

***ROCKINGHAM COUNTY***  
***NORTH CAROLINA***

**ANNUAL COMPREHENSIVE**  
**FINANCIAL**  
**REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**Prepared By: Finance Department**

**Pat Galloway**  
**Director of Financial Services**

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# INTRODUCTORY SECTION

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**Lance L. Metzler**  
**County Manager**

The Board of County Commissioners  
Rockingham County, North Carolina  
October 29, 2021

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

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

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

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

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

## **PROFILE OF THE COUNTY**

Rockingham County was formed in 1785 and is located in the north central area of North Carolina. It has a land area of 568 square miles and a population of 91,868. The County is well located, with major cities and facilities close by. Surrounding counties are Guilford to the south, Caswell to the east and Stokes County to the west. The County is bordered on the north by the State of Virginia. Piedmont Triad International Airport is located 20 miles away and Norfolk Southern has two rail connection lines in the County. The County has a commissioner/manager form of government. The five members of the Board of Commissioners are elected at-large and serve staggered four-year terms. Commissioners hold policy-making and legislative authority. They are also responsible for adopting the budget and appointing the county manager. The manager is responsible for implementing policies, managing daily operations, and appointing department heads.

The County provides a broad range of services that include public safety, health and human services, environmental protections, community and economic development, education, cultural and recreation, planning and zoning, and general administration functions. The County also provides water and wastewater utility services and operates a municipal solid waste landfill. This report encompasses the County’s activities in maintaining these services and includes its financial support to certain separate agencies, boards, and commissions to assist their efforts in serving citizens. Among these are the Rockingham County Schools and Rockingham Community College.

The financial reporting entity includes all funds of the primary government (Rockingham County), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. Discretely presented component units, if applicable, are reported in a separate column in the general purpose financial statements to emphasize that they are legally separate from the primary government and to distinguish their financial positions, results of operations, and cash flows from those of the primary government. The Rockingham County Airport Authority and the Rockingham County Tourism Development Authority (the “TDA”) are reported as discretely presented component units in the financial statements. The Rockingham County Industrial Facility and Pollution Control Financing Authority is also a component unit of Rockingham County however, does not have financial transactions or account balances and are therefore not reported in the financial statements.

The annual budget serves as the foundation for Rockingham County financial planning and control. All agencies of Rockingham County are required to submit requests for appropriation to the County Manager on or before the last of March each year. The County Manager uses these requests as the starting point for developing a proposed budget. The County Manager then presents this proposed budget to the Board of Commissioners for review prior to June 1. The Commissioners are required to hold a public hearing on the proposed budget and to adopt a final budget no later than June 30 each fiscal year. The appropriated budget is prepared by fund, function (e.g. public safety), and department (e.g. sheriff). Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on Exhibit E, part of the basic financial statements for governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts with Schedule D-1. Also included in the governmental fund subsection are project length budget to actual comparisons for each governmental fund for which a project length budget has been adopted.

In addition, Rockingham County was given the GFOA's Distinguished Budget Presentation Award for its annual budget document for Fiscal Year 2020-2021. This is the eighth consecutive year the County has received this award. This program was established to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal.

## **FACTORS AFFECTING FINANCIAL CONDITION**

### **Local Economy**

Due to COVID-19 and the numerous shut downs and restrictions it brought with it, fiscal year 2020-2021 started out like no other year in Rockingham County's history. In spite of the many obstacles that had to be overcome, Rockingham County's industry, small business, and tourism establishments all seemed to find their niche in what would work for them to make it through these uncharted waters. Several businesses had to modify their operations to stay afloat, and have remained modified up to this point. We are seeing, not only in Rockingham County but across the entire state, the need for workers. While Rockingham County's current unemployment rate is drastically better than the same time last year (from 14.5% to 5.2%), there is still much improvement to be made to reach pre-COVID rates.

Despite the economic turmoil felt across the country, Rockingham County's industrial activity was continuing to push ahead with strong force and even gaining momentum. Here are some of Rockingham County's 2020-2021 achievements:

- Nestle Purina, a Fortune 500 company, announced their \$450 million investment in the former MillerCoors site and with it bring just over 300 new jobs; the largest economic development announcement in the County's history.

- Farmina, an Italian based pet food company, announced they would invest \$28.5 million in their first U.S. facility to be located in the Reidsville Industrial Park (RIP). This announcement was the first announcement for RIP in over 2 years.
- Four existing Rockingham County industries (Blow Molded, Night Owl, Acrow, and Sturm Ruger) announced expansions to their current Rockingham County facilities. These announcements not only created new investments in Rockingham County, but created additional jobs as well.
- Rockingham County tourism found its way back on the scene after a tremendous impact the latter part of the 2019-2020 fiscal year. Although the start to 2020-2021 fiscal year didn't produce the numbers Rockingham County was used to seeing, as the year progressed, numbers started to improve which resulted in a 1.38% increase in overall occupancy for the year.
- At the end of fiscal year 2020-2021, the office of Economic Development, Small Business, and Tourism awarded 84 Rockingham County small businesses with a local COVID relief grant. Of those 84 business, 82 were able to remain in business through the pandemic.

