligations of the County, payable solely from the revenues and other funds pledged therefore as provided in the Bond Order. The principal of and interest on the bonds will be payable solely from the revenues, except to the extent payable from the proceeds of bonds or investment earnings on such proceeds or on the revenues. Neither the faith and credit nor the taxing power of the County are pledged for the payment of the principal of or interest on the bonds, and no owner of bonds has any right to compel the exercise of the County's taxing power in connection with any default thereon. In the event of default, the Bondholder may appoint a Trustee to serve as a fiduciary for all Bondholders. The Trustee may: (a) require the County immediately pay all amounts in the County's possession representing Revenues and Debt Service Reserve Fund; (b) require the County to endorse all checks and other negotiable instruments representing Revenues to the order of the Trustee immediately upon receipt thereof and to deliver such endorsed instruments daily to the Trustee; and (c) notify any or all account debtors of the County to pay any amounts representing Revenues, when due and owing, directly to the Trustee, as Trustee, at any address in the United States designated by the Trustee.

Total serviced by the General Fund

\$ 844,820

Serviced by the Water Fund:

The County issued \$4,750,000 of direct placement Special Water and Sewer Revenue Bonds (Series 2017) to fund \$ 3,655,532 water and sewer system improvements. Semiannual payments of \$191,811 are required, including interest at 2.57%. The final payment is February 14, 2032. The Bond is a special obligation of the County, payable solely from the revenues and other funds pledged thereof as provided in the Bond Order. The principal of and interest on the Bond will be payable solely from the sources of payment set forth in the Bond Order, except to the extent payable from the proceeds of this Bond or investment earnings or on the Net Revenues. Neither the County's faith and credit nor its taxing power is pledged for any payment on the Bonds, and no owner of any Bond has any right to compel the exercise of the County's taxing power in connection with any default on any Bond. The Government or the Majority Owners at their option may: (a) declare the entire unpaid principal amount of the Bonds then Outstanding and accrued interest thereon to be immediately due and payable; (b) incur and pay such reasonable expenses for the County's account as may be necessary to cure the cause of any default, or (c) proceed to protect and enforce their rights under the Bonds by suit, action, or special proceeding at law or in equity, either for the performance of any covenant or agreement or execution of any power or for the enforcement of any proper legal or equitable remedy as may be deemed most effectual to protect and enforce such rights, including, without limitation, the fixing of rates and the collection and proper application of net revenues.

The County issued \$4,206,000 of direct placement Water and Sewer Revenue Bonds (Series 2017 USDA) to fund \$ 3,954,000 water treatment plant expansions and improvements. Annual payments range from \$60,000 to \$166,000, interest at 2.625%. The final payment is June 1, 2057. The Bond is a special obligation of the County, payable solely from the revenues and other funds pledged thereof as provided in the Bond Order. The principal of and interest on the Bond will be payable solely from the sources of payment set forth in the Bond Order, except to the extent payable from the proceeds of this Bond or investment earnings or on the Net Revenues. Neither the County's faith and credit nor its taxing power is pledged for any payment on the Bonds, and no owner of any Bond has any right to compel the exercise of the County's taxing power in connection with any default on any Bond. The Government or the Majority Owners at their option may: (a) declare the entire unpaid principal amount of the Bonds then Outstanding and accrued interest thereon to be immediately due and payable; (b) incur and pay such reasonable expenses for the County's account as may be necessary to cure the cause of any default, or (c) proceed to protect and enforce their rights under the Bonds by suit, action, or special proceeding at law or in equity, either for the performance of any covenant or agreement or execution of any power or for the enforcement of any proper legal or equitable remedy as may be deemed most effectual to protect and enforce such rights, including, without limitation, the fixing of rates and the collection and proper application of net revenues.

The County issued \$2,184,000 of direct placement Water and Sewer Revenue Bonds (Series 2019 USDA) to fund the Old Cheraw Hwy project. Annual payments range from \$34,000 to \$81,000, interest at 2.375%. The final payment is due in 2059. The Bond is a special obligation of the County, payable solely from the revenues and other funds pledged thereof as provided in the Bond Order. The principal of and interest on the Bond will be payable solely from the sources of payment set forth in the Bond Order, except to the extent payable from the proceeds of this Bond or investment earnings or on the Net Revenues. Neither the County's faith and credit nor its taxing power is pledged for any payment on the Bonds, and no owner of any Bond has any right to compel the exercise of the County's taxing power in connection with any default on any Bond. The Government or the Majority Owners at their option may: (a) declare the entire unpaid principal amount of the Bonds then Outstanding and accrued interest thereon to be immediately due and payable; (b) incur and pay such reasonable expenses for the County's account as may be necessary to cure the cause of any default, or (c) proceed to protect and enforce their rights under the Bonds by suit, action, or special proceeding at law or in equity, either for the performance of any covenant or agreement or execution of any power or for the enforcement of any proper legal or equitable remedy as may be deemed most effectual to protect and enforce such rights, including, without limitation, the fixing of rates and the collection and proper application of net revenues.

Total serviced by the Water Fund	\$ 9,518,749
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The future payments of the revenue bonds are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2022	\$ 83,805	\$ 23,739	\$ 393,536	\$ 246,110	\$ 747,190
2023	86,160	21,385	404,076	235,979	747,600
2024	88,581	18,963	414,812	225,577	747,933
2025	91,070	16,474	425,748	214,899	748,191
2026	93,629	13,915	435,889	203,939	747,372
2027-2031	401,575	28,602	2,354,121	845,425	3,629,723
2032-2036	-	-	1,067,352	597,237	1,664,589
2037-2041	-	-	784,000	497,508	1,281,508
2042-2046	-	-	888,000	392,672	1,280,672
2047-2051	-	-	1,008,000	273,844	1,281,844
2052-2056	-	-	1,142,000	138,981	1,280,981
2057-2061	-	-	201,215	4,357	205,572
Total	\$ 844,820	\$ 123,078	\$ 9,518,749	\$ 3,876,528	\$ 14,363,175

The County is in compliance with the covenants as to rates, fees, rentals and charges in Section 704 of the Bond Order, authorizing the issuance of the Series 2016, the Water and Sewer Revenue Bonds, Series 2017, and the Water and Sewer Revenue Bonds, Series 2019. Section 704(a) on the Bond Order requires the debt service coverage ratio to be no less than 125%. The debt service coverage ratio calculation for the year ended June 30, 2021, is as follows:

Business-Type Activities

Operating Revenues	\$ 6,291,170
Operating Expenses*	3,626,572
Operating Income	2,664,598
Nonoperating revenues (expenses)**	734,424
Income available for debt service	3,399,022
Debt Service, principal and interest paid (revenue bond only)	\$ 846,994
Debt service coverage ratio	401%

*Per rate covenants, this does not include the depreciation expense of \$2,742,762.

**Per rate covenants, this does not include revenue bond interest of \$256,025.

d. Advance Refundings

On August 9, 2012, the County issued \$16,770,000 of Limited Obligation Refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$16,800,000. This debt was issued at a premium of \$711,003, which is included in the net debt service and is being amortized over the term of the debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$681,003. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is the same as the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 15 years by \$1,471,270 and resulted in an economic gain of \$1,040,097.

On January 16, 2013, the County issued \$1,638,000 of general obligation economic development refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$1,600,000 of general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$38,000. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is the same as the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 10 years by \$333,769 and resulted in an economic gain of \$295,769.

On January 16, 2013, the County issued \$2,848,000 of general obligation refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$2,750,000. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the business-type activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$98,000. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is the same as the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 9 years by \$113,446 and resulted in an economic gain of \$15,446.

On December 17, 2015, the County issued \$6,853,000 of general obligation refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$6,450,000. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the business-type activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$403,000. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is the same as the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 9 years by \$453,564 and resulted in an economic gain of \$401,438.

On October 15, 2019, the County issued \$7,237,000 of general obligation refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of \$7,150,000. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$87,000. This excess amount was to cover interest paid to close out the defeased debt and to cover cost of issuance. This advance refunding was undertaken to reduce total debt service payments over the next 10 years by \$724,100 and resulted in an economic gain of \$646,170.

Debt Related to Capital Activities - Of the total Governmental Activities debt listed, only \$10,974,726 relates to assets the County holds title. There was no unspent restricted cash related to this debt amount.

At June 30, 2021, Richmond County had a legal debt margin of approximately \$269,564,913.

e. **Long-Term Obligation Activity**

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

	Beginning Balance	Increases	Decreases	Ending Balance	Amount Due Within One Year
Governmental activities:					
General obligation	\$ 11,468,000	\$ -	\$ 1,541,000	\$ 9,927,000	\$ 1,516,000
Direct Placement and Direct Borrowing Installment purchases	12,128,059	323,583	1,683,916	10,767,726	1,647,246
Revenue Bonds	926,335	-	81,515	844,820	83,805
Compensated absences	1,443,373	219,476	-	1,662,849	-
Unamortized premium	351,721	-	45,383	306,338	45,383
Total pension liability (LEOSSA)	1,951,636	989,799	-	2,941,435	-
Net pension liability (LGRS)	6,057,795	1,656,650	-	7,714,445	-
Total OPEB Liability	5,114,778	1,722,455	-	6,837,233	-
Total	<u>\$ 39,441,697</u>	<u>\$ 4,911,963</u>	<u>\$ 3,351,814</u>	<u>\$ 41,001,846</u>	<u>\$ 3,292,434</u>
Business-type activities:					
General obligation	\$ 54,000	\$ -	\$ 54,000	\$ -	\$ -
Direct Placement and Direct Borrowing Installment purchases	878,423	-	130,423	748,000	83,112
Revenue Bonds	10,109,718	-	590,969	9,518,749	393,536
Compensated absences	164,287	14,727	-	179,014	-
Total OPEB Liability	520,208	173,975	-	694,183	-
Net pension liability (LGRS)	654,265	178,925	-	833,190	-
Total	<u>\$ 12,380,901</u>	<u>\$ 367,627</u>	<u>\$ 775,392</u>	<u>\$ 11,973,136</u>	<u>\$ 476,648</u>

Net pension liability, total pension liability, and net other postemployment liability for governmental activities are all typically liquidated in the general fund. Compensated absences for governmental activities typically have been liquidated in the general fund and are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.

C. **Interfund Balances and Activity**

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

From the 2010 Single Family Rehab Grant to the General Fund to cover deficit cash balances	<u>\$ 4,218</u>
Total	<u>\$ 4,218</u>

D. **Net Investment in Capital Assets**

	Governmental	Business-type
Capital Assets	\$ 33,606,553	\$ 39,224,456
less: long-term debt	10,974,726	10,266,749
add: unexpended debt proceeds	-	-
Net investment in capital assets	<u>\$ 22,631,827</u>	<u>\$ 28,957,707</u>

E Fund Balance

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

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

Total fund balance - General Fund	\$ 18,454,503
Less:	
Prepaid items	1,288,876
Stabilization by State Statute	4,152,454
Appropriated fund balance in 2022 budget	-
Other Restrictions	3,357,466
Commitments - Tax Reval, Animal Shelter	3,981
Remaining fund balance	\$ 9,651,726

Outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. Outstanding encumbrances were \$0 at June 30, 2021.

NOTE IV: Joint Ventures

First Health-Richmond Memorial Hospital and Sandhills Regional Medical Center

The governing boards of the Hospitals are not appointed by the County, nor does the County maintain a significant continuing relationship with the Hospital boards. The County does not have the authority to designate the management of the Hospitals, nor does the County have the authority to review or approve the budgets of the Hospitals. The contracting authority rests with the Hospital boards and not with the County, nor does the County own the assets of the Hospitals. The County is not entitled to surpluses and does not control the collections or disbursement of Hospital funds. The County is not responsible for the Hospital's bonded debt. Although the Hospitals are located within the County and are for the benefit of the citizens of the County, the services of the Hospitals are available to persons residing outside its geographical boundaries.

Richmond County Community College

The County, in conjunction with the State of North Carolina, the Richmond County Board of Education, and the Scotland County Board of Commissioners appoint four members of the fourteen-member board of trustees of the community college. Two members are appointed by Scotland County Board of Commissioners, and 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 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 restructured facilities. Of the last general obligation bond issue for this purpose \$-0- in debt is still outstanding. The County has an ongoing responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed \$265,000 and \$1,792,460 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 Post Office Box 1189, Hamlet, North Carolina 28345.

Richmond County Public Library System

The Richmond County Public Library System discontinued operations as a public authority and became a department of the County as of July 1, 2001. The Library Board of Trustees continues to operate in an advisory capacity. The County appoints four members, with the cities of Rockingham, Hamlet, and Ellerbe appointing three, two, and one respectively. The library buildings are the property of the municipalities and are not listed in the Capital Assets of the County. The cities have discontinued to provide a portion of the operational cost of the libraries. For the year ended June 30, 2021, Rockingham, Hamlet, and Ellerbe contributed \$0.

Sandhills Center for Mental Health

The County, in conjunction with four other county governments (Anson, Hoke, Montgomery, and Moore) participates in a joint venture to operate the Sandhills Center for Mental Health, Developmental Disabilities and Substance Abuse Services (the Center). The Center operates units in each of the counties to provide services to residents who are in need of assistance for mental health, developmental disabilities, or alcohol or drug related problems. Each participating government appoints members to the Center's governing board, with Richmond County appointing five. The County has an ongoing financial responsibility for the joint venture because the Center's continued existence depends on the participating governments continued funding. None of the participating governments have any equity interest in the Center, so no equity interest has been reflected in the financial statements at June 30, 2021. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$132,525 in local funds. Complete statements for the Center can be obtained from the Center's offices at Post Office Box 9, West End, North Carolina 27376.

NOTE V: Jointly Governed Organization

The County, in conjunction with three other counties established the Pee Dee Council of Governments (the Council). The Pee Dee Council of Governments dissolved as of June 30, 2001 and is no longer an active organization. The County has contracted with the Lumber River Council of Governments to handle coordination of various funding received from federal and state agencies that Pee Dee Council of Governments had handled previously. The County paid the Lumber River Council of Governments \$9,220 in dues and \$17,697 in special assessments for the year ended June 30, 2021.

NOTE VI: Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

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

Coronavirus Disease (COVID-19)

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

NOTE VII: Subsequent Events

In preparing these financial statements, the County has evaluated events and transactions for potential recognition or disclosure through December 15, 2021, the date the financial statements were available to be issued.

NOTE VIII Restatements

Change in Accounting Principle

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

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

	Governmental activities Net Position - Increase (Decrease)	General Fund Balance - Increase (Decrease)	Nonmajor Special Revenue Fund Balance - Increase (Decrease)	Fiduciary Net Position - Custodial Fund - Increase (Decrease)
Cash related to funds held on behalf of incarcerated inmates was reclassified from the General Fund into fiduciary net position in a newly created Jail Inmate Pay Custodial Fund. The resulted in a restatement of fund balance that differed between the amount set up in the new custodial fund, because part of the cash balance was offset by a liability in the General Fund.	\$ -	\$ -	\$ -	\$ 68,100
Cash received under the Social Security Administration's Representative Payee Program net of liabilities owed for payments on behalf of beneficiaries were reclassified out of the Agency Fund into a newly created Representative Payee Special Revenue Fund. The portion of liabilities in the Agency Fund representing net cash available at the beginning of the year were restated as fund balance.	28,603	-	28,603	-
Truancy Trust Funds were previously recorded as agency funds. These amounts were reclassified as restricted fund balance in the General Fund until the restrictions for using the funds are met. The portion of liabilities in the Agency Fund representing net cash available at the beginning of the year were restated as fund balance.	4,175	4,175	-	-
Leath Book Endowment Funds were previously recorded as agency funds. These amounts were reclassified as restricted fund balance in the General Fund until the restrictions for using the funds are met. The portion of liabilities in the Agency Fund representing net cash available at the beginning of the year were restated as fund balance.	333	333	-	-
	<u>\$ 33,111</u>	<u>\$ 4,508</u>	<u>\$ 28,603</u>	<u>\$ 68,100</u>

REQUIRED SUPPLEMENTAL FINANCIAL DATA

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

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

Schedule of County Contributions (LGERS)

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

Schedule of County Contributions (ROD)

Schedule of Changes in Total Pension Liability (LEO)

Schedule of Total Pension Liability as a Percentage of Covered-Employee Payroll (LEO)

Schedule of Changes in the Total OPEB Liability and Related Ratios

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

Local Government Employees' Retirement System				
	2021	2020	2019	2018
County's proportion of the net pension liability (asset) (%)	0.23920%	0.24578%	0.25590%	0.24975%
County's proportion of the net pension liability (asset) (\$)	\$ 8,547,635	\$ 6,712,060	\$ 6,070,823	\$ 3,815,488
County's covered payroll	\$ 17,375,573	\$ 16,523,944	\$ 16,318,323	\$ 15,674,629
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	49.19%	40.62%	37.20%	24.34%
Plan fiduciary net position as a percentage of the total pension liability**	88.61%	90.86%	91.63%	94.18%
	2017	2016	2015	2014
County's proportion of the net pension liability (asset) (%)	0.25081%	0.24425%	0.24356%	0.24720%
County's proportion of the net pension liability (asset) (\$)	\$ 5,323,028	\$ 1,096,179	\$ (1,436,385)	\$ 2,979,709
County's covered payroll	\$ 14,992,842	\$ 14,148,263	\$ 13,454,944	\$ 13,456,386
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	35.50%	7.75%	-10.68%	22.14%
Plan fiduciary net position as a percentage of the total pension liability**	91.47%	98.09%	102.64%	94.35%

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

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

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

Local Government Employees' Retirement System				
	2021	2020	2019	2018
Contractually required contribution	\$ 1,793,752	\$ 1,544,614	\$ 1,313,090	\$ 1,256,370
Contributions in relation to the contractually required contribution	1,793,752	1,544,614	1,313,090	1,256,370
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$17,375,573	\$16,908,749	\$ 16,523,944	\$ 16,318,323
Contributions as a percentage of covered payroll	10.32%	9.13%	7.95%	7.70%
	2017	2016	2015	2014
Contractually required contribution	\$ 1,170,553	\$ 1,025,250	\$ 1,015,108	\$ 961,609
Contributions in relation to the contractually required contribution	1,170,553	1,025,250	1,015,108	961,609
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$15,674,629	\$14,992,842	\$ 14,148,263	\$ 13,454,944
Contributions as a percentage of covered payroll	7.47%	6.84%	7.17%	7.15%

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

Local Government Employees' Retirement System				
	2021	2020	2019	2018
County's proportionate share of the net pension asset (%)	0.2541%	0.2441%	0.3054%	0.2543%
County's proportionate share of the net pension (asset) liability (\$)	\$ (58,244)	\$ (48,184)	\$(50,582)	\$(47,544)
Plan fiduciary net position as a percentage of the total pension asset	173.62%	164.11%	153.31%	153.77%
	2017	2016	2015	2014
County's proportionate share of the net pension asset (%)	0.2955%	0.2893%	0.2799%	0.261%
County's proportionate share of the net pension (asset) liability (\$)	\$ (55,249)	\$ (67,035)	\$(63,440)	\$(55,762)
Plan fiduciary net position as a percentage of the total pension asset	160.17%	197.29%	193.88%	190.50%

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

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

Local Government Employees' Retirement System				
	2021	2020	2019	2018
County's required contribution	\$ 2,832	\$ 2,433	\$ 5,104	\$ 4,848
Contributions in relation to contractually required contribution	2,832	2,433	5,104	4,848
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
	2017	2016	2015	2014
County's required contribution	\$ 4,494	\$ 3,857	\$ 4,142	\$ 5,425
Contributions in relation to contractually required contribution	4,494	3,857	4,142	5,425
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -

Richmond County, North Carolina
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
Last Five Fiscal Years

	2021	2020	2019	2018	2017
Beginning balance	\$ 1,951,636	\$ 1,903,955	\$ 1,834,240	\$ 1,623,109	\$ 1,594,083
Service cost	96,047	84,568	93,408	75,814	84,080
Interest on the total pension liability	62,265	67,860	56,809	61,432	55,693
Change in benefit terms	-	-	-	-	-
Difference between expected and actuarial experience in the measurement of the total pension liability	159,948	(88,429)	74,765	19,875	-
Changes of assumptions and other inputs	754,898	63,028	(82,277)	117,200	(42,653)
Benefit payments	(83,359)	(79,346)	(72,990)	(63,190)	(68,094)
Other changes	-	-	-	-	-
Ending balance of total pension liability	<u>\$ 2,941,435</u>	<u>\$ 1,951,636</u>	<u>\$ 1,903,955</u>	<u>\$ 1,834,240</u>	<u>\$ 1,623,109</u>

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

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

Richmond County, North Carolina
Schedule of Total Pension Liability as a Percentage of Covered Payroll
Law Enforcement Officers' Special Separation Allowance
Last Five Fiscal Years

	2021	2020	2019	2018	2017
Total pension liability	\$ 2,941,435	\$ 1,951,636	\$ 1,903,955	\$ 1,834,240	\$ 1,623,109
Covered payroll	\$ 3,077,428	\$ 2,990,113	\$ 3,046,110	\$ 2,764,608	\$ 2,836,779
Total pension liability as a percentage of covered payroll	95.58%	65.27%	62.50%	66.35%	57.22%

Notes to the schedules:

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

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

Richmond 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	\$ 213,536	\$ 196,952	\$ 320,135	\$ 347,420
Interest	200,632	200,328	238,044	203,960
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	820,821	3,678	(870,110)	39,318
Changes of assumptions	895,819	206,404	(959,599)	(406,668)
Benefit payments	<u>(234,379)</u>	<u>(242,062)</u>	<u>(288,322)</u>	<u>(259,222)</u>
Net change in total OPEB liability	1,896,429	365,300	(1,559,852)	(75,192)
Total OPEB liability - beginning	<u>5,634,986</u>	<u>5,269,686</u>	<u>6,829,538</u>	<u>6,904,730</u>
Total OPEB liability - ending	<u><u>\$ 7,531,415</u></u>	<u><u>\$ 5,634,986</u></u>	<u><u>\$ 5,269,686</u></u>	<u><u>\$ 6,829,538</u></u>
 Covered payroll	 \$ 15,683,978	 \$ 15,716,376	 \$ 15,176,376	 \$ 16,452,504
Total OPEB liability as a percentage of covered payroll	48.02%	35.85%	34.72%	41.51%

Notes to Schedule

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

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

GENERAL FUND

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

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

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Taxes	\$ 29,009,752	\$ 29,756,985	\$ 747,233
Penalties and interest	292,000	424,688	132,688
Total	29,301,752	30,181,673	879,921
Local option sales tax:			
Article 39 and 44	3,606,072	4,919,745	1,313,673
Article 40 one - half of one percent	3,634,000	3,754,550	120,550
Article 42 one - half of one percent	2,246,410	2,570,794	324,384
Total	9,486,482	11,245,089	1,758,607
Other taxes & licenses:			
Lease/Rental car tax	34,000	44,821	10,821
Admin Fee - Conveyance Tax	16,000	10,935	(5,065)
Room occupancy tax	420,000	427,205	7,205
3% Additional room tax	12,750	12,820	70
Total	482,750	495,781	13,031
Unrestricted intergovernmental:			
Payments in lieu of taxes	4,000	4,034	34
Beer and wine tax	92,200	76,546	(15,654)
Franchise fees	163,000	156,348	(6,652)
Safe Roads Act distribution	1,500	3,530	2,030
Total	260,700	240,458	(20,242)
Restricted intergovernmental:			
State and Federal grants	12,136,860	10,989,721	(1,147,139)
American Rescue Plan Funds	4,353,754	-	(4,353,754)
City contributions - Libraries	27,700	1,861	(25,839)
Lottery School Proceeds	242,257	242,257	-
Court facilities fees	66,000	40,127	(25,873)
ABC bottles taxes	-	(103)	(103)
Medicaid Escrow	373,408	93,347	(280,061)
COVID 19 Grants	568,461	292,488	(275,973)
Federal Forfeiture Revenue	-	22,309	22,309
Police and EMS Grants	34,000	14,961	(19,039)
Total	17,802,440	11,696,968	(6,105,472)
Permits and fees:			
Building permits and inspection fees	135,000	146,817	11,817
Register of deeds	270,200	336,247	66,047
Election filing fees	254,000	108,854	(145,146)
Total	659,200	591,918	(67,282)

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

	Budget	Actual	Variance Positive (Negative)
Sales and services:			
Sheriff's fees	394,000	367,872	(26,128)
Animal control fees	71,000	54,276	(16,724)
Jail fees	179,700	62,569	(117,131)
Recreation fees	20,000	12,004	(7,996)
Aging services	472,692	622,857	150,165
GIS fees	4,500	1,200	(3,300)
Airport revenue	210,000	175,937	(34,063)
Emergency services	35,325	39,532	4,207
Rental income	36,000	17,537	(18,463)
Cost Allocations from Enterprise Funds	663,000	663,000	-
Other	58,000	41,894	(16,106)
Total	<u>2,144,217</u>	<u>2,058,678</u>	<u>(85,539)</u>
Investment earnings:			
Investment earnings	97,200	13,754	(83,446)
Investment earnings - Debt Service	-	37	37
Total	<u>97,200</u>	<u>13,791</u>	<u>(83,409)</u>
Miscellaneous:			
Duke Endowment Grant	419,415	401,890	(17,525)
Sale of assets	200,000	136,797	(63,203)
Other	19,790	105,700	85,910
Total	<u>639,205</u>	<u>644,387</u>	<u>5,182</u>
Total revenues	<u>\$ 60,873,946</u>	<u>\$ 57,168,743</u>	<u>\$ (3,705,203)</u>
Expenditures:			
General Government:			
Governing Body:			
Salaries and employee benefits	\$ 126,351	\$ 129,929	\$ (3,578)
Other operating expenditures	40,000	24,267	15,733
Total	<u>166,351</u>	<u>154,196</u>	<u>12,155</u>
Administration:			
Salaries and employee benefits	410,340	395,891	14,449
Other operating expenditures	81,750	20,080	61,670
Capital outlay	2,000	-	2,000
Total	<u>494,090</u>	<u>415,971</u>	<u>78,119</u>

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

	Budget	Actual	Variance Positive (Negative)
Elections:			
Salaries and employee benefits	243,363	217,199	26,164
Other operating expenditures	456,604	305,778	150,826
Capital Outlay	-	-	-
Total	699,967	522,977	176,990
Human Resources:			
Salaries and employee benefits	142,087	38,673	103,414
Other operating expenditures	23,210	16,231	6,979
Total	165,297	54,904	110,393
Finance:			
Salaries and employee benefits	380,186	384,696	(4,510)
Other operating expenditures	21,500	21,425	75
Total	401,686	406,121	(4,435)
Information Technology:			
Salaries and employee benefits	225,583	225,939	(356)
Other operating expenditures	136,850	117,173	19,677
Capital outlay	95,000	52,828	42,172
Total	457,433	395,940	61,493
Taxes:			
Salaries and employee benefits	593,481	590,271	3,210
Other operating expenditures	291,800	164,923	126,877
Capital outlay	5,000	-	5,000
Total	890,281	755,194	135,087
Register of Deeds:			
Salaries and employee benefits	234,605	230,756	3,849
Automation fund expenditures	40,000	41,435	(1,435)
Other operating expenditures	50,250	52,555	(2,305)
Total	324,855	324,746	109
Public Buildings:			
Salaries and employee benefits	401,995	371,640	30,355
Other operating expenditures	547,500	477,303	70,197
Capital outlay	10,000	52,257	(42,257)
Total	959,495	901,200	58,295
Court Facilities:			
Other operating expenditures	139,350	139,320	30
Total	139,350	139,320	30