#### **Rockingham County Government's 2020-2021 Points of Pride**

- The 33rd CHARTERS OF FREEDOM, full-scale replicas of the Declaration of Independence, U.S. Constitution, and Bill of Rights, was dedicated in front of the Judicial Center (Courthouse) in Wentworth. Participants included: Bonnie Joyner, project visionary; Clarence Henderson, President of Frederick Douglass Foundation of NC; Terry Sharpe, The Walking Marine; County Manager Lance Metzler; NC Representatives Kyle Hall and Jerry Carter; Sheriff Sam Page; NC Superior Court Judge Ed Wilson; Mike Unruh with Foundation Forward, Inc.; Vance Patterson, Foundation Forward, Inc. founder. Lieutenant Governor of NC, Mark Robinson shared strong words about the power of democracy, while U.S. Senator Thom Tillis and U.S. Congressman Patrick McHenry's staff read letters on their behalf.
- Promotional litter-free ads aired on Spectrum 1304, county websites and social media: LITTERING IN ROCKINGHAM COUNTY IS A SERIOUS CRIME! YOU JUST THREW AWAY UP TO \$1,000.00, featuring a cigarette butt being thrown away; fast food being trashed; and old car tires being dumped.
- The Tax Administration Office provided additional customer service initiatives for they expected to be extremely busy towards the end of Dec/2020 and the beginning of Jan/2021. Offices were open until 6 p.m. to give our taxpayers more time to pay. Customers had the option to pay tax bills online or over the phone to avoid long wait times with paying in-person.
- A Rockingham County Fire Marshal's Office's Operation Christmas Cheer Caravan took truckloads of toys to the North Carolina Jaycee Burn Center Children's Units in Chapel Hill. It included County Fire squads, vehicles, county branded cars, plus a packed trailer.
- A YouTube video featuring several Rockingham County Governmental employees explaining Why I Give Blood, was produced to encourage citizens to also give the gift of life, especially at upcoming blood drives. Blood donations are desperately needed, due to COVID!

- With remote learning across Rockingham County Schools (RCS) for the first five weeks of school beginning Aug. 17TH, RCS teamed up with Rockingham County Government to provide additional internet access across the county.
- Sturm, Ruger & Company, Inc., a leading U.S. designer and manufacturer of commercial and sporting firearms, will grow its NC workforce with an expansion at its Rockingham County production facility. The company's goal is to add roughly 60 jobs and invest approximately \$10 million at its site in Mayodan over the next three years.
- WE NEED YOU TO BECOME A VOLUNTEER FIREFIGHTER TV public service announcement were promoted on Rockingham County websites, social media, and Spectrum 1304, explaining the dire need for more volunteer firefighters.
- In May 2020, Ontex Global announced it would build a new, state-of-the-art 250,000 square foot. manufacturing facility in Rockingham County's newest industrial park, the South Rockingham County Business Park. As of June 2021, the facility was 70% complete and will be ready to employ 400 by December 2024.

### **Long Term Financial Planning.**

The vision, mission and strategic focus areas adopted by the Rockingham County Board of Commissioners ("the Board") sets the priorities of the County and serve as guiding principles in the development of the annual budget as well as the five-year capital improvement plan.

Application of strong financial management policies and conservative budgeting practices during the economic downturn of the Great Recession and the anticipated negative economic impact of the COVID-19 Pandemic has enabled Rockingham County to continually improve its financial position. With the declaration of a pandemic on March 11, 2020, an economic downturn was anticipated and planned for during development of the fiscal year 2020-2021 budget; however, the county saw an unexpected and unprecedented 16.3% growth in sales tax revenue during the fiscal year. Being one of many rural counties in North Carolina experiencing this growth in sales tax revenue, it is believed to be the result of citizens choosing to shop on-line rather than travel to the larger metropolitan areas surrounding the county and risking exposure to the virus. The increased growth rate in sales tax revenue has continued even as vaccines have become available, the spread of the virus has slowed and in-person shopping and dining have opened back up. This growth, coupled with growth in public utility and motor vehicle property values along with no decrease in the tax collection rate has generated revenues sufficient to fund priorities that were postponed in the original budget as well as position the county to adopt its first five-year Capital Improvement Plan (CIP).

For several years the county worked to develop a five-year Capital Improvement Plan (CIP) and while future capital needs were numerous, identifying dedicated funding sources delayed the adoption of the plan. As previously discussed the county now finds itself in a financial position to dedicate funding sources for the plan and the Board adopted a plan in June 2021. The funding sources include:



- In accordance with the adopted fund balance policy, undesignated fund balance in excess of 18% of expenditures may be appropriated for one-time expenditures. \$4,500,000 was available in fiscal year 2020-2021 undesignated fund balance and was transferred to the capital reserve fund to fund the first two years of the plan.
- In fiscal year 2006-2007, the county enacted a five cent (\$.05) tax rate dedicated for debt service on several public safety building projects. Due to declining debt service payments, the revenue being generated is now exceeding the amount of annual debt service. With the adoption of the plan, the Board designated five and half cents (\$0.055) of the tax rate for existing debt service and funding for the plan. As debt service payments continue to decline, revenue for CIP projects will continue to grow.
- In 2017-2018, the citizens of the county passed a referendum supporting a quarter cent sales tax increase to fund work force development at Rockingham Community College. Projections are that the sales tax will provide \$2.5 million in fiscal year 2021-2022 revenue to the college with a 3% annual increase projected in future years. The college anticipates construction to begin in January 2022 of a \$19,000,000 workforce development center with state-of-the-art manufacturing technology that will prepare a workforce to meet the needs of the county's employers. Current sales tax revenue will fund the preliminary design and engineering costs of the project and county issued debt will fund the construction and equipment costs with future quarter cent sales tax revenue used to cover debt service payments.

The State of North Carolina allocated to Rockingham County \$3,497,080 of Coronavirus Relief Funds from the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). Twenty-five percent (25%) of this amount is required to be allocated to the municipalities, leaving \$2,622,810 to assist the county in its response to the pandemic.

Rockingham County has been allocated \$17,677,626 in American Rescue Plan Act of 2021 (ARPA) revenue to combat the COVID-19 Pandemic, including the public health and economic impacts. The county has not finalized a spending plan as we await final rule from the US Department of Treasury on eligible uses of the funds as well as the adoption of the State of North Carolina budget for new or expanded grant programs where pooling of these grant resources will enable a greater impact in the county.

The Fiscal Year 2021-2022 General Fund budget of \$98,532,486 levied an ad valorem tax rate of \$0.695 per \$100 of assessed value, based on a total valuation of \$7,874,113,255. As previously discussed, \$.055 of the tax rate is dedicated funding for existing debt service payments and the adopted capital improvement plan. This is the 12<sup>th</sup> year that the county has adopted a budget with no tax rate increase. The tax collection rate is estimated to be 98.4% for real and personal property and 99.43% for motor vehicles. The tax collection rate has remained stable during the pandemic; therefore, the county is not projecting a significant impact to tax revenues due to the pandemic.

Recognizing the growth occurring in the southwest portion of the county and the potential for future development with the completion of the I-73 Corridor that runs through the county in that same area, the county was allocated \$10,911,735 from the NC General Assembly in 2017 to expand the county water system in that portion of the county. The project was divided into three phases. Phase 1 was

completed in February 2019; Phase 2 was substantially completed in August 2020; Phase 3 bids were received in October 2020, Notice to Proceed was issued on March 1, 2021 and construction is approximately 85% complete. With funds remaining after bids were secured on all three original phases, additional waterline extension projects were awarded to accommodate housing development growth that is underway in this same portion of the county. In addition, approval was obtained to utilize remaining funds for engineering costs associated with the water and sewer projects at the new industrial park discussed below.

Further expansion of water and sewer services in the southwest portion of the county was approved after the announcement of Ontex Group's decision to build a manufacturing facility in the county's new industrial park. Rockingham County has been awarded \$2,200,000 in grant funds from the Golden Leaf Foundation to construct a 500,000-gallon elevated water tank and \$2,300,000 in Community Development Block Grant (CDBG) funds for wastewater infrastructure construction.

The county began analyzing outstanding long-term debt in June 2020 for potential savings after the interest rate drop during the economic downturn of the COVID-19 Pandemic. Three tax exempt loans with an outstanding balance of \$3,258,317 were refinanced with a rate of 1.17% and a net present value savings over the remaining life of the loan of \$338,027. One taxable loan with an outstanding balance of \$1,221,000 was refinanced at a rate of 1.62% and a net present value savings over the remaining life of the loan of \$141,513. The refinanced debt was completed on September 9, 2020.

Recognizing the importance of a Capital Improvement Plan to help guide the allocation of limited resources that are anticipated to be available to meet future capital needs, the county adopted a Debt Financial Policy in fiscal year 2014-2015 which requires the county to implement a formal Capital Improvement Plan and to annually review and update the plan. The first plan was adopted in June 2021 and define current as well as future funding sources for the plan.

The adopted Debt Financial Policy also defines when the issuance of debt is appropriate and which debt instruments will be permissible for the county. The policy also sets certain financial limitations such as Net Direct Debt as a percentage of assessed valuation must be below 3%; Net Direct Debt per capita will not exceed \$1,200 and Net Direct Debt Service as a percentage of total governmental fund noncapital expenditures will not exceed 15%. Debt structure, debt management process and special situations are addressed in the policy as well.

In fiscal year 2014-2015, the county adopted a Fund Balance Policy stating the reasons to maintain fund balance, setting a minimum unassigned fund balance threshold of 16%, authorizing the uses for unassigned fund balance if the balance is in excess of 18% and detailing the timing and method to replenish unassigned fund balance if it drops below the 16% threshold.

The county adopted an Investment Policy in fiscal year 2014-2015 that details the purpose, scope and objectives of the county's investments. To limit credit risk, the policy provides clear guidance on authorized investments, which is more restrictive than those permissible under North Carolina General Statute 159-30(c). To limit concentration and interest rate risk, guidelines on diversification and maximum maturities are provided.

## **Performance Measurement.**

The Performance Measurement Program began in FY 2006-07. The program is designed to reward high performing departments with monetary incentives that can then be used with increased discretion by the participating department. Departments track and report measures of effectiveness designed to help decision makers manage resources and outcomes. This program has grown from only 9 program participants tracking 37 objectives when it began to now including virtually all County programs tracking approximately 300 objectives. The performance measurement program was temporarily suspended in fiscal year 2020-2021 as county activity shifted to COVID-19 pandemic mitigation, testing and vaccination efforts.

## **AWARDS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Rockingham County for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports and the County has received this award for 30 years.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. Rockingham County has received the Certificate of Achievement for the last thirty consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

## **Acknowledgements**

Preparation of this report would not have been possible without the dedicated efforts of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. The report cover photos are courtesy of Dr. Mable Scott (Governmental Center image), retired public information officer; Gary Joyce (Highway 220); Robert Cardwell (River behind church), retired fire marshal; and Tammy Carter (Red Barn Quilt). We also thank the members of the Board of Commissioners for their continued support throughout the past year.