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

	Budget	Actual	Variance Positive (Negative)
General and Administrative:			
Professional services	175,000	254,957	(79,957)
Other operating expenditures	450,352	410,055	40,297
Capital outlay	92,500	92,438	62
Total	<u>717,852</u>	<u>757,450</u>	<u>(39,598)</u>
Central Garage:			
Salaries and employee benefits	121,955	126,534	(4,579)
Other operating expenditures	13,500	15,396	(1,896)
Total	<u>135,455</u>	<u>141,930</u>	<u>(6,475)</u>
Contributions:			
Contributions other agencies	<u>1,553,694</u>	<u>1,357,228</u>	<u>196,466</u>
Nondepartmental:			
Other operating expenditures	<u>475,000</u>	<u>459,314</u>	<u>15,686</u>
Total General Government	<u>\$ 7,580,806</u>	<u>\$ 6,786,491</u>	<u>\$ 794,315</u>
Public Safety:			
Sheriff and Communications:			
Salaries and employee benefits	\$ 4,509,688	\$ 4,327,725	\$ 181,963
Other operating expenditures	833,000	887,985	(54,985)
Capital outlay	368,583	367,668	915
Total	<u>5,711,271</u>	<u>5,583,378</u>	<u>127,893</u>
Jail:			
Salaries and employee benefits	1,491,426	1,422,590	68,836
Other operating expenditures	396,000	389,890	6,110
Professional services	195,000	177,864	17,136
Capital outlay	-	-	-
Total	<u>2,082,426</u>	<u>1,990,344</u>	<u>92,082</u>
Fire:			
Other operating expenditures	<u>177,255</u>	<u>177,255</u>	<u>-</u>
Emergency Services:			
Salaries and employee benefits	1,859,150	1,788,050	71,100
Other operating expenditures	282,261	199,677	82,584
Capital outlay	-	-	-
Total	<u>2,141,411</u>	<u>1,987,727</u>	<u>153,684</u>

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

	Budget	Actual	Variance Positive (Negative)
Inspections:			
Salaries and employee benefits	364,738	339,640	25,098
Other operating expenditures	119,750	30,449	89,301
Total	484,488	370,089	114,399
Rescue Units:			
Other operating expenditures	1,104,499	1,101,818	2,681
Assistance to local rescue units	60,000	60,000	-
Total	1,164,499	1,161,818	2,681
Animal Control/Shelter:			
Salaries and employee benefits	277,384	248,796	28,588
Other operating expenditures	107,200	98,032	9,168
Total	384,584	346,828	37,756
Medical Examiner:			
Other operating expenditures	60,000	49,200	10,800
Drug Control:			
Capital outlay	50,000	-	50,000
Total	50,000	-	50,000
Total Public Safety	\$ 12,255,934	\$ 11,666,639	\$ 589,295
Transportation:			
Airport:			
Salaries and employee benefits	\$ 86,114	\$ 58,701	\$ 27,413
Other operating expenditures	191,500	143,502	47,998
Capital outlay	627,300	109,814	517,486
Total	904,914	312,017	592,897
Interagency Transportation:			
Salaries and employee benefits	69,775	63,856	5,919
Total	69,775	63,856	5,919
Total Transportation	\$ 974,689	\$ 375,873	\$ 598,816

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

	Budget	Actual	Variance Positive (Negative)
Economic and Physical Development:			
Mapping:			
Salaries and employee benefits	\$ 126,707	\$ 119,323	\$ 7,384
Other operating expenditures	88,500	58,424	30,076
Professional services	10,000	6,000	4,000
Total	<u>225,207</u>	<u>183,747</u>	<u>41,460</u>
Economic Development:			
Other operating expenditures	534,100	430,358	103,742
Professional services	20,000	8,206	11,794
Industrial loans & Grants	521,626	510,236	11,390
Total	<u>1,075,726</u>	<u>948,800</u>	<u>126,926</u>
Tourism Development:			
Other operating expenditures	<u>368,000</u>	<u>427,335</u>	<u>(59,335)</u>
Agricultural Extension:			
Salaries and employee benefits	226,588	222,957	3,631
Other operating expenditures	127,245	69,003	58,242
Capital outlay	-	-	-
Total	<u>353,833</u>	<u>291,960</u>	<u>61,873</u>
Soil and Water Conservation:			
Salaries and employee benefits	95,145	54,788	40,357
Other operating expenditures	9,350	9,410	(60)
Total	<u>104,495</u>	<u>64,198</u>	<u>40,297</u>
ARP Grant	<u>4,353,754</u>	<u>-</u>	<u>4,353,754</u>
Total Economic and Physical Development	<u>\$ 6,481,015</u>	<u>\$ 1,916,040</u>	<u>\$ 211,221</u>
Human Services:			
Aging:			
Salaries and employee benefits	\$ 615,657	\$ 549,541	\$ 66,116
Other operating expenditures	475,563	255,177	220,386
Total	<u>1,091,220</u>	<u>804,718</u>	<u>286,502</u>

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

	Budget	Actual	Variance Positive (Negative)
Health:			
Local Health:			
Salaries and employee benefits	4,498,445	3,951,717	546,728
Other operating expenditures	1,736,472	1,253,108	483,364
Professional services	22,400	22,394	6
Capital outlay	5,800	-	5,800
Total	6,263,117	5,227,219	1,035,898
Total health	\$ 6,263,117	\$ 5,227,219	\$ 1,035,898
Social Services:			
Administration:			
Salaries and employee benefits	\$ 5,929,826	\$ 5,495,369	\$ 434,457
Other operating expenditures	1,158,522	1,513,827	(355,305)
Capital outlay	-	-	-
Total	7,088,348	7,009,196	79,152
Families for Kids/Child Support Services:			
Salaries and employee benefits	664,984	655,560	9,424
Other operating expenditures	209,650	171,666	37,984
Total	874,634	827,226	47,408
Duke Endowment TOP Program			
Salaries and employee benefits	98,395	93,516	4,879
Other operating expenditures	321,500	205,020	116,480
Total	419,895	298,536	121,359
Division of Aging:			
Other operating expenditures	1,057	-	1,057
Medical Assistance Program:			
Assistance payments	117,500	65,356	52,144
Special Assistance to Adults:			
Other operating expenditures	355,000	295,595	59,405
Aid to the Blind:			
Other operating expenditures	8,000	5,398	2,602
Federal and State Day Care for Children:			
Operating expenditures	55,000	-	55,000

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

	Budget	Actual	Variance Positive (Negative)
Crisis Intervention Program:			
Operating expenditures	321,891	322,106	(215)
Public Assistance:			
Operating expenditures	625,395	626,182	(787)
Employment Program (Work First):			
Operating expenditures	61,000	21,772	39,228
Independent Living (Links):			
Operating expenditures	28,034	5,581	22,453
Document Management Program:			
Operating expenditures	-	-	-
Veterans Service Officer:			
Salaries and employee benefits	71,614	72,457	(843)
Other operating expenditures	7,325	5,783	1,542
Total	78,939	78,240	699
Total social services	\$ 10,034,693	\$ 9,555,188	\$ 479,505
Total Human Services	\$ 17,389,030	\$ 15,587,125	\$ 1,801,905
Cultural and Recreation:			
Recreation:			
Salaries and employee benefits	\$ 90,478	\$ 73,703	\$ 16,775
Other operating expenditures	196,918	172,081	24,837
Capital outlay	2,895	-	2,895
Total	290,291	245,784	44,507
Libraries:			
Salaries and employee benefits	372,275	331,683	40,592
Other operating expenditures	93,012	56,015	36,997
Total	465,287	387,698	77,589
Total Culture and Recreation	755,578	633,482	122,096

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

	Budget	Actual	Variance Positive (Negative)
Education:			
Public schools - current	7,873,242	7,873,240	2
Public schools - capital outlay	423,500	423,500	-
Capital outlay - School Facilities Plan	2,005,500	1,926,755	78,745
Community colleges - current	265,000	265,000	-
Community colleges - contribution	1,792,460	1,792,460	-
Total Education	12,359,702	12,280,955	78,747
Debt service:			
Principal retirement	3,277,336	3,224,917	\$ 52,419
Interest and fees	586,914	585,637	1,277
Bond Issuance Costs	-	1,000	(1,000)
Total debt service	\$ 3,864,250	\$ 3,811,554	\$ 52,696
Total expenditures	\$ 61,661,004	\$ 53,058,159	\$ 8,602,845
Revenue over (under) expenditures	\$ (787,058)	\$ 4,110,584	\$ 4,897,642
Other financing sources (uses):			
Transfers from other funds:			
Transfer From Other Funds	\$ 143,705	\$ -	\$ (143,705)
Transfer from Revolving Loan Fund	424,844	-	(424,844)
Total	568,549	-	(568,549)
Transfers to other funds:			
Revaluation Fund	(179,809)	-	179,809
Total	(179,809)	-	179,809
Total net transfers	388,740	-	(388,740)
Loan proceeds	323,583	323,583	-
Appropriated fund balance	74,735	-	(74,735)
Total other financing sources (uses)	\$ 787,058	\$ 323,583	\$ (463,475)
Net change in fund balance	\$ -	4,434,167	\$ 4,434,167
Fund balance, beginning		14,065,192	
Prior Period Restatement - Change in Accounting Principle		4,508	
Fund balance, ending		\$ 18,503,867	

Richmond County
Revaluation Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Investment earnings	\$ -	\$ (9)	\$ (9)
Expenditures:			
Current:			
General Government:			
Tax listing	179,809	87,963	91,846
Revenues over (under) expenditures	(179,809)	(87,972)	91,837
Other financing sources (uses):			
Transfer from General Fund	179,809	-	(179,809)
Total other financing sources (uses)	179,809	-	(179,809)
Net change in fund balance	\$ -	(87,972)	\$ (87,972)
Fund balance, beginning		38,608	
Fund balance, ending		\$ (49,364)	

NON-MAJOR GOVERNMENTAL FUNDS

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

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

	Special Revenue Funds	Capital Project Funds	Total
Assets:			
Cash and cash equivalents	\$ 2,739,434	\$ 2,235,655	\$ 4,975,089
Restricted cash and cash equivalents	-	-	-
Taxes receivable, net	18,333	-	18,333
Fire fees receivable, net	117,517	-	117,517
Accounts receivable, net	-	-	-
Notes receivable, net	466,344	-	466,344
Due from other governments	31,278	-	31,278
Due from other funds	38,992	-	38,992
Prepaid expenses	2,833	-	2,833
Total assets	<u>\$ 3,414,731</u>	<u>\$ 2,235,655</u>	<u>\$ 5,650,386</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	\$ 24,040	\$ -	\$ 24,040
Due to other funds	4,218	-	4,218
Total liabilities	<u>28,258</u>	<u>-</u>	<u>28,258</u>
Deferred inflow of resources	<u>\$ 135,850</u>	<u>\$ -</u>	<u>\$ 135,850</u>
Fund Balances:			
Nonspendable:			
Prepaid expenses	2,833	-	2,833
Restricted:			
Stabilization by State Statute	-	-	-
Fire protection	55,010	-	55,010
Public safety	702,458	74,972	777,430
Human services	89,334	-	89,334
Economic and physical development	2,405,206	115,347	2,520,553
School capital outlay	-	2,045,336	2,045,336
Unassigned	(4,218)	-	(4,218)
Total fund balances	<u>3,250,623</u>	<u>2,235,655</u>	<u>5,486,278</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,414,731</u>	<u>\$ 2,235,655</u>	<u>\$ 5,650,386</u>

Richmond County
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue Funds	Capital Project Funds	Total
Revenues:			
Ad valorem taxes	\$ -	\$ -	\$ -
Fire protection fees	1,271,179	-	1,271,179
Special assessments	115,252	-	115,252
Restricted intergovernmental	1,784,002	-	1,784,002
Investment earnings	10,720	293	11,013
Miscellaneous	-	-	-
Total revenues	<u>3,181,153</u>	<u>293</u>	<u>3,181,446</u>
Expenditures:			
Current:			
General government	-	-	-
Human services	1,001,025	-	1,001,025
Public safety	1,881,650	-	1,881,650
Economic and physical development	-	-	-
Intergovernmental:			
Education	-	-	-
Total expenditures	<u>2,882,675</u>	<u>-</u>	<u>2,882,675</u>
Debt Service:			
Principal	81,514	-	81,514
Interest	26,030	-	26,030
Total debt service	<u>107,544</u>	<u>-</u>	<u>107,544</u>
Excess (deficiency) of revenues over expenditures	<u>190,934</u>	<u>293</u>	<u>191,227</u>
Other financing sources (uses):			
Transfers (to) other funds	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	190,934	293	191,227
Fund balances, beginning	3,031,086	2,235,362	5,266,448
Prior period restatement	28,603	-	28,603
Fund balances, beginning as restated	<u>3,059,689</u>	<u>2,235,362</u>	<u>5,295,051</u>
Fund balances, ending	<u>\$ 3,250,623</u>	<u>\$ 2,235,655</u>	<u>\$ 5,486,278</u>

Richmond County
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2021

Exhibit C-3

	East Rockingham Fire District Fund	Cordova Fire District Fund	Northside Fire District Fund	Mt. Creek Fire District Fund	Hamlet Fire District Fund	Ellerbe Fire District Fund	Rockingham Fire District Fund	Hoffman Fire District Fund	Revolving Loan Fund	Emergency Telephone System Fund
Assets:										
Cash and cash equivalents	\$ 17,478	\$ 8,513	\$ 34,770	\$ 4,539	\$ 4,138	\$ 4,751	\$ 316	\$ 2,327	\$ 1,038,801	\$ 370,363
Taxes receivable, net	-	-	-	-	-	-	-	-	-	-
Fire fees receivable, net	22,788	6,010	14,722	3,809	45,293	8,250	6,115	10,530	-	-
Accounts receivable, net	-	-	-	-	-	-	-	-	-	20,579
Notes receivable, net	-	-	-	-	-	-	-	-	466,344	-
Due from other funds	-	-	-	-	-	-	-	-	-	38,992
Prepaid Expense	-	-	2,833	-	-	-	-	-	-	-
Total assets	<u>\$ 40,266</u>	<u>\$ 14,523</u>	<u>\$ 52,325</u>	<u>\$ 8,348</u>	<u>\$ 49,431</u>	<u>\$ 13,001</u>	<u>\$ 6,431</u>	<u>\$ 12,857</u>	<u>\$ 1,505,145</u>	<u>\$ 429,934</u>
Liabilities and Fund Balances:										
Liabilities:										
Accounts payable and accrued liabilities	\$ 4,450	\$ 3,119	\$ 6,406	\$ 1,288	\$ 4,138	\$ 695	\$ 313	\$ 1,413	\$ -	\$ 2,218
Due to other funds	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>4,450</u>	<u>3,119</u>	<u>6,406</u>	<u>1,288</u>	<u>4,138</u>	<u>695</u>	<u>313</u>	<u>1,413</u>	<u>-</u>	<u>2,218</u>
Deferred inflow of resources	<u>22,788</u>	<u>6,010</u>	<u>14,722</u>	<u>3,809</u>	<u>45,293</u>	<u>8,250</u>	<u>6,115</u>	<u>10,530</u>	<u>-</u>	<u>-</u>
Fund Balances:										
Nonspendable:										
Prepays	-	-	2,833	-	-	-	-	-	-	-
Restricted:										
Stabilization by State Statute	-	-	-	-	-	-	-	-	-	-
Fire protection	13,028	5,394	28,364	3,251	-	4,056	3	914	-	-
Public safety	-	-	-	-	-	-	-	-	-	427,716
Human services	-	-	-	-	-	-	-	-	-	-
Economic and physical development	-	-	-	-	-	-	-	-	1,505,145	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	<u>13,028</u>	<u>5,394</u>	<u>31,197</u>	<u>3,251</u>	<u>-</u>	<u>4,056</u>	<u>3</u>	<u>914</u>	<u>1,505,145</u>	<u>427,716</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 40,266</u>	<u>\$ 14,523</u>	<u>\$ 52,325</u>	<u>\$ 8,348</u>	<u>\$ 49,431</u>	<u>\$ 13,001</u>	<u>\$ 6,431</u>	<u>\$ 12,857</u>	<u>\$ 1,505,145</u>	<u>\$ 429,934</u>

Richmond County
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2021

Exhibit C-3

	2010 Single Family Rehabilitation Grant	2003 CDBG / P & P Distribution Grant	Ritz Craft CDBG Project	Ledbetter Dam Project	Disaster Response	COVID 19 Recovery Act Grant	Representative Payee Fund	Total
Assets:								
Cash and cash equivalents	\$ -	\$ 290	\$ 28,260	\$ 871,511	\$ 274,742	\$ 34,245	\$ 44,390	\$ 2,739,434
Taxes receivable, net	-	-	-	18,333	-	-	-	18,333
Fire fees receivable, net	-	-	-	-	-	-	-	117,517
Accounts receivable, net	-	-	-	-	-	10,699	-	31,278
Notes receivable, net	-	-	-	-	-	-	-	466,344
Due from other funds	-	-	-	-	-	-	-	38,992
Prepaid Expense	-	-	-	-	-	-	-	2,833
Total assets	<u>\$ -</u>	<u>\$ 290</u>	<u>\$ 28,260</u>	<u>\$ 889,844</u>	<u>\$ 274,742</u>	<u>\$ 44,944</u>	<u>\$ 44,390</u>	<u>\$ 3,414,731</u>
Liabilities and Fund Balances:								
Liabilities:								
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,040
Due to other funds	4,218	-	-	-	-	-	-	4,218
Total liabilities	<u>4,218</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,258</u>
Deferred inflow of resources	-	-	-	18,333	-	-	-	135,850
Fund Balances:								
Nonspendable:								
Prepays	-	-	-	-	-	-	-	2,833
Restricted:								
Stabilization by State Statute	-	-	-	-	-	-	-	-
Fire protection	-	-	-	-	-	-	-	55,010
Public safety	-	-	-	-	274,742	-	-	702,458
Human services	-	-	-	-	-	44,944	44,390	89,334
Economic and physical development	-	290	28,260	871,511	-	-	-	2,405,206
Unassigned	(4,218)	-	-	-	-	-	-	(4,218)
Total fund balances	<u>(4,218)</u>	<u>290</u>	<u>28,260</u>	<u>871,511</u>	<u>274,742</u>	<u>44,944</u>	<u>44,390</u>	<u>3,250,623</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ 290</u>	<u>\$ 28,260</u>	<u>\$ 889,844</u>	<u>\$ 274,742</u>	<u>\$ 44,944</u>	<u>\$ 44,390</u>	<u>\$ 3,414,731</u>

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

Exhibit C-4

	East Rockingham Fire District Fund	Cordova Fire District Fund	Northside Fire District Fund	Mt. Creek Fire District Fund	Hamlet Fire District Fund	Ellerbe Fire District Fund	Rockingham Fire District Fund	Hoffman Fire District Fund
Revenues:								
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fire protection fees	214,817	174,643	341,766	55,975	292,951	89,691	36,591	64,745
Special assessments	-	-	-	-	-	-	-	-
Unrestricted intergovernmental	-	-	-	-	-	-	-	-
Restricted intergovernmental	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Total revenues	<u>214,817</u>	<u>174,643</u>	<u>341,766</u>	<u>55,975</u>	<u>292,951</u>	<u>89,691</u>	<u>36,591</u>	<u>64,745</u>
Expenditures:								
Current:								
Human services	-	-	-	-	-	-	-	-
Public safety	214,839	174,667	341,786	55,984	295,720	90,715	37,606	64,745
Economic and physical development	-	-	-	-	-	-	-	-
Total expenditures	<u>214,839</u>	<u>174,667</u>	<u>341,786</u>	<u>55,984</u>	<u>295,720</u>	<u>90,715</u>	<u>37,606</u>	<u>64,745</u>
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(22)</u>	<u>(24)</u>	<u>(20)</u>	<u>(9)</u>	<u>(2,769)</u>	<u>(1,024)</u>	<u>(1,015)</u>	<u>-</u>
Other financing sources (uses):								
Transfer from (to) Other Funds	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(22)</u>	<u>(24)</u>	<u>(20)</u>	<u>(9)</u>	<u>(2,769)</u>	<u>(1,024)</u>	<u>(1,015)</u>	<u>-</u>
Fund balances, beginning	13,050	5,418	31,217	3,260	2,769	5,080	1,018	914
Prior Period Restatement	-	-	-	-	-	-	-	-
Fund balances, beginning as restated	<u>13,050</u>	<u>5,418</u>	<u>31,217</u>	<u>3,260</u>	<u>2,769</u>	<u>5,080</u>	<u>1,018</u>	<u>914</u>
Fund balances, ending	<u>\$ 13,028</u>	<u>\$ 5,394</u>	<u>\$ 31,197</u>	<u>\$ 3,251</u>	<u>\$ -</u>	<u>\$ 4,056</u>	<u>\$ 3</u>	<u>\$ 914</u>

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

Exhibit C-4

Revolving Loan Fund	Emergency Telephone System Fund	2010 Single Family Rehabilitation Grant	2003 CDBG / P & P Distribution Grant	Ritz Craft CDBG Project	Ledbetter Special Assessment Fund	Disaster Response	COVID 19 Recovery Act Grant	Representative Payee Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	1,271,179
-	-	-	-	-	115,252	-	-	-	115,252
-	-	-	-	-	-	-	-	-	-
-	158,978	-	-	-	-	563,268	870,039	191,717	1,784,002
-	-	-	-	-	-	-	-	-	-
10,295	159	-	1	92	173	-	-	-	10,720
10,295	159,137	-	1	92	115,425	563,268	870,039	191,717	3,181,153
-	-	-	-	-	-	-	825,095	175,930	1,001,025
-	175,551	-	-	-	-	430,037	-	-	1,881,650
-	-	-	-	-	-	-	-	-	-
-	175,551	-	-	-	-	430,037	825,095	175,930	2,882,675
-	-	-	-	-	81,514	-	-	-	81,514
-	-	-	-	-	26,030	-	-	-	26,030
-	-	-	-	-	107,544	-	-	-	107,544
10,295	(16,414)	-	1	92	7,881	133,231	44,944	15,787	190,934
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
10,295	(16,414)	-	1	92	7,881	133,231	44,944	15,787	190,934
1,494,850	444,130	(4,218)	289	28,168	863,630	141,511	-	-	3,031,086
-	-	-	-	-	-	-	-	28,603	28,603
1,494,850	444,130	(4,218)	289	28,168	863,630	141,511	-	28,603	3,059,689
<u>\$ 1,505,145</u>	<u>\$ 427,716</u>	<u>\$ (4,218)</u>	<u>\$ 290</u>	<u>\$ 28,260</u>	<u>\$ 871,511</u>	<u>\$ 274,742</u>	<u>\$ 44,944</u>	<u>\$ 44,390</u>	<u>\$ 3,250,623</u>

Richmond County, North Carolina
East Rockingham Fire District Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Current year	\$ 218,000	\$ 193,692	\$ (24,308)
Prior year	-	21,125	21,125
Total revenues	<u>218,000</u>	<u>214,817</u>	<u>(3,183)</u>
Expenditures			
Current:			
Public Safety:			
East Rockingham Fire District	<u>218,000</u>	<u>214,839</u>	<u>3,161</u>
Net change in fund balance	<u>\$ -</u>	<u>(22)</u>	<u>\$ (22)</u>
Fund balance, beginning		<u>13,050</u>	
Fund balance, ending		<u>\$ 13,028</u>	

Richmond County
Cordova Fire District Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Current year	\$ 174,000	\$ 163,274	\$ (10,726)
Prior year	-	11,369	11,369
Total revenues	<u>174,000</u>	<u>174,643</u>	<u>643</u>
Expenditures			
Current:			
Public Safety:			
Cordova Fire District	<u>174,000</u>	<u>174,667</u>	<u>(667)</u>
Net change in fund balance	<u>\$ -</u>	(24)	<u>\$ (24)</u>
Fund balance, beginning		<u>5,418</u>	
Fund balance, ending		<u>\$ 5,394</u>	

Richmond County
Northside Fire District Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad valorem taxes:			
Current year	\$ 364,000	\$ 319,952	\$ (44,048)
Prior year	-	21,814	21,814
Total revenues	<u>364,000</u>	<u>341,766</u>	<u>(22,234)</u>
Expenditures			
Current:			
Public Safety:			
Northside Fire District I	<u>364,000</u>	<u>341,786</u>	<u>22,214</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u>(20)</u>	<u><u>\$ (20)</u></u>
Fund balance, beginning		<u>31,217</u>	
Fund balance, ending		<u><u>\$ 31,197</u></u>	

Richmond County
Mt. Creek Fire District Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Current year	\$ 58,000	\$ 50,353	\$ (7,647)
Prior year	-	5,622	5,622
Total revenues	<u>58,000</u>	<u>55,975</u>	<u>(2,025)</u>
Expenditures			
Current:			
Public Safety:			
Mt. Creek Fire District	<u>58,000</u>	<u>55,984</u>	<u>2,016</u>
Net change in fund balance	<u>\$ -</u>	(9)	<u>\$ (9)</u>
Fund balance, beginning		<u>3,260</u>	
Fund balance, ending		<u>\$ 3,251</u>	

Richmond County
Hamlet Fire District Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Fire protection fees:			
Current year	\$ 313,000	\$ 273,483	\$ (39,517)
Prior year	-	19,468	19,468
Total revenues	<u>313,000</u>	<u>292,951</u>	<u>(20,049)</u>
Expenditures			
Current:			
Public Safety:			
Hamlet Fire District	<u>313,000</u>	<u>295,720</u>	<u>17,280</u>
Net change in fund balance	<u>\$ -</u>	<u>(2,769)</u>	<u>\$ (2,769)</u>
Fund balance, beginning		<u>2,769</u>	
Fund balance, ending		<u>\$ -</u>	

Richmond County
Ellerbe Fire District Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Fire protection fees:			
Current year	\$ 98,000	\$ 86,379	\$ (11,621)
Prior year	-	3,312	3,312
Total revenues	<u>98,000</u>	<u>89,691</u>	<u>(8,309)</u>
Expenditures			
Current:			
Public Safety:			
Ellerbe Fire District	<u>98,000</u>	<u>90,715</u>	<u>7,285</u>
Net change in fund balance	<u>\$ -</u>	<u>(1,024)</u>	<u>\$ (1,024)</u>
Fund balance, beginning		<u>5,080</u>	
Fund balance, ending		<u>\$ 4,056</u>	

Richmond County
Rockingham Fire District Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Fire protection fees:			
Current year	\$ 40,000	\$ 33,337	\$ (6,663)
Prior year	-	3,254	3,254
Total revenues	<u>40,000</u>	<u>36,591</u>	<u>(3,409)</u>
Expenditures			
Current:			
Public Safety:			
Rockingham Fire District	<u>40,000</u>	<u>37,606</u>	<u>2,394</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u>(1,015)</u>	<u><u>\$ (1,015)</u></u>
Fund balance, beginning		<u>1,018</u>	
Fund balance, ending		<u><u>\$ 3</u></u>	

**Richmond County
Hoffman Fire District
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Fire protection fees:			
Current year	\$ 76,000	\$ 62,019	\$ (13,981)
Prior year	-	2,726	2,726
Total revenues	<u>76,000</u>	<u>64,745</u>	<u>(11,255)</u>
Expenditures			
Current:			
Public Safety:			
Hoffman Fire District	<u>76,000</u>	<u>64,745</u>	<u>11,255</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>\$ -</u></u>
Fund balance, beginning		<u>914</u>	
Fund balance, ending		<u><u>\$ 914</u></u>	

Richmond County
Revolving Loan Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Restricted intergovernmental:			
Loan reimbursements	\$ 63,000	\$ 72,806	\$ 9,806
Investment earnings	7,000	10,295	3,295
Total revenues	<u>70,000</u>	<u>83,101</u>	<u>13,101</u>
Expenditures:			
Economic and Physical Development:			
REDC Funding / Industrial assistance	545,156	231,583	313,573
Bad debt expense	-	-	-
Total expenses	<u>545,156</u>	<u>231,583</u>	<u>313,573</u>
Revenues over (under) expenditures	<u>(475,156)</u>	<u>(148,482)</u>	<u>326,674</u>
Other financing sources (uses):			
Transfer to General Fund	(424,844)	-	424,844
Appropriated fund balance	900,000	-	(900,000)
Total Other financing sources (uses)	<u>475,156</u>	<u>-</u>	<u>(475,156)</u>
Net change in fund balance	<u>\$ -</u>	<u>(148,482)</u>	<u>\$ (148,482)</u>
Reconciling Items:			
Debt payments are reclassified against accounts receivable balance		(72,806)	
Amounts recorded as expenditures are recorded on the balance sheet as a receivable		<u>231,583</u>	
Total Reconciling Items		158,777	
Current year change in fund balance		<u>10,295</u>	
Fund balance, beginning		<u>1,494,850</u>	
Fund balance, ending		<u>\$ 1,505,145</u>	