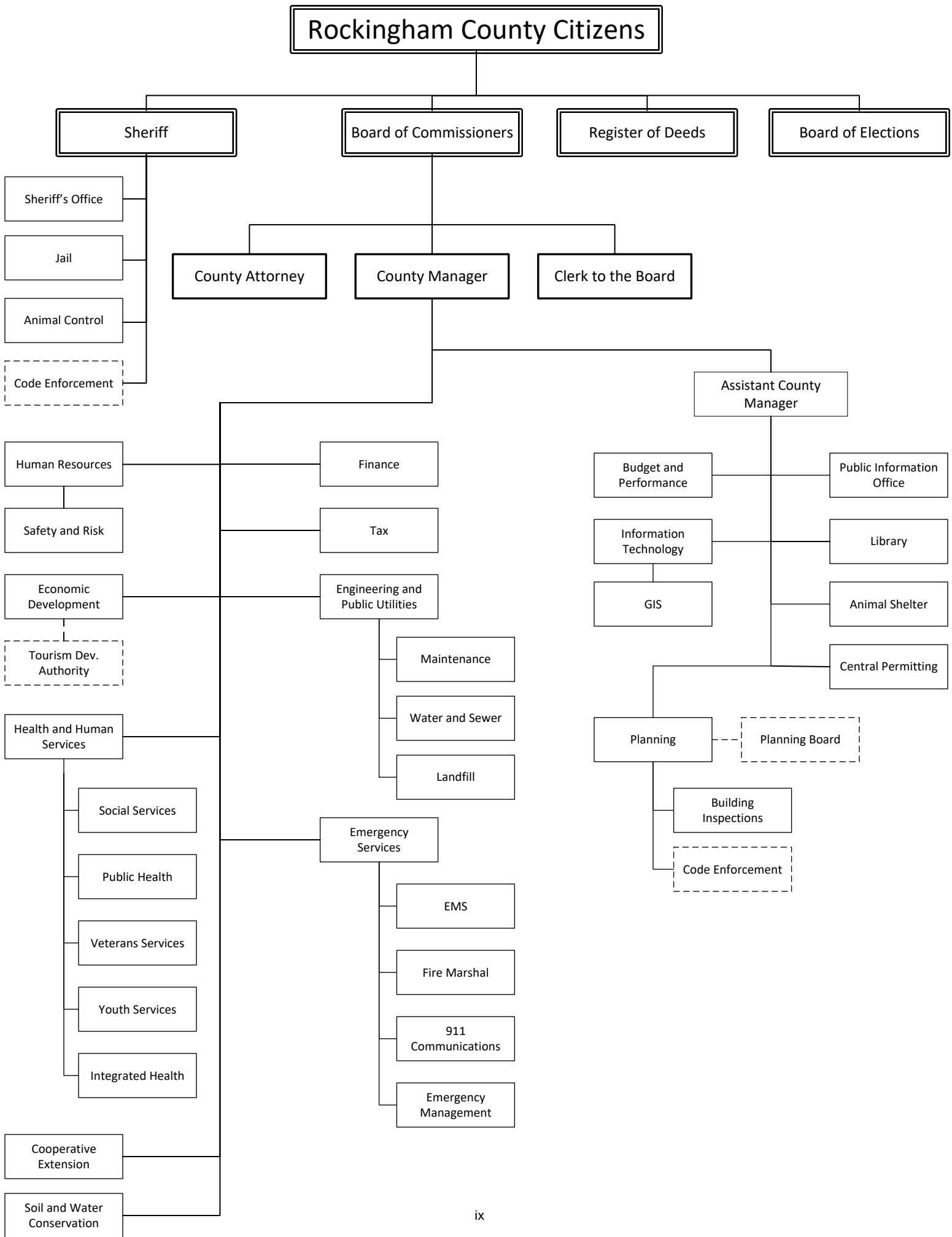
Respectably submitted,



Lance L. Metzler  
County Manager



Patricia P. Galloway  
Director of Financial Services



**Rockingham County**  
**List of Principal Officials**  
**June 30, 2021**

Board of County	Charlie G. Hall, III, Chairman Commissioners	
	Kevin Berger, Vice Chairman	
	Mark F. Richardson	
	T. Craig Travis	
	A. Reece Pyrtle	
County Officials	Lance Metzler	County Manager
	Pat Galloway	Director of Financial Services
	John Morris	County Attorney
	Jennifer Woods	Clerk of the Board
	Renee Perry	Human Resources Director
	Paul Murray	Strategic Management Director
	Leigh Cockram	Economic Development Director
	Mark McClintock	Tax Administrator
	Mable Scott	Public Information Director
	Derek Southern	IT Director
	Felissa Ferrell	Human Services Director
	Sam Page	Sheriff
	Ben Curtis	Register of Deeds



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North Carolina**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

## **Independent Auditor's Report**

To the Board of Commissioners  
Rockingham County  
Wentworth, 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, the aggregate discretely presented component units, and the aggregate remaining fund information of Rockingham County, North Carolina (the "County") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Rockingham County Airport Authority, which represents 97%, 97%, and 65% of the assets, net position, and revenues, respectively, of the aggregate discretely presented component units. Those financial statements were audited by another auditor whose report has been furnished to us and, our opinion, insofar as it relates to the amounts included for the Rockingham County Airport Authority, is based solely on the report of the other auditor. 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 and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, the aggregate discretely presented component units, and the aggregate remaining fund information of Rockingham County, North Carolina, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

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

## **Required Supplementary Information**

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

## **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements, budget and actual comparisons, schedule of cash investment balances, schedule of ad valorem taxes receivable, analysis of current tax levy, the Rockingham County Tourism Development Authority balance sheet, Rockingham County Tourism Development Authority Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual, the introductory section, the statistical section as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles and Audit Requirements of Federal Awards and the State Single Audit Implementation Act as listed in the Table of Contents are presented for the purpose of additional analysis and are not a required part of the financial statements.



The combining and individual fund financial statements, budget and actual comparisons, schedule of cash investment balances, schedule of ad valorem taxes receivable, analysis of current tax levy, the Rockingham County Tourism Development Authority balance sheet, Rockingham County Tourism Development Authority Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual, 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the combining and individual fund financial statements, budget and actual comparisons, schedule of cash investment balances, schedule of ad valorem taxes receivable, analysis of current tax levy, the Rockingham County Tourism Development Authority balance sheet, Rockingham County Tourism Development Authority Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

#### **Other Reporting Required by *Government Auditing Standards***

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

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

Raleigh, North Carolina  
October 29, 2021





## Management's Discussion and Analysis

As management of Rockingham County, we offer readers of Rockingham County's financial statements this narrative overview and analysis of the financial activities of Rockingham 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***