Richmond County
Emergency Telephone System Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Other taxes and licenses:			
E911 Wireline surcharge revenue	\$ 246,491	\$ 158,978	\$ (87,513)
Investment Earnings - Wireline	18,000	159	(17,841)
Total revenues	<u>264,491</u>	<u>159,137</u>	<u>(105,354)</u>
Expenditures:			
E911 Wireline Services:			
Leasing	60,000	6,978	53,022
Other operating expenditures	204,491	168,573	35,918
Total expenditures	<u>264,491</u>	<u>175,551</u>	<u>88,940</u>
Revenues over (under) expenditures	<u>-</u>	<u>(16,414)</u>	<u>(16,414)</u>
Other financing sources (uses):			
Appropriated fund balance	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(16,414)</u>	<u>\$ (16,414)</u>
Fund balance, beginning		444,130	
Fund balance, ending		<u>\$ 427,716</u>	

Richmond County
2010 Single Family Rehabilitation Grant
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental:					
Community development:					
NC Housing Finance Grant	\$ 468,962	\$ 455,458	\$ -	\$ 455,458	\$ (13,504)
Total revenues	<u>468,962</u>	<u>455,458</u>	<u>-</u>	<u>455,458</u>	<u>(13,504)</u>
Expenditures:					
Economic Development:					
Soft costs	48,628	52,424	-	52,424	(3,796)
Administrative	49,310	43,748	-	43,748	5,562
Rehabilitation	<u>371,024</u>	<u>363,504</u>	<u>-</u>	<u>363,504</u>	<u>7,520</u>
Total expenditures	<u>468,962</u>	<u>459,676</u>	<u>-</u>	<u>459,676</u>	<u>9,286</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (4,218)</u>	<u>-</u>	<u>\$ (4,218)</u>	<u>\$ (4,218)</u>
Fund balance, beginning			<u>(4,218)</u>		
Fund balance, ending			<u>\$ (4,218)</u>		

Richmond County
CDBG / P & P Distribution Grant
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental:					
Community development:					
Community Development					
Block Grant	\$ 95,000	\$ 95,000	\$ -	\$ 95,000	\$ -
Investment earnings	5,000	5,368	1	5,369	369
Total revenues	<u>100,000</u>	<u>100,368</u>	<u>1</u>	<u>100,369</u>	<u>369</u>
Expenditures:					
Economic Development:					
Administration	13,800	13,113	-	13,113	687
Activities	96,200	96,155	-	96,155	45
Water-Local	46,000	46,000	-	46,000	-
Total expenditures	<u>156,000</u>	<u>155,268</u>	<u>-</u>	<u>155,268</u>	<u>732</u>
Revenues over (under) expenditures	<u>(56,000)</u>	<u>(54,900)</u>	<u>1</u>	<u>(54,899)</u>	<u>1,101</u>
Other financing sources (uses):					
Transfer from General Fund	56,000	56,000	-	56,000	-
Transfer to General Fund	(810)	(810)	-	(810)	-
Undesignated Fund Balance	810	-	-	-	(810)
Total other financing sources (uses)	<u>56,000</u>	<u>55,190</u>	<u>-</u>	<u>55,190</u>	<u>(810)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 290</u>	<u>1</u>	<u>\$ 291</u>	<u>\$ 291</u>
Fund balance, beginning			<u>289</u>		
Fund balance, ending			<u>\$ 290</u>		

Richmond County
Ritz Craft CDBG Project
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental:					
Community development:					
Community Development					
Block Grant	\$ 1,012,410	\$ 1,000,000	\$ -	\$ 1,000,000	\$ (12,410)
Interest Income	-	524	-	524	524
Sales tax proceeds	-	7,679	-	7,679	7,679
	<u>1,012,410</u>	<u>1,008,203</u>	<u>-</u>	<u>1,008,203</u>	<u>(4,207)</u>
Investment earnings	-	94,997	92	95,089	95,089
Total revenues	<u>1,012,410</u>	<u>1,103,200</u>	<u>92</u>	<u>1,103,292</u>	<u>90,882</u>
Expenditures:					
Economic Development:					
Water / Sewer access road					
construction	1,236,159	1,197,184	-	1,197,184	38,975
Contingency reserve	20,000	260	-	260	19,740
Total expenditures	<u>1,256,159</u>	<u>1,197,444</u>	<u>-</u>	<u>1,197,444</u>	<u>58,715</u>
Revenues over (under) expenditures	<u>(243,749)</u>	<u>(94,244)</u>	<u>92</u>	<u>(94,152)</u>	<u>149,597</u>
Other financing sources (uses):					
Transfer from Water and Sewer Fund	243,749	243,749	-	243,749	-
Transfer to General Fund	(127,436)	(127,436)	-	(127,436)	-
Undesignated Fund Balance	127,436	-	-	-	(127,436)
Total other financing	<u>243,749</u>	<u>116,313</u>	<u>-</u>	<u>116,313</u>	<u>(127,436)</u>
sources (uses)					
Net change in fund balance	<u>\$ -</u>	<u>\$ 22,069</u>	<u>92</u>	<u>\$ 22,161</u>	<u>\$ 22,161</u>
Fund balance, beginning			<u>28,168</u>		
Fund balance, ending			<u>\$ 28,260</u>		

Richmond County
Ledbetter Dam Special Assessment Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Special assessments	\$ 250,000	\$ 115,252	\$ (134,748)
Investment earnings	2,000	173	(1,827)
Total revenues	<u>252,000</u>	<u>115,425</u>	<u>(136,575)</u>
Expenditures:			
Debt Service:			
Principal	81,515	81,514	1
Interest	26,030	26,030	-
Total debt service	<u>107,545</u>	<u>107,544</u>	<u>1</u>
Revenues over (under) expenditures	<u>144,455</u>	<u>7,881</u>	<u>(136,574)</u>
Other financing sources (uses):			
Transfers from/(to) other funds	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u><u>\$ 144,455</u></u>	<u>7,881</u>	<u><u>\$ (136,574)</u></u>
Fund balance, beginning		<u>863,630</u>	
Fund balance, ending		<u><u>\$ 871,511</u></u>	

**Richmond County
Disaster Response
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021**

		Actual			Variance
	Budget	Prior Years	Current Year	Total To Date	Positive (Negative)
Revenues:					
Restricted Intergovernmental					
FEMA Reimbursement	\$ 500,000	\$ 72,785	\$ 125,730	\$ 198,515	\$ (374,270)
State Reimbursement	-	85,613	-	85,613	-
Golden Leaf Grant	-	106,350	-	106,350	-
NCDACS Grant	54,693	-	54,692	54,692	(1)
USDA Grant	382,846	-	382,846	382,846	-
Insurance Settlements	-	193,720	-	193,720	-
Total revenues	<u>937,539</u>	<u>458,468</u>	<u>563,268</u>	<u>1,021,736</u>	<u>(374,271)</u>
Expenditures					
Public Safety:					
Salaries and Benefits	-	62,338	-	62,338	-
Operating Expenses	437,539	254,619	430,037	684,656	7,502
Contingency Expense	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
Total expenses	<u>937,539</u>	<u>316,957</u>	<u>430,037</u>	<u>746,994</u>	<u>507,502</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 141,511</u>	133,231	<u>\$ 274,742</u>	<u>\$ 133,231</u>
Fund balance, beginning			<u>141,511</u>		
Fund balance, ending			<u>\$ 274,742</u>		

Richmond County
COVID 19 Recovery Act Grant
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental:					
COVID Relief Grant	\$ 870,039	\$ -	\$ 870,039	\$ 870,039	\$ -
Total revenues	<u>870,039</u>	<u>-</u>	<u>870,039</u>	<u>870,039</u>	<u>-</u>
Expenditures:					
Human Services					
COVID Expenses	407,684	-	362,740	362,740	44,944
Municipality Allocations	<u>462,355</u>	<u>-</u>	<u>462,355</u>	<u>462,355</u>	<u>-</u>
Total expenditures	<u>870,039</u>	<u>-</u>	<u>825,095</u>	<u>825,095</u>	<u>44,944</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	44,944	<u>\$ 44,944</u>	<u>\$ 44,944</u>
Fund balance, beginning			<u>-</u>		
Fund balance, ending			<u>\$ 44,944</u>		

Richmond County
Representative Payee Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Restricted Intergovernmental	\$ -	\$ 191,717	\$ 191,717
Investment Earnings	-	-	-
Total revenues	-	191,717	191,717
Expenditures:			
Human services			
Payments made for the benefit of			
beneficiaries	-	175,930	(175,930)
Total expenditures	-	175,930	(175,930)
Revenues over (under) expenditures	-	15,787	15,787
Other financing sources (uses):			
Appropriated fund balance	-	-	-
Total other financing			
sources (uses)	-	-	-
Net change in fund balance	\$ -	15,787	\$ 15,787
Fund balance, beginning, as previously reported		-	
Prior Period Restatement - Change in			
Accounting Principle		28,603	
Fund balance, beginning, as restated		28,603	
Fund balance, ending		\$ 44,390	

CAPITAL PROJECT FUNDS

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

Richmond County
Non-Major Capital Project Funds
Combining Balance Sheet
June 30, 2021

	Highway 74 Industrial Park Project Fund	School Capital Reserve Fund	Economic Development Capital Reserve Fund	E-911 Center Construction Fund	Ledbetter Dam Project	Cordova School Improvement Project	Total
Assets:							
Cash and cash equivalents	\$ 102,784	\$ 1,901,631	\$ 10,062	\$ 74,972	\$ 2,501	\$ 143,705	\$ 2,235,655
Restricted cash and cash equivalents	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Total assets	<u>\$ 102,784</u>	<u>\$ 1,901,631</u>	<u>\$ 10,062</u>	<u>\$ 74,972</u>	<u>\$ 2,501</u>	<u>\$ 143,705</u>	<u>\$ 2,235,655</u>
Liabilities and Fund Balances:							
Liabilities:							
Advance from General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable and accrued liabilities	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:							
Restricted:							
Public Safety	-	-	-	74,972	-	-	74,972
Economic & physical development	102,784	-	10,062	-	2,501	-	115,347
School capital outlay	-	1,901,631	-	-	-	143,705	2,045,336
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>102,784</u>	<u>1,901,631</u>	<u>10,062</u>	<u>74,972</u>	<u>2,501</u>	<u>143,705</u>	<u>2,235,655</u>
Total liabilities and fund balances	<u>\$ 102,784</u>	<u>\$ 1,901,631</u>	<u>\$ 10,062</u>	<u>\$ 74,972</u>	<u>\$ 2,501</u>	<u>\$ 143,705</u>	<u>\$ 2,235,655</u>

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

	Highway 74 Industrial Park Project Fund	School Capital Reserve Fund	Economic Development Capital Reserve Fund	E-911 Center Construction Fund	Ledbetter Dam Project	Cordova School Improvement Project	Total
Revenues:							
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	85	137	43	-	28	-	293
Sales tax refund	-	-	-	-	-	-	-
Total revenues	<u>85</u>	<u>137</u>	<u>43</u>	<u>-</u>	<u>28</u>	<u>-</u>	<u>293</u>
Expenditures:							
Current:							
Public safety	-	-	-	-	-	-	-
Intergovernmental:							
Education	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>85</u>	<u>137</u>	<u>43</u>	<u>-</u>	<u>28</u>	<u>-</u>	<u>293</u>
Other financing sources (uses):							
Transfer from (to) General Fund	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	85	137	43	-	28	-	293
Fund balances, beginning	<u>102,699</u>	<u>1,901,494</u>	<u>10,019</u>	<u>74,972</u>	<u>2,473</u>	<u>143,705</u>	<u>2,235,362</u>
Fund balances, ending	<u><u>\$ 102,784</u></u>	<u><u>\$ 1,901,631</u></u>	<u><u>\$ 10,062</u></u>	<u><u>\$ 74,972</u></u>	<u><u>\$ 2,501</u></u>	<u><u>\$ 143,705</u></u>	<u><u>\$ 2,235,655</u></u>

Richmond County, North Carolina
Hwy 74 Industrial Park
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2021

	Project	Actual			Total	Variance
	Authorization	Prior	Current	Completed	To Date	Positive
		Years	Year	Project		(Negative)
Revenues:						
Unrestricted intergovernmental:						
Sales tax refund - contractor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental:						
HUD Grant	-	-	-	-	-	-
Investment earnings	-	102,699	85	-	102,784	102,784
	-	102,699	85	-	102,784	102,784
Expenditures:						
Economic and Physical Development:						
Professional services	-	-	-	-	-	-
Water and sewer improvements	-	-	-	-	-	-
Shell building and/or roads	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-
Revenues over (under) expenditures	-	102,699	85	-	102,784	102,784
Other financing sources (uses):						
Bond proceeds	-	-	-	-	-	-
Transfer from General Fund	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balance	\$ -	\$ 102,699	85	\$ -	\$ 102,784	\$ 102,784
Fund balance, beginning			102,699			
Fund balance, ending			\$ 102,784			

Richmond County
School Capital Reserve Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Investment earnings	\$ 10,000	\$ 137	\$ (9,863)
Other financing sources (uses):			
Reserve For School Capital Outlay	(10,000)	-	10,000
Total other financing sources (uses)	(10,000)	-	10,000
Net change in fund balance	\$ -	137	\$ 137
Fund balance, beginning		1,901,494	
Fund balance, ending		\$ 1,901,631	

Richmond County
Economic Development Capital Reserve Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Investment earnings	\$ 200	\$ 43	\$ (157)
Expenditures:			
Economic Development	9,200	-	9,200
Other Financing Sources(Uses):			
Transfer to Other Funds	-	-	-
Fund Balance Appropriated	9,000	-	(9,000)
Total Other Financing Sources (Uses)	9,000	-	(9,000)
Net change in fund balance	\$ -	43	\$ 43
Fund balance, beginning		10,019	
Fund balance, ending		\$ 10,062	

Richmond County
E911 Center Construction Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2021