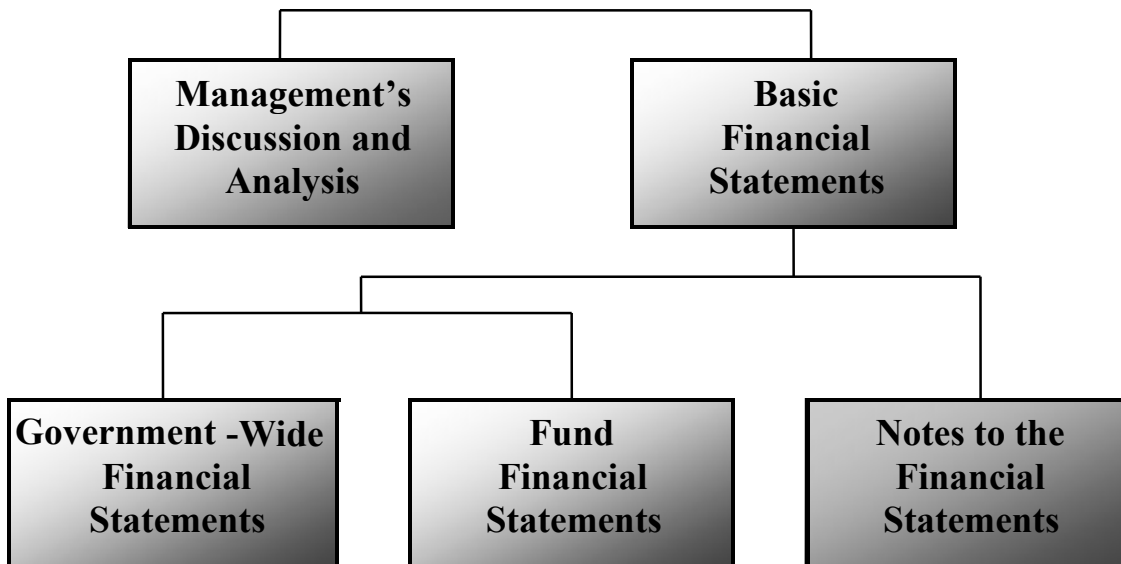
- The assets and deferred outflows of resources of Rockingham County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$26,497,683 (*net position*).
- The government's total net position increased by \$14,385,872 which includes a \$14,113,416 increase due to current year activities and a \$272,456 increase due to implementation of GASB Statement No. 84, Fiduciary Activities, which created new special revenue funds that were once treated as agency funds.
- As of the close of the current fiscal year, Rockingham County's governmental funds reported combined ending fund balances of \$56,624,785, an increase of \$9,010,377 in comparison with the prior year. Approximately 46.65% of this total amount, or \$26,417,025, is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$26,118,509, or 27.97% of total General Fund expenditures for the fiscal year.
- Rockingham County's total long-term obligations decreased by \$5,957,508 during the current fiscal year, which is due primarily to the repayment of existing debt.
- The County holds a bond rating for its limited obligation bonds and certificates of participation of Aa2 with Moody's Investor Services and AA- with Standard and Poor's bond rating agency.

### ***Overview of the Financial Statements***

This discussion and analysis is intended to serve as an introduction to Rockingham 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 Rockingham County.

## Required Components of Annual Financial Report

Figure 1



*Summary* → *Detail*

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

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

The final 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 and benefit plans.

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

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

The government-wide statements are divided into three categories: 1) governmental activities, 2) business-type activities, and 3) component units. The governmental activities include most of the County's basic services such as public safety, 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, sewer, and landfill services offered by Rockingham County. The final category is the component units. The Rockingham County Airport is a public airport operated by an authority that is financially dependent on the County for support. The County appoints the members of the Airport Authority. The Rockingham County Tourism Authority is operated by an authority that is financially dependent on the County for support and the County appoints the member of the authority.

The government-wide financial statements are on Exhibits A and B 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. Rockingham 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 Rockingham County can be divided into three categories: governmental, proprietary, 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*, which provides a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Rockingham 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.

*Proprietary Funds* – Rockingham 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. Rockingham County uses enterprise funds to account for its water and sewer activity and for its solid waste operations. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

*Fiduciary Funds* – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Rockingham County has two fiduciary funds which both are custodial funds. The fiduciary funds financial statements can be found beginning on page 29 of this report.

*Notes to the Financial Statements* – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 31 of this report.

*Supplementary Information* – The addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Rockingham County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 79 of this report.

## Government-Wide Financial Analysis

### Rockingham County's Net Position

Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 70,685,644	\$ 60,905,466	\$ 19,058,338	\$ 19,077,292	\$ 89,743,982	\$ 79,982,758
Capital assets	51,781,915	54,544,650	31,913,705	26,692,198	83,695,620	81,236,848
Total assets	<u>122,467,559</u>	<u>115,450,116</u>	<u>50,972,043</u>	<u>45,769,490</u>	<u>173,439,602</u>	<u>161,219,606</u>
Deferred outflows of resources	<u>24,469,582</u>	<u>13,124,238</u>	<u>461,557</u>	<u>248,594</u>	<u>24,931,139</u>	<u>13,372,832</u>
Long-term liabilities outstanding	128,553,339	123,978,785	12,131,836	10,833,974	140,685,175	134,812,759
Other liabilities	<u>13,529,350</u>	<u>5,904,801</u>	<u>4,045,107</u>	<u>3,835,441</u>	<u>17,574,457</u>	<u>9,740,242</u>
Total liabilities	<u>142,082,689</u>	<u>129,883,586</u>	<u>16,176,943</u>	<u>14,669,415</u>	<u>158,259,632</u>	<u>144,553,001</u>
Deferred inflows of resources	<u>13,355,861</u>	<u>17,559,926</u>	<u>257,565</u>	<u>367,700</u>	<u>13,613,426</u>	<u>17,927,626</u>
Net position:						
Investment in capital assets	18,401,032	18,458,285	29,724,007	23,820,086	48,125,039	42,278,371
Restricted	13,928,576	15,097,269	-	-	13,928,576	15,097,269
Unrestricted	<u>(40,831,017)</u>	<u>(52,424,712)</u>	<u>5,275,085</u>	<u>7,160,883</u>	<u>(35,555,932)</u>	<u>(45,263,829)</u>
Total net position	<u>\$ (8,501,409)</u>	<u>\$ (18,869,158)</u>	<u>\$ 34,999,092</u>	<u>\$ 30,980,969</u>	<u>\$ 26,497,683</u>	<u>\$ 12,111,811</u>

Net position may serve over time as one useful indicator of a government's financial condition as shown in Figure 2. The assets and deferred outflows of resources of Rockingham County was greater than liabilities and deferred inflows of resources by \$26,497,683 as of June 30, 2021. Net position for the County is reported in three categories: net invested in capital assets of \$48,125,039, restricted assets of \$13,928,576, and unrestricted assets of (\$35,555,932).

The largest portion reflects the County's investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt still outstanding that was issued to acquire those items. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Rockingham 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.

The restricted portion of the County's net position represents resources that are subject to external restrictions on how they may be used. The other category of net position is unrestricted net position. At June 30, 2021, the net deficit is comprised of the portion of the County's outstanding debt incurred for the school system within the governmental activities. Under North Carolina law, the County is responsible for providing capital funding for the school system. The County has chosen to meet its legal obligation to provide the school system capital funding by using a mixture of County funds and installment financings. The assets funded by the County, however, are titled to and



utilized by the school system. Since the County, as the issuing government, acquires no assets, the County has incurred a liability without a corresponding increase in assets.

The breakdown of the unrestricted portion of the net position is defined as follows:

School system debt	\$(10,499,673)
OPEB	(70,644,228)
All other	<u>45,587,969</u>
Total unrestricted (deficit)	<u>\$(35,555,932)</u>

The amount reported in the total unrestricted category decreased from \$(45,263,829) as of June 30, 2020 to \$(35,555,932) as of June 30, 2021.

As noted earlier, the County's net position increased by \$14,385,872 during the current fiscal year with \$14,113,416 attributed to current year activity and \$272,456 due to implementation of GASB 84, Fiduciary Activities, which created new special revenue funds that were previously reported as agency funds.

Items that have contributed positively to the unrestricted governmental net position include:

- Continued diligence in the collection of property taxes resulting in a tax collection rate of 98.55%, which is slightly lower than the statewide average of 98.83% and slightly higher than the population grouping average of 98.11%.
- Unprecedented growth in sales tax revenue during the COVID19 pandemic.
- Grants awarded to cover increased costs of new activities required to address the COVID19 pandemic.
- Continued decrease in outstanding principal balance of long-term debt.
- Grants awarded that covered a significant portion of large water and wastewater projects.
- Management's proactive stance on monitoring spending across County departments to ensure compliance with the budget.

## Rockingham County Changes in Net Position

**Figure 3**

	Governmental		Business-Type		Total	
	Activities		Activities			
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 12,688,928	\$ 10,381,071	\$ 5,727,700	\$ 5,596,981	\$ 18,416,628	\$15,978,052
Operating grants and contributions	16,208,712	14,299,664	5,872,043	186,531	22,080,755	14,486,195
Capital grants and contributions	1,355,916	3,401,884	-	-	1,355,916	3,401,884
General revenues:						
Property taxes	58,036,916	58,107,855	-	-	58,036,916	58,107,855
Other taxes	19,561,689	16,792,667	-	-	19,561,689	16,792,667
Other	1,238,658	1,267,679	123,682	318,701	1,362,340	1,586,380
Total revenues	<u>109,090,819</u>	<u>104,250,820</u>	<u>11,723,425</u>	<u>6,102,213</u>	<u>120,814,244</u>	<u>110,353,033</u>
Expenses:						
General government	12,971,752	12,433,484	-	-	12,971,752	12,433,484
Public safety	30,681,997	29,925,615	-	-	30,681,997	29,925,615
Economic and physical development	2,772,832	4,022,835	-	-	2,772,832	4,022,835
Human services	23,325,654	22,214,091	-	-	23,325,654	22,214,091
Cultural and recreation	2,063,609	2,078,207	-	-	2,063,609	2,078,207
Education	24,919,207	22,419,637	-	-	24,919,207	22,419,637
Interest on long-term debt	2,097,063	2,008,408	-	-	2,097,063	2,008,408
Landfill	-	-	6,086,736	8,224,349	6,086,736	8,224,349
Water and sewer	-	-	1,781,979	1,551,290	1,781,979	1,551,290
Total expenses	<u>98,832,113</u>	<u>95,102,277</u>	<u>7,868,715</u>	<u>9,775,639</u>	<u>106,700,828</u>	<u>104,877,916</u>
Increase in net position before transfers	10,258,706	9,148,543	3,854,710	(3,673,426)	14,113,416	5,475,117
Transfers	<u>(163,413)</u>	<u>(1,232,304)</u>	<u>163,413</u>	<u>1,232,304</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	10,095,293	7,916,239	4,018,123	(2,441,122)	14,113,416	5,475,117
Net position, beginning	<u>(18,869,158)</u>	<u>(26,785,397)</u>	<u>30,980,969</u>	<u>33,422,091</u>	<u>12,111,811</u>	<u>6,636,694</u>
Restatement	<u>272,456</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>272,456</u>	<u>-</u>
restated	(18,596,702)	(26,785,397)	30,980,969	33,422,091	12,384,267	6,636,694
Net position, June 30	<u>\$ (8,501,409)</u>	<u>\$ (18,869,158)</u>	<u>\$34,999,092</u>	<u>\$30,980,969</u>	<u>\$ 26,497,683</u>	<u>\$12,111,811</u>

**Governmental Activities.** Governmental activities increased net position by \$10,095,293. Additionally, there was \$272,456 a restatement increasing net position due to a change in accounting principle. Primary elements of this increase are an increase in ad valorem tax revenue due to higher taxable property values than projected, sales tax revenues higher than projected, and reduction in long-term debt outstanding.

**Business-Type Activities.** Business-type activities increased Rockingham County's net position by \$4,018,123, consisting of increase of \$4,180,522 in the Water Fund, \$1,274,214 increase in the Sewer Fund, and \$1,436,613 decrease in the Landfill Fund, respectively. The increase in Water Fund and Sewer Fund is due to the addition of fixed assets from water and wastewater projects funded by grant awards. The reduction in the Landfill Fund is mainly due to the increase in accrued closure and post-closure care costs and depreciation of the active landfill cells that is based on consumed capacity each year.

### ***Financial Analysis of the County's Funds***

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

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

*General Fund* - The General Fund is the chief operating fund of Rockingham County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$26,118,509, while total fund balance reached \$44,603,961. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 28% of total General Fund expenditures, while total fund balance represents 48% of that same amount.

Unassigned fund balance represents the portion of fund balance that has not been assigned to another fund or is not restricted, committed, or assigned for specific purposes within the General Fund. The total fund balance of the General Fund was \$44,603,961 and subtracting the long-term receivables of \$379,089 and State statute stabilization of \$5,239,415 leaves an available fund balance of \$38,985,457. Assigned fund balance in the General Fund totals \$7,572,498 for subsequent year's expenditures.