	Project	Actual			Total	Variance
	Authorization	Prior	Current	Closed Out	To Date	Positive
		Years	Year	Project		(Negative)
Revenues:						
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental	-	-	-	-	-	-
Sales and use tax refund	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-
Expenditures:						
Professional services	-	-	-	-	-	-
Construction expenses	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-
Revenues over (under) expenditures	-	-	-	-	-	-
Other financing sources (uses):						
Transfer from General Fund	-	-	-	-	-	-
Transfer from (to) General Fund	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -	\$ -
Fund balance, beginning			74,972			
Fund balance, ending			\$ 74,972			

Richmond County
Ledbetter Dam Project Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues:					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	2,945	28	2,973	2,973
Total revenues	-	2,945	28	2,973	2,973
Expenditures:					
General government					
Dam repairs	2,210,000	1,987,112	-	1,987,112	222,888
Total expenditures	2,210,000	1,987,112	-	1,987,112	222,888
Revenues over (under) expenditures	(2,210,000)	(1,984,167)	28	(1,984,139)	225,861
Other financing sources (uses):					
Transfers from/(to) other funds	980,000	755,927	-	755,927	(224,073)
Loan proceeds	1,230,000	1,230,713	-	1,230,713	713
Total other financing sources (uses)	2,210,000	1,986,640	-	1,986,640	(223,360)
Net change in fund balance	\$ -	\$ 2,473	28	\$ 2,501	\$ 2,501
Fund balance, beginning			2,473		
Fund balance, ending			\$ 2,501		

Richmond County
Cordova School Improvement Project
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Prior Years	Actual Current Year	Total To Date	Variance Positive (Negative)
Revenues:					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	970	-	970	970
Sales Tax Refund	-	23,554	-	23,554	23,554
Total revenues	-	24,524	-	24,524	24,524
Expenditures:					
General government					
Professional services	97,750	81,671	-	81,671	16,079
Construction Cost	1,898,000	1,999,148	-	1,999,148	(101,148)
Contingency Expense	204,250	-	-	-	204,250
Total expenditures	2,200,000	2,080,819	-	2,080,819	119,181
Revenues over (under) expenditures	(2,200,000)	(2,056,295)	-	(2,056,295)	143,705
Other financing sources (uses):					
Transfers from/(to) other funds	200,000	200,000	-	200,000	-
Loan proceeds	2,000,000	2,000,000	-	2,000,000	-
Total other financing sources (uses)	2,200,000	2,200,000	-	2,200,000	-
Net change in fund balance	\$ -	\$ 143,705	-	\$ 143,705	\$ 143,705
Fund balance, beginning			143,705		
Fund balance, ending			\$ 143,705		

ENTERPRISE FUNDS

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

Richmond County, North Carolina
Enterprise Funds
Combining Statement of Net Position
June 30, 2021

	Solid Waste Fund	Water and Sewer Fund	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 4,208,868	\$ 10,793,682	\$ 15,002,550
Accounts receivable, net	1,044,361	751,591	1,795,952
Due from other governments	60,597	38,592	99,189
Inventories	-	197,570	197,570
Total current assets	<u>5,313,826</u>	<u>11,781,435</u>	<u>17,095,261</u>
Restricted Cash and Cash Equivalents	-	213,703	213,703
Capital assets, net of depreciation	1,823,497	37,400,959	39,224,456
Total assets	<u>\$ 7,137,323</u>	<u>\$ 49,396,097</u>	<u>\$ 56,533,420</u>
Deferred Outflows of Resources			
Pension related deferrals	\$ 157,227	\$ 303,957	\$ 461,184
OPEB related deferrals	54,296	118,924	173,220
Total	<u>\$ 211,523</u>	<u>\$ 422,881</u>	<u>\$ 634,404</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 79,023	\$ 166,141	\$ 245,164
Customer deposits	-	149,540	149,540
Accrued interest payable	2,468	71,464	73,932
Bond and notes payable	41,556	435,092	476,648
Total current liabilities	<u>123,047</u>	<u>822,237</u>	<u>945,284</u>
Noncurrent liabilities:			
Compensated absences	74,727	104,287	179,014
Total OPEB Liability	240,648	453,535	694,183
Net Pension Liability	284,051	549,139	833,190
Bond and notes payable	332,444	9,457,657	9,790,101
Total noncurrent liabilities	<u>931,870</u>	<u>10,564,618</u>	<u>11,496,488</u>
Total liabilities	<u>\$ 1,054,917</u>	<u>\$ 11,386,855</u>	<u>\$ 12,441,772</u>
Deferred Inflows of Resources			
Pension related deferrals	\$ 4,159	\$ 8,040	\$ 12,199
OPEB related deferrals	41,449	78,118	119,567
Total	<u>\$ 45,608</u>	<u>\$ 86,158</u>	<u>\$ 131,766</u>
Net Position:			
Net investment in capital assets	\$ 1,449,497	\$ 27,508,210	\$ 28,957,707
Restricted	-	29,943	29,943
Unrestricted	4,798,824	10,807,812	15,606,636
Total Net Position	<u>\$ 6,248,321</u>	<u>\$ 38,345,965</u>	<u>\$ 44,594,286</u>

Richmond County, North Carolina
Enterprise Funds
Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
For the Year Ended June 30, 2021

	Solid Waste Fund	Water and Sewer Fund	Total
Operating revenues:			
Charges for services	\$ 4,066,976	\$ 6,193,210	\$ 10,260,186
Water and sewer taps	-	65,500	65,500
Other operating revenues	36,445	32,460	68,905
Total operating revenues	<u>4,103,421</u>	<u>6,291,170</u>	<u>10,394,591</u>
Operating expenses:			
Administration	-	987,993	987,993
Water system maintenance	-	1,096,504	1,096,504
Water treatment plant	-	1,082,417	1,082,417
Settled water treatment plant	-	858,658	858,658
Solid waste collection	734,298	-	734,298
Landfill operations	2,086,660	-	2,086,660
Solid waste enforcement officer	95,127	-	95,127
Depreciation and amortization	211,598	2,742,762	2,954,360
Total operating expenses	<u>3,127,683</u>	<u>6,768,334</u>	<u>9,896,017</u>
Operating income (loss)	<u>975,738</u>	<u>(477,164)</u>	<u>498,574</u>
Nonoperating revenues (expenses):			
Investment earnings	237	1,038	1,275
Interest on long-term debt	(10,953)	(260,242)	(271,195)
White goods disposal tax	23,932	-	23,932
Scrap tire disposal tax	65,208	-	65,208
Electronic disposal	1,193	-	1,193
Reimbursements	-	675,863	675,863
Miscellaneous revenue	4,580	61,740	66,320
Total nonoperating revenues (expenses)	<u>84,197</u>	<u>478,399</u>	<u>562,596</u>
Income (loss) before contributions and transfers	1,059,935	1,235	1,061,170
Transfers	-	-	-
Capital contributions	-	-	-
Total transfers and capital contributions	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>1,059,935</u>	<u>1,235</u>	<u>1,061,170</u>
Net position, beginning	<u>5,188,386</u>	<u>38,344,730</u>	<u>43,533,116</u>
Net position, ending	<u><u>\$ 6,248,321</u></u>	<u><u>\$ 38,345,965</u></u>	<u><u>\$ 44,594,286</u></u>

Richmond County, North Carolina
Solid Waste Fund
Statement of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Operating revenues:			
Charges for services:			
Solid waste charges	\$ 3,794,000	\$ 4,066,976	\$ 272,976
Other operating revenues:			
Recycling revenue	25,000	36,445	11,445
Total operating revenues	3,819,000	4,103,421	284,421
Nonoperating revenues:			
Investment earnings	15,000	237	(14,763)
White goods disposal tax	9,000	23,932	14,932
Scrap tire disposal tax	28,000	65,208	37,208
Electronic disposal	2,800	1,193	(1,607)
Miscellaneous revenue	200	4,580	4,380
Total nonoperating revenues	55,000	95,150	40,150
Total revenues	\$ 3,874,000	\$ 4,198,571	\$ 324,571
Expenditures:			
Solid waste collection:			
Salaries and employee benefits	\$ 577,859	\$ 540,398	\$ 37,461
Supplies	36,000	35,839	161
Other operating expenditures	93,500	99,760	(6,260)
Utilities	20,000	17,621	2,379
Total solid waste collection	727,359	693,618	33,741
Landfill operations:			
Salaries and employee benefits	431,155	480,768	(49,613)
Supplies	183,500	125,514	57,986
Other operating expenditures	501,324	163,333	337,991
Contracted services	1,020,000	1,051,459	(31,459)
Professional services	2,000	1,586	414
Allocation to General Fund	250,000	264,000	(14,000)
Total landfill operations	2,387,979	2,086,660	301,319
Solid waste enforcement officer:			
Salaries and employee benefits	88,352	87,694	658
Other operating expenditures	15,000	7,433	7,567
Total solid waste enforcement officer	103,352	95,127	8,225

Richmond County, North Carolina
Solid Waste Fund
Statement of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Debt service:			
Interest and fees	\$ 11,443	\$ 10,953	\$ 490
Debt principal	88,867	88,867	-
Total debt service	100,310	99,820	490
Capital outlay	555,000	425,445	129,555
Total expenditures	\$ 3,874,000	\$ 3,400,670	\$ 473,330
Revenues over (under) expenditures	\$ -	\$ 797,901	\$ 797,901
Other financing sources (uses):			
Transfer from (to) General Fund	\$ -	\$ -	\$ -
Appropriated fund balance	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -
Revenues and other financing sources (uses) over (under) expenditures	\$ -	797,901	\$ 797,901
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Revenues and other financing sources (uses) over (under) expenditures		797,901	
Reconciling items:			
Debt principal		88,867	
Capital outlay		425,445	
Depreciation and amortization		(211,598)	
Increase (decrease) in deferred outflows of resources - pensions		24,810	
Increase (decrease) in deferred outflows of resources - OPEB		47,701	
(Increase) decrease in net pension liability		(60,999)	
(Increase) decrease in deferred inflows of resources - pensions		(1,351)	
(Increase) decrease in deferred inflows of resources - OPEB		9,472	
(Increase) decrease in total OPEB Liability		(60,313)	
Total reconciling items		262,034	
Change in net position		\$ 1,059,935	

Richmond County
Water and Sewer Fund
Statement of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Operating revenues:			
Water and sewer charges	\$ 6,249,500	\$ 6,193,210	\$ (56,290)
Water and sewer taps	50,000	65,500	15,500
Other operating revenues	30,000	32,460	2,460
Total operating revenues	<u>6,329,500</u>	<u>6,291,170</u>	<u>(38,330)</u>
Nonoperating revenues:			
Investment earnings	7,500	999	(6,501)
DOT Reimbursements	1,167,500	675,863	(491,637)
Miscellaneous revenue	21,000	61,740	40,740
Total nonoperating revenues	<u>1,196,000</u>	<u>738,602</u>	<u>(457,398)</u>
Total revenues	<u>\$ 7,525,500</u>	<u>\$ 7,029,772</u>	<u>\$ (495,728)</u>
Expenditures:			
Administration:			
Salaries and employee benefits	\$ 425,996	\$ 421,534	\$ 4,462
Other operating expenditures	519,040	167,459	351,581
Allocation to General Fund	350,000	399,000	(49,000)
Total administration	<u>1,295,036</u>	<u>987,993</u>	<u>307,043</u>
Water system maintenance:			
Salaries and employee benefits	515,584	499,882	15,702
Supplies	55,000	36,956	18,044
Other operating expenditures	844,500	475,023	369,477
Professional services	25,000	270	24,730
Total water system maintenance	<u>1,440,084</u>	<u>1,012,131</u>	<u>427,953</u>
Water treatment plant:			
Salaries and employee benefits	371,726	372,548	(822)
Supplies	14,500	13,616	884
Utilities	300,000	294,808	5,192
Other operating expenditures	451,000	372,678	78,322
Professional services	50,000	28,767	21,233
Total water treatment plant	<u>1,187,226</u>	<u>1,082,417</u>	<u>104,809</u>
Settled water treatment plant:			
Salaries and employee benefits	284,789	266,599	18,190
Supplies	8,500	11,363	(2,863)
Utilities	225,000	212,546	12,454
Other operating expenditures	363,000	343,637	19,363
Professional services	25,000	24,513	487
Total settled water treatment plant	<u>906,289</u>	<u>858,658</u>	<u>47,631</u>

Richmond County
Water and Sewer Fund
Statement of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Year Ended June 30, 2021

	Budget	Actual	Variance Positive (Negative)
Debt service:			
Interest and fees	\$ 267,821	\$ 260,242	\$ 7,579
Debt principal	480,741	480,741	-
Total debt service	<u>748,562</u>	<u>740,983</u>	<u>7,579</u>
Capital outlay:			
Water systems	1,317,500	831,857	485,643
Equipment	107,500	59,040	48,460
Total capital outlay	<u>1,425,000</u>	<u>890,897</u>	<u>534,103</u>
Total expenditures	<u>7,002,197</u>	<u>5,573,079</u>	<u>1,429,118</u>
Revenues over (under) expenditures	<u>523,303</u>	<u>1,456,693</u>	<u>(1,924,846)</u>
Other financing sources (uses):			
Transfer to Other Funds	(47,000)	-	(47,000)
Water Reserve Funds	<u>(476,303)</u>	<u>-</u>	<u>(476,303)</u>
Total other financing sources (uses)	<u>(523,303)</u>	<u>-</u>	<u>(523,303)</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>1,456,693</u>	<u>\$ 1,456,693</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Revenues over (under) expenditures		1,456,693	
Reconciling items:			
Debt principal		480,741	
Capital outlay		890,897	
Depreciation		(2,742,762)	
Increase (decrease) in deferred outflows of resources - pensions		47,964	
Increase (decrease) in deferred outflows of resources - OPEB		84,010	
Increase in net pension liability		(117,926)	
(Increase) decrease in deferred inflows of resources - pensions		(2,611)	
(Increase) decrease in deferred inflows of resources - OPEB		17,852	
(Increase) decrease in total OPEB Liability		(113,662)	
Interest Income (Ex E-4a, 4b)		39	
Total reconciling items		<u>(1,455,458)</u>	
Change in net position		<u>\$ 1,235</u>	

Richmond County
Old Cheraw Hwy Waterline Project
Water Treatment Plant Expansion Project
Schedule of Revenues and Expenditures
Budget and Actual (Non - GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

		Actual				Variance
	Project	Prior	Current	Closed Out	Total	Positive
	Authorization	Years	Year	Project	To Date	(Negative)
Revenues:						
Interest Income	\$ -	\$ 1,694	\$ 39	\$ -	\$ 1,733	\$ 1,733
Sales tax refund	-	20,905	-	-	20,905	20,905
Total revenues	-	22,599	39	-	22,638	22,638
Expenditures:						
Water & Sewer Improvements						
Professional Services	323,500	-	-	-	-	323,500
Land	10,000	-	-	-	-	10,000
Construction	1,716,281	-	-	-	-	1,716,281
Contingency	127,719	-	-	-	-	127,719
Interest	60,100	-	-	-	-	60,100
Total expenditures	2,237,600	-	-	-	-	2,237,600
Revenues over (under) expenditures	(2,237,600)	22,599	39	-	22,638	2,260,238
Other financing sources (uses):						
Transfer from Water Fund	53,600	-	-	-	-	(53,600)
Returned Loan Proceeds	-	-	(205,784)	-	(205,784)	(205,784)
Loan Proceeds	2,184,000	294,838	-	-	294,838	(1,889,162)
Total Other financing sources (uses)	2,237,600	294,838	(205,784)	-	89,054	(2,148,546)
Revenues and other financing sources						
(uses) over (under) expenditures	\$ -	\$ 317,437	\$ (205,745)	\$ -	\$ 111,692	\$ 111,692

Richmond County
Water and Sewer Capital Project Fund
Automated Water Meter Project
Schedule of Revenues and Expenditures
Budget and Actual (Non - GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

	Project Authorization	Actual			Total To Date	Variance Positive (Negative)
	Prior Years	Current Year	Closed Out Project			
Revenues:						
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-	-
Expenditures:						
Automated Water Meter Project	5,000,000	23,189	8,050	-	31,239	4,968,761
Total expenditures	5,000,000	23,189	8,050	-	31,239	4,968,761
Revenues over (under) expenditures	(5,000,000)	(23,189)	(8,050)	-	(31,239)	4,968,761
Other financing sources (uses):						
Transfer from Water Fund	-	-	-	-	-	-
Loan Proceeds	5,000,000	1,915,990	-	-	1,915,990	(3,084,010)
	5,000,000	1,915,990	-	-	1,915,990	(3,084,010)
Revenues and other financing sources (uses) over (under) expenditures	\$ -	\$ 1,892,801	\$ (8,050)	\$ -	\$ 1,884,751	\$ 1,884,751

Richmond County
Water and Sewer Capital Project Fund
Energy Way Industrial Complex
Schedule of Revenues and Expenditures
Budget and Actual (Non - GAAP)
From Inception and for the Fiscal Year Ended June 30, 2021

		Actual				Variance
	Project Authorization	Prior Years	Current Year	Closed Out Project	Total To Date	Positive (Negative)
Revenues:						
IDF Grant - Energy Way Ind	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$(1,000,000)
Golden Leaf Grant	1,500,000	-	-	-	-	(1,500,000)
Total revenues	<u>2,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,500,000)</u>
Expenditures:						
Professional Services	357,000	-	117,750	-	117,750	239,250
Permits & Licenses	5,000	-	-	-	-	5,000
Water Line Construction	1,288,000	-	-	-	-	1,288,000
Energy Way Pump Station	653,000	-	-	-	-	653,000
Land Purchase	50,000	-	-	-	-	50,000
Contingency Expense	194,000	-	-	-	-	194,000
Total expenditures	<u>2,547,000</u>	<u>-</u>	<u>117,750</u>	<u>-</u>	<u>117,750</u>	<u>2,429,250</u>
Revenues over (under) expenditures	<u>(47,000)</u>	<u>-</u>	<u>(117,750)</u>	<u>-</u>	<u>(117,750)</u>	<u>(70,750)</u>
Other financing sources (uses):						
Transfer from Water Fund	47,000	-	-	-	-	(47,000)
Total other financing sources	<u>47,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(47,000)</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (117,750)</u>	<u>\$ -</u>	<u>\$ (117,750)</u>	<u>\$ (117,750)</u>

CUSTODIAL FUNDS

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

Richmond County
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2021

	Municipal Tax Fund	Jail Inmate Pay Fund	Total Custodial Funds
ASSETS			
Cash and cash equivalents	\$ 71,304	\$ 121,829	\$ 193,133
Total assets	<u>71,304</u>	<u>121,829</u>	<u>193,133</u>
LIABILITIES			
Accounts payable and accrued liabilities	-	-	-
Due to other governments	<u>71,304</u>	<u>-</u>	<u>71,304</u>
Total liabilities	<u>71,304</u>	<u>-</u>	<u>71,304</u>
NET POSITION			
Restricted for:			
Individuals, organizations, and other	-	121,829	121,829
Total net position	<u>\$ -</u>	<u>\$ 121,829</u>	<u>\$ 121,829</u>

Richmond County
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
June 30, 2021

	<u>Municipal Tax Fund</u>	<u>Jail Inmate Pay Fund</u>	<u>Total Custodial Funds</u>
ADDITIONS			
Ad valorem taxes for other governments	\$ 863,240	\$ -	\$ 863,240
Collections on behalf of inmates	-	228,529	228,529
Total additions	<u>863,240</u>	<u>228,529</u>	<u>1,091,769</u>
DEDUCTIONS			
Tax distributions to other governments	863,240	-	863,240
Payments on behalf of inmates	-	174,800	174,800
Total deductions	<u>863,240</u>	<u>174,800</u>	<u>1,038,040</u>
Net increase (decrease) in fiduciary net position	-	53,729	53,729
Net position, beginning, as previously reported	-	-	-
Prior period restatement - change in accounting principle	-	68,100	68,100
Net position, beginning, as restated	<u>-</u>	<u>68,100</u>	<u>68,100</u>
Net position, ending	<u><u>\$ -</u></u>	<u><u>\$ 121,829</u></u>	<u><u>\$ 121,829</u></u>

OTHER SCHEDULES

This section includes additional information on property taxes.

Richmond County
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2021

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2020</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2021</u>
2020-2021	\$ -	\$ 29,598,907	\$ 28,895,616	\$ 703,291
2019-2020	864,290	-	453,373	410,917
2018-2019	467,339	-	176,330	291,009
2017-2018	304,248	-	95,136	209,112
2016-2017	227,024	-	60,411	166,613
2015-2016	197,517	-	40,298	157,219
2014-2015	152,773	-	20,687	132,086
2013-2014	162,312	-	15,351	146,961
2012-2013	161,837	-	14,283	147,554
2011-2012	136,622	-	10,930	125,692
Prior Years	123,236	-	123,236	-
	<u>\$ 2,797,198</u>	<u>\$ 29,598,907</u>	<u>\$ 29,905,651</u>	<u>2,490,454</u>
Less: allowance for uncollectible accounts:				
General Fund				<u>(1,380,732)</u>
Ad valorem taxes receivable - net:				
General Fund				<u>\$ 1,109,722</u>
<u>Reconciliation with revenues:</u>				
Ad valorem taxes - General Fund				<u>\$ 30,181,673</u>
Reconciling items:				
Interest and Penalty collected				(424,688)
Releases, adjustments, and fees				286,383
NCVTS Collection Cost				(109,935)
Taxes Written Off				<u>(27,782)</u>
Total reconciling items				<u>(276,022)</u>
Total collections and credits				<u>\$ 29,905,651</u>

Richmond County
Analysis of Current Tax Levy
County - wide Levy
June 30, 2021

				Total Levy	
	County - wide			Property excluding Registered Motor Vehicles	Registered Motor Vehicles
	Property Valuation	Rate	Amount of Levy		
Original levy:					
Property taxed at current year's rate:					
Real and personal	\$ 2,538,198,284	0.83	\$ 20,454,292	\$ 20,454,292	\$ -
Vehicle	376,035,301	0.83	3,121,093	-	3,121,093
Penalties	-		43,165	43,165	
Total	<u>2,914,233,585</u>		<u>23,618,550</u>	<u>20,497,457</u>	<u>3,121,093</u>
Public Service Levy					
Real and personal	\$ 741,753,094	0.83	\$ 6,156,551	\$ 6,156,551	\$ -
Total	<u>741,753,094</u>		<u>6,156,551</u>	<u>6,156,551</u>	<u>-</u>
Discoveries:					
Current year taxes:					
Real and personal	440,286,316	0.83	3,654,356	3,654,356	-
Penalties	45,432,169		377,087	377,087	-
Total	<u>485,718,485</u>		<u>4,031,443</u>	<u>4,031,443</u>	<u>-</u>
Abatements:					
Current year taxes:					
Real and personal	(461,512,048)	0.83	(3,830,550)	(3,830,550)	-
Penalties	(45,432,169)		(377,087)	(377,087)	-
Total	<u>(506,944,217)</u>		<u>(4,207,637)</u>	<u>(4,207,637)</u>	<u>-</u>
Total property valuation	<u>\$ 3,634,760,947</u>				
Net levy			29,598,907	26,477,814	3,121,093
Uncollected taxes at June 30, 2021			<u>703,291</u>	<u>703,291</u>	<u>-</u>
Current year's taxes collected			<u>\$ 28,895,616</u>	<u>\$ 25,774,523</u>	<u>\$ 3,121,093</u>
Current levy collection percentage			<u>97.62%</u>	<u>97.34%</u>	<u>100.00%</u>

Richmond County
Analysis of Current Tax Levy
County - wide Levy
June 30, 2021

Secondary Market Disclosures:

Assessed Valuation:	
Assessment Ratio ¹	95.81%
Real Property	\$ 2,538,198,284
Motor Vehicles	376,035,301
Public Service Companies ²	741,753,094
Less Releases	(506,944,217)
Total Assessed Valuation	<u>3,149,042,462</u>
Tax Rate per \$100	0.83
Levy (includes discoveries, late list penalties, releases and abatements)	<u><u>\$ 26,137,052</u></u>

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

East Rockingham Fire District	\$ 13,004
Cordova Fire District	3,910
Northside Fire District	6,809
Northside II Fire District	5,801
Mountain Creek Fire District	2,047
Total	<u><u>\$ 31,571</u></u>

¹ Percentage of appraised value has been established by statute.

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

Richmond County
Ten Largest Taxpayers
June 30, 2021

Taxpayer	Type of Business	2020 Assessed Valuation	Percentage of Total Assessed Valuation
Progress Energy Carolinas	Utility	\$ 922,571,580	25.38%
Enviva Pellets Hamlet, LLC	Manufacturing	180,223,381	4.96%
NC Electric Membership Corp.	Utility	114,977,510	3.16%
Piedmont Natural Gas Co. Inc.	Utility	47,368,200	1.30%
Trans Carolina Products LLC	Manufacturing	38,769,206	1.07%
CSX Transportation Inc.	Railroad	35,682,462	0.98%
Perdue Foods LLC	Poultry Processing	31,478,162	0.87%
Vulcan Materials Co	Mining	27,826,816	0.77%
Pee Dee Electric Membership Corp.	Utility	27,998,507	0.77%
Plastek Industries, Inc.	Manufacturing	24,059,645	0.66%
Total		<u>\$ 1,450,955,469</u>	<u>39.92%</u>

COMPLIANCE SECTION



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**Report On Internal Control Over Financial Reporting And On Compliance and
Other Matters Based On An Audit Of Financial Statements Performed In Accordance With
*Government Auditing Standards***

Independent Auditors' Report

To the Board of County Commissioners
Richmond County, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Richmond County, North Carolina, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Richmond County basic financial statements, and have issued our report thereon dated December 15, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Richmond 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 Richmond 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items [2021-001 and 2021-002] that we consider to be significant deficiencies.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Richmond County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as items [2021-002].

Purpose of this Report

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

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
December 15, 2021



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

Independent Auditors' Report

To the Board of County Commissioners
Richmond County, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Richmond County, North Carolina's, compliance with the types of compliance requirements described in the OMB Compliance Supplement and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on each of the Richmond County's major federal programs for the year ended June 30, 2021. Richmond County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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Opinion on Each Major Federal Program

In our opinion, Richmond 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 Richmond 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 Richmond County internal control over compliance with the types of requirements that could have direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstance for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the OMB Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. 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.

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

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
December 15, 2021



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

Independent Auditors' Report

To the Board of County Commissioners
Richmond County, North Carolina

Report on Compliance for Each Major State Program

We have audited Richmond County, North Carolina's, compliance with the types of compliance requirements described in the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on each of Richmond County's major state programs for the year ended June 30, 2021. Richmond County's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

Members

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

Opinion on Each Major State Program

In our opinion, Richmond 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 Richmond 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 Richmond 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.

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

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
December 15, 2021

Richmond County
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2021

Section I - Summary of Auditors' Results

Financial Statements

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

Internal control over financial reporting:

- Material weakness(es) identified? yes X no
- Significant deficiency(s) identified X yes none reported
- Noncompliance material to financial statements noted yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(s) identified yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? X yes no

Identification of major federal programs:

<u>CFDA #</u>	<u>Program Name</u>
10.923	Emergency Watershed Protection Program
21.019	Coronavirus Relief Fund
93.568	Low-Income Home Energy Assistance
93.778	Medical Assistance Program - Administration

Dollar threshold used to distinguish between Type A and Type B Programs \$ 750,000

Auditee qualified as low-risk auditee? X yes no

State Awards

Internal control over major State programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(s) identified X yes none reported

Type of auditor's report issued on compliance for major State programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act X yes no

Identification of major State programs:

Program Name
Medical Assistance Program - Administration
School Nursing Funding Initiative
Evidence - Based Strategies for MCH
Juvenile Justice Service Programs
Building Reuse Grant

Richmond County
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2021

Section II - Financial Statement Findings

Finding 2021-001 Reconciliation of Records

SIGNIFICANT DEFICIENCY

Criteria: AU-C 260 requires communication of certain matters related to internal control over financial reporting.

Condition: In reviewing records and testing certain account balances, we noted that some balance sheet accounts were not adequately adjusted. Adjustments were proposed to correct those balances in preparing the financial statements.

Effect: Management may not receive accurate information to base decisions appropriately for planning and budgeting purposes.

Cause: Entries that should be part of the year-end close were overlooked. Finance should ensure that the balance sheet accounts are all reconciled to subsidiary ledgers, and that year-end entries are made to properly reflect balances. The adjustment of balance sheet items often leads to changes in revenues and expenditures, which management relies on to make decisions.