The Debt Service Fund increased \$52,860 and at the end of the year had a total fund balance of \$133,951. Capital Reserve Fund net change in fund balance was an increase of \$5,893,286 resulting in a fund balance of \$9,361,092 at year end. Additionally, the net change in fund balance for special revenue funds was an increase of \$109,853 and a prior period restatement (change in accounting principle) of \$393,563 resulting in a fund balance of \$2,303,063. The primary special revenue funds are the fire districts (\$973,557), the emergency telephone fund (\$547,183), and the Vera Holland Stoneville Library Fund (\$383,035).

At June 30, 2021, the governmental funds of Rockingham County reported a combined fund balance of \$56,624,785, an increase over last year of \$9,010,377. Additionally, there was a restatement for governmental funds in the amount of \$272,456, due to change in accounting principle that resulted in an increase in the governmental funds net position.

**Proprietary Funds.** Rockingham 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 Landfill Fund at the end of the fiscal year amounted to \$4,086,460, the Water Fund equaled \$715,717, and the Sewer Fund equaled \$472,908. The total change in net position for each fund was \$(1,436,613) - Landfill, \$4,180,522 - Water, and \$1,274,214 - Sewer, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of Rockingham County's business-type activities.

**General Fund Budgetary Highlights.** During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 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 \$5,016,602, or 5.6%. The majority of the amendments were due to additional federal and State grants.

The actual operating revenues of the General Fund were less than final budgeted amounts by \$229,185. As discussed in the financial highlights section of this document, additional revenues were collected in COVID 19 monies, ad valorem, and the additional quarter cent sales tax during the fiscal year. Actual operating expenditures for the General Fund were \$18,484,924 less (18.03% less) than the final amount budgeted for 2020/21 fiscal year.

### ***Capital Asset and Debt Administration***

**Capital Assets.** Rockingham County's investment in capital assets for its governmental and business-type activities as of June 30, 2021, totals \$83,695,620 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment and vehicles.

Major capital asset transactions during the year include:

- TRS System Bethany Tank
- GPS Compactor Software Management System
- 2022 Mack Roll off Truck
- COVID 19 Ionization System & Updated Boardroom Audio & Tech. System
- Animal Shelter Floor Resurfacing
- New Water Tank and Wastewater Infrastructure in progress at South Rockingham Industrial Park

- Waterline Extension projects in progress for new housing developments
- Waterline Extension Goldhill Road
- 2 Zoll X-Series Monitors/Defibrillators
- Continued Information Services Core Infrastructure Replacement
- Purchase of 1 new ambulance, 1 remount ambulance, and 2 new stretchers
- Purchase of 7 vehicles for the Sheriff Department

### Rockingham County's Capital Assets

Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 2,611,803	\$ 2,611,803	\$ 898,015	\$ 898,015	\$ 3,509,818	\$ 3,509,818
Buildings and system	44,645,223	46,708,063	19,951,794	20,816,616	64,597,017	67,524,679
Vehicles and equipment	4,388,589	5,144,495	3,110,543	3,124,374	7,499,132	8,268,869
Construction in progress	<u>136,300</u>	<u>80,289</u>	<u>7,953,353</u>	<u>1,853,192</u>	<u>8,089,653</u>	<u>1,933,481</u>
Total	<u>\$ 51,781,915</u>	<u>\$ 54,544,650</u>	<u>\$ 31,913,705</u>	<u>\$ 26,692,197</u>	<u>\$ 83,695,620</u>	<u>\$ 81,236,847</u>

Additional information on the County's capital assets can be found in Note II of the basic financial statements.

**Long-Term Debt.** As of June 30, 2021, Rockingham County had no bonded debt outstanding. The County had installment purchase debt of \$13,543,004 and limited obligation refunding bonds of \$35,502,638 (including unamortized premium).

### Rockingham County's Outstanding Debt

Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Bonds	\$ 35,222,659	\$ 39,407,552	\$ 279,979	\$ 385,838	\$ 35,502,638	\$ 39,793,390
Installment	11,214,800	12,569,768	2,328,204	2,639,992	13,543,004	15,209,760
Revolving loan	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 46,437,459</u>	<u>\$ 51,977,320</u>	<u>\$ 2,608,183</u>	<u>\$ 3,025,830</u>	<u>\$ 49,045,642</u>	<u>\$ 55,003,150</u>

Rockingham County's long-term debt decreased by \$5,957,508 during the past fiscal year mainly due to payments made on the existing debt.

As mentioned in the financial highlights section of this document, Rockingham County holds Aa2 rating from Moody's Investor Services and AA- from Standard and Poor's Corporation for the limited obligation bonds and the certificates of participation. The

county has no general obligation bonds issued. This bond rating is a clear indication of the sound financial condition of Rockingham County and 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% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Rockingham County is approximately \$580,800,848. The County has no bonds authorized, but unissued at June 30, 2021.

Additional information regarding Rockingham County's long-term debt can be found in Note II of the basic financial statements.

### ***Economic Factors***

The following key indicators reflect the economic conditions of the County:

- Personal income for the County was up to \$3,496,504.
- The annual labor force increased to 38,983, compared with 36,495 in 2020.
- The County's unemployment rate for 2021 was 8.4% compared to the 2020 year of 15.8%.

***Impact of Coronavirus on the County.*** During the fiscal year, the state and the nation were affected by the spread of a coronavirus. Recognizing the potential for a negative economic impact to revenues, the County made significant reductions to the recommended 2021 budget prior to adoption by the board. The reductions included the elimination of all non-critical capital outlay, a six-month delay in purchasing of approved capital items, and a suspension of merit increases to personnel. A mid-year cost of living adjustment (COLA) was included to replace the loss of merit; however, this was adopted contingent upon the financial status of the county mid-year and board approval after receiving the mid-year financial report. The county did not experience any delay in receiving tax and utility payments. The county experienced unprecedented growth of 16.6% in sales tax revenue, which is attributed to the increase in on-line shopping that shifted more consumer spending dollars to the county from neighboring metropolitan counties.

The overall growth in revenues, the reduction in spending, along with various grant funding received that assisted with the costs incurred on activities and initiatives required to address the pandemic needs of the community enabled the county to remain financially stable through the pandemic.