Recommendation: The County should implement internal control procedures that will require periodic reviews of balance sheet accounts to ensure that balances are correct.

Views of Responsible official and planned corrective actions: The County agrees with this finding.

Finding 2021-002 Budget Violation

NONCOMPLIANCE / SIGNIFICANT DEFICIENCY

Criteria: GASB 84 identifies criteria when fiduciary activities should be reported as a special revenue fund. G.S. 159-8(a) states that all moneys received and expended by a local government or public authority should be included in the budget ordinance.

Condition: County did not establish budgets for the special revenue fund (Representative Payee Fund) created as a result of the implementation of GASB 84.

Effect: Moneys were spent that had not been obligated and appropriated.

Cause: County oversight on the new accounting standard.

Recommendation: The finance office should review the General Statutes and GASB Statement more carefully to ensure funds are properly authorized and are properly accounted for.

Views of Responsible official and planned corrective actions: The County agrees with this finding.

Section III - Federal Award Findings and Questioned Costs

None reported.

Section IV - State Award Findings and Questioned Costs

None reported.



RICHMOND COUNTY BOARD OF COMMISSIONERS

105 W FRANKLIN ST, COURTROOM C, P.O. BOX 504
ROCKINGHAM, NORTH CAROLINA 28380
TELEPHONE: (910) 997-8211

Jeff Smart
Chairman
Justin Dawkins
Vice Chairman
Tavares Bostic
Don M. Bryant
Andy Grooms
Toni Maples
Rick W. Watkins

Bryan R. Land
County Manager
William R. Webb, Jr.
County Attorney
Cary Garner
Finance Officer
Dena R. Cook
Clerk to the Board

Corrective Action Plan
For The Year Ended June 30, 2021

Section II - Financial Statement Findings

Finding: 2021-001

Name of contact person: Cary Garner, Finance Officer

Corrective Action: Finding was a direct result in Finance office staff turnover. Finance Director of 18 years retired, and Deputy Finance Director of similar tenure transferred within the county. Current Finance Director has already began coordinating with retired Finance Director who has agreed to return on a part time basis to ensure smooth transition and continuity of operations.

Proposed Completion Date: January 31, 2022.

Finding: 2021-002

Name of contact person: Cary Garner, Finance Officer

Corrective Action: GASB 84 implementation was not done prior to June 30th. After the ending of the year 2021, it was impossible to amend the budget to account for this new standard. Staff is already implementing new standard and the County Budget Ordinance will be amended at the Richmond County Board of Commissioners no later than February meeting 2022.

Proposed Completion Date: February 28, 2022.

Section III - Federal Award Findings and Questioned Costs

None reported.

Section IV - State Award Findings and Questioned Costs

None reported.

Richmond County
Summary Schedule of Prior year Audit Findings
For The Year Ended June 30, 2021

Finding: 2020-001

Status: Corrected

Richmond 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	Fed (Direct & Pass-through Expenditures	State Expenditures	Provided to Subrecipients	Local Expenditures
Federal Awards:						
<u>U.S. Dept. of Agriculture</u>						
Passed-through N.C. Dept of Health and Human Services: Division of Social Services: Administration: State Administrative Matching Grants for the Supplemental Nutrition Asst. Prg.	10.561		\$ 659,757	\$ -	\$ -	\$ 659,757
Passed-through N.C. Dept of Health and Human Services: Division of Public Health: Administration: Special Supplemental Nutrition Program for Women, Infants and Children	10.557		383,522	-	-	-
Emergency Watershed Protection Program	10.923		382,846			
Total U.S. Dept. of Agriculture			1,426,125	-	-	659,757
<u>U.S. Department of Transportation</u>						
Passed-through the N.C. Department of Transportation						
Airport Improvement Program	20.106	36237.3.14.1	57,224	6,360	-	-
Airport Improvement Program	20.106	36237.3.15.1	7,472	-	-	-
Airport Improvement Program	20.106	36237.3.16.1	20,000	-	-	-
Total U. S. Department of Transportation			84,696	6,360	-	-
<u>U.S. Department of Treasury</u>						
Treasury Forfeiture Fund Program	21.016		22,309	-	-	-
Passed-through the Office of State Budget and Management: NC Pandemic Recovery Office Coronavirus Relief Fund	21.019		813,011	-	462,355	-
Passed-through N.C. Department of Health and Human Services Division of Public Health Coronavirus Relief Fund	21.019		69,327	-	-	-
Total Coronavirus Relief Fund			882,338	-	462,355	-
Total U.S. Department of Treasury			904,647	-	462,355	-
<u>U.S. Election Assistance Commission</u>						
Passed-through N.C. State Board of Elections						
HAVA Election Security Grants	90.404		108,854	-	-	-
COVID-19 HAVA Election Security Grants	90.404		82,229	-	-	-
Total U.S. Election Assistance Commission			191,083	-	-	-
<u>U.S. Dept of Health and Human Services</u>						
Division of Aging and Adult Services						
Passed-through Lumber River Council of Governments						
Special Programs for the Aging Title IIIB						
Grants for Supportive Services and Senior Centers	93.044		36,142	2,126	-	-
COVID-19 Special Programs for the Aging Title IIIB	93.044		8,350			
Special Programs for the Aging Title IIIC						
Nutrition Services	93.045		111,442	4,748	-	-
COVID-19 Special Programs for the Aging Title IIIC	93.045		80,619			
Nutrition Services Incentive Program	93.053		30,233	-	-	-
Total Aging Cluster			266,786	6,874	-	-
Division of Social Services						
Temporary Assistance Needy Family Cluster						
TANF - Work First	93.558		679,326	-	-	590,866
Division of Public Health						
TANF - Work First	93.558		11,858	-	-	-
Total TANF Cluster			691,184	-	-	590,866
Foster Care and Adoption Cluster:						
Foster Care - Title IV-E - Administration	93.658		577,811	130,499	-	347,704
Adoption Assistance	93.659		-	-	-	-
Foster Care	N/A		238,104	57,631	-	-
IV-E Adoption	N/A		-	-	-	-
Total Foster Care and Adoption Cluster			815,915	188,130	-	347,704
Child Support Enforcement	93.563		691,665	654	-	355,658

Richmond 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	Fed (Direct & Pass-through Expenditures (258)	State Expenditures (71)	Provided to Subrecipients	Local Expenditures (71)
AFDC Payments & Penalties	93.560				-	
Family Preservation	93.556		9,917	-	-	-
Low-Income Home Energy Assistance						
Administration	93.568		53,617	-	-	-
Energy Assistance Payments - Direct Benefit Payments	93.568		394,411	-	-	-
Crisis Intervention Program	93.568		320,061	-	-	-
COVID-19 - LIEAP	93.568		222,660	-	-	-
COVID-19 - LIEAP Admin	93.568		16,439	-	-	-
Total Low-Income Energy Assistance			1,007,188	-	-	-
Stephanie Tubbs Jones Child Welfare Services Program						
Permanency Planning - Families for Kids	93.645		9,967	-	-	3,322
Chafee Foster Care Independence Program	93.674		7,831	1,065	-	-
SSBG - Other Service and Training	93.667		200,718	-	-	66,906
Division of Aging and Adult Services						
Division of Social Services						
SSBG -Adult Protective Services	93.667		56,565	-	-	11,920
SSBG -In-Home Services	93.667		-	-	-	-
Total Social Service Block Grant			257,283	-	-	78,826
Division of Social Services:						
Subsidized Child Care:						
Child Care Development Fund - Administration	93.596		81,758	-	-	-
Total Subsidized Child Care Cluster			81,758	-	-	-
Medical Assistance Program - Administration	93.778		1,337,267	845	-	580,745
State Children's Insurance Program - N.C. Health Choice	93.767		25,374	928	-	4,133
Passed through N.C. Department of Health and Human Services:						
Division of Public Health						
Public Health Emergency Preparedness	93.069		33,216	-	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116		24,712	-	-	-
Family Planning Services	93.217		39,143	-	-	-
Immunization Grants	93.268		25,529			
COVID-19 - Immunization Grants	93.268		18,096			
Total Immunization Grants			43,625	-	-	-
Teenage Pregnancy Prevention Program	93.297		101,152	-	-	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323		130,462	-	-	-
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323		27,269	-	-	-
Total of Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)			157,731	-	-	-
COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354		51,176	-	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898		12,350	-	-	-
Preventive Health Services_Sexually Transmitted Diseases Control Grants	93.977		100	-	-	-
Preventive Health and Health Services Block Grant	93.991		30,608	-	-	-
Maternal and Child Health Services Block Grant	93.994		71,038	36,465	-	-
Total U. S. Department of Health and Human Services			5,766,728	234,890	-	1,961,183

Richmond 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	Fed (Direct & Pass-through Expenditures	State Expenditures	Provided to Subrecipients	Local Expenditures
<u>U.S. Dept. of Homeland Security</u>						
Passed through the NC Dept. of Public Safety						
Emergency Management Performance Grant	97.042		10,547	-	-	-
Total U.S. Dept. of Homeland Security			10,547	-	-	-
Total Federal Awards			\$ 8,383,826	\$ 241,250	\$ 462,355	\$ 2,620,940
State Awards:						
<u>N.C. Dept. of Health and Human Services</u>						
Division of Public Health:						
Food and Lodging Fees			\$ -	\$ 9,592	\$ -	\$ -
Aid-to-Counties			-	109,555	-	-
General Communicable Disease Control			-	2,000	-	-
Minority Diabetes Prevention Program			-	166,591	-	-
Child Health			-	7,204	-	-
HIV/STD State			-	500	-	-
Healthy Community Activities			-	3,746	-	-
STD Drugs			-	538	-	-
Breast and Cervical Cancer Control			-	4,225	-	-
TPPI - Adol. Pregnancy Prevention Program			-	40,050	-	-
School Nursing Funding Initiative			-	150,000	-	-
Evidence - Based Strategies for MCH			-	377,767	-	-
Family Planning - State			-	32,027	-	-
Maternal Health			-	38,958	-	-
Women Health Service Fund			-	7,184	-	-
TB Control			-	17,936	-	-
Total Division of Public Health			-	967,873	-	-
Division of Social Services:						
State Foster Home			-	45,026	-	45,026
APS/CPS CARE COVID 19			-	69,949	-	-
Extended FC/MAX Non IV-E			-	7,608	-	-
EXTENDED FC>20 STIPEND			-	2,200	-	-
FC STIPEND			-	28,700	-	-
SFHF Maximization			-	34,431	-	34,431
State Child Welfare/CPS/CS LD			-	196,510	-	-
DCD Smart Start			-	6,655	-	-
Energy Assist Private			-	4,291	-	-
County Funded Programs			-	-	-	315,263
AFDC Incent/Program Integrity			-	449	-	-
Non-Allocating County Cost			-	-	-	17,357
Work First Non-Reimbursable			-	-	-	149
Total Division of Social Services			-	395,819	-	412,226
Division of Aging and Adult Services:						
90% State Funds Access			-	-	-	-
90% State Funds In Home Services			-	174,036	-	-
90% State Funds Home Delivered Meals			-	109,460	-	-
Total Division of Aging and Adult Services			-	283,496	-	-
Total N.C. Dept. Health and Human Services			-	1,647,188	-	412,226
<u>N.C. Dept. of Veterans Affairs</u>						
Veteran Grant		N/A	-	2,084	-	-
Total of N.C. Dept. of Veterans Affairs			-	2,084	-	-
<u>N.C. Dept. of Transportation</u>						
Richmond County Taxiway Lighting Rehabilitation		36244.3.5.2	-	18,708	-	-
Total N.C. Dept. of Transportation			-	18,708	-	-
<u>N.C. Dept. of Public Safety</u>						
Juvenile Justice Service Programs						
JCPC Admin		N/A	-	3,759	-	-
Project Focus		N/A	-	104,000	104,000	20,800
Teen Court		N/A	-	45,000	45,000	5,737
DASH Mentoring		N/A	-	87,303	87,303	-
Total Juvenile Justice Service Programs			-	240,062	236,303	26,537
Total N.C Dept. of Public Safety			-	240,062	236,303	26,537

Richmond 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	Fed (Direct & Pass-through Expenditures	State Expenditures	Provided to Subrecipients	Local Expenditures
<u>N.C. Department of Commerce</u>						
ONE NC Grant			-	75,000	-	-
Building Reuse Grant			-	400,000	-	-
Total N.C. Department of Commerce			-	475,000	-	-
<u>N.C. Department of Environmental Quality</u>						
Electronic Management			-	1,193	-	-
Total N.C. Department of Environmental Quality			-	1,193	-	-
<u>N.C. Department of Agriculture and Consumer Services</u>						
Watershed Restoration Project				54,692		
Total N.C. Department of Agriculture and Consumer Services			-	54,692	-	-
<u>N.C. Department of Public Instruction</u>						
Public School Building Capital Fund (Lottery)			-	242,258	-	-
Total N.C. Department of Public Instruction			-	242,258	-	-
Total State Awards			\$ -	\$ 2,681,185	\$ 236,303	\$ 438,763
Total Federal and State Awards			\$ 8,383,826	\$ 2,922,435	\$ 698,658	\$ 3,059,703

Notes to the Schedule of Expenditures of Federal and State Awards

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of the Richmond 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 Richmond County, it is not intended to and does not present the financial position, changes in net position or cash flows of Richmond 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

Richmond 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.

Note 5: Benefit Payments Issued by the State

The amounts listed below were paid directly to individual recipients by the State from federal and State moneys. County personnel are involved with certain functions, primarily eligibility determinations that cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients that do not appear in the basic financial statements because they are not revenues and expenditures of the County.

Program Title	CFDA No.	Federal	State
Food and Nutrition Services	10.551	34,130,964	-
Special Supplemental Nutrition Program for Women Infant and Children	10.557	1,251,199	-
Medical Assistance Program	93.778	84,874,404	33,086,051
Children's Health Insurance Program	93.767	992,428	191,432
IV-E Adopt & Vendor	93.659	128,270	23,079
TANF Payments & Penalties	93.558	301,925	-
CWS Adopt, Vendor, Guard	N/A	-	37,298
SAA/SAD HB 1030	N/A	-	174,017
SC/SA Domiciliary Care	N/A	-	292,076