### ***Budget Highlights for the Fiscal Year Ending June 30, 2022***

**Governmental Activities.** The Board approved a General Fund budget of \$98,535,486 for the fiscal year ending June 30, 2022, an increase of \$5,670,658 from the current year. The operating property tax rate is \$.64 per \$100 assessed value. The County increased the capital improvement tax rate of \$.0477 per \$100, implemented during the 2006/07 budget year, to \$0.055 per \$100. The increase in the capital improvement tax rate will

fund the 5-Year Capital Improvement Plan adopted by the Board in June 2021. The budget reflects a hold-the-line approach for all County departments.

Priorities for the 2021/22 budget year are to maintain the current tax rate, beginning the implementation of the Capital Improvement Plan, and continuing to set aside funds in preparation for future building renovation or construction.

**Business-Type Activities.** The water and sewer funds did not budget increases in the fees charged for the 2021/22 fiscal year. The Landfill Fund budgeted for a 2022 Ford F-750 Diesel Water Truck to replace their current water truck with several mechanical issues so that they can better control the dust at the landfill. Additionally, the Landfill Fund purchased a UTV Diesel Bobcat. Both the Water Fund and the Sewer Fund continue to be subsidized by the General Fund; however, the amount of the subsidy continues to decline each year as the systems expand with grant revenues funding projects that will allow new customer connections in planned housing developments that are under construction, as well as new corporate customers in the South Rockingham Industrial Park.

### ***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 report information or requests for additional information should be directed to the Director of Finance, Rockingham County, Post Office Box 41, Wentworth, NC 27375, or at the Rockingham County website [www.rockingham.nc.us](http://www.rockingham.nc.us).

## ROCKINGHAM COUNTY, NORTH CAROLINA

## STATEMENT OF NET POSITION

JUNE 30, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total Primary Government	Airport Authority	Tourism Development Authority
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	\$ 50,857,836	\$ 14,629,712	\$ 65,487,548	\$ 373,973	\$ 358,171
Taxes receivable, net	1,445,208	-	1,445,208	-	-
Accounts receivable, net	8,385,228	1,588,658	9,973,886	5,350	25,361
Notes receivable	379,089	-	379,089	-	-
Inventory	-	-	-	42,617	-
Prepaid expenses	-	-	-	1,080	-
Restricted cash and cash equivalents	840,250	418,485	1,258,735	627,106	-
Restricted accounts receivable, net	-	-	-	102,759	-
Total current assets	61,907,611	16,636,855	78,544,466	1,152,885	383,532
<b>Non-current Assets:</b>					
Investments	8,598,225	2,421,483	11,019,708	-	-
Net pension asset - Register of Deeds	179,808	-	179,808	-	-
<b>Capital Assets:</b>					
Land and construction in progress	2,748,103	8,851,368	11,599,471	7,969,021	-
Other capital assets, net of depreciation	49,033,812	23,062,337	72,096,149	4,970,894	-
Total non-current assets	60,559,948	34,335,188	94,895,136	12,939,915	-
Total assets	122,467,559	50,972,043	173,439,602	14,092,800	383,532
<b>Deferred Outflows of Resources</b>					
Deferred charges on refunding	2,556,903	-	2,556,903	-	-
Pension deferrals - LGERS	7,269,524	188,694	7,458,218	-	-
Pension deferrals - LEOSSA	538,724	-	538,724	-	-
Pension deferrals - ROD	16,031	-	16,031	-	-
OPEB Deferrals	14,088,400	272,863	14,361,263	-	-
Total deferred outflows	24,469,582	461,557	24,931,139	-	-
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
Accounts payable and accrued liabilities	5,961,780	1,494,757	7,456,537	106,921	1,753
Accrued interest	457,902	4,672	462,574	-	-
Unearned revenues	9,477	2,083,429	2,092,906	637,472	-
Current portion of long-term liabilities	7,100,192	462,249	7,562,441	33,624	-
Total current liabilities	13,529,351	4,045,107	17,574,458	778,017	1,753
<b>Long-Term Liabilities:</b>					
Net pension liability - LGERS	13,338,567	346,225	13,684,792	-	-
Total pension liability - LEOSSA	4,473,684	-	4,473,684	-	-
Total OPEB liability	69,188,957	1,455,271	70,644,228	-	-
Long-term liabilities due in more than one year	41,552,131	10,330,340	51,882,471	392,053	-
Total long-term liabilities	128,553,339	12,131,836	140,685,175	392,053	-
Total liabilities	142,082,690	16,176,943	158,259,633	1,170,070	1,753

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



## ROCKINGHAM COUNTY, NORTH CAROLINA

## STATEMENT OF NET POSITION

JUNE 30, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total Primary Government	Airport Authority	Tourism Development Authority
<b>Deferred Inflows of Resources</b>					
Pension deferrals - LGERS	364,470	9,461	373,931	-	-
Pension deferrals - LEOSA	83,486	-	83,486	-	-
Pension deferrals - ROD	21,186	-	21,186	-	-
OPEB Deferrals	12,810,018	248,104	13,058,122	-	-
Prepaid taxes	76,701	-	76,701	-	-
Total deferred inflows	13,355,861	257,565	13,613,426	-	-
<b>Net Position:</b>					
Net investment in capital assets	18,401,032	29,724,007	48,125,039	-	-
Restricted for:					
Stabilization by State statute	6,195,901	-	6,195,901	-	-
Register of Deeds	131,771	-	131,771	-	-
Register of Deeds' pension plan	179,808	-	179,808	-	-
Sheriff	29,344	-	29,344	-	-
Fire protection	973,557	-	973,557	-	-
Emergency Telephone System Fund (NC 911)	547,183	-	547,183	-	-
Library	383,035	-	383,035	-	-
Vera Holland Center	115,343	-	115,343	-	-
Economic and physical development	7,878	-	7,878	-	-
Representative Payee	152,508	-	152,508	-	-
LEO Separation allowance	452,433	-	452,433	-	-
Debt service	86,762	-	86,762	-	-
Public health	4,680,902	-	4,680,902	-	-
Airport Authority	-	-	-	12,922,730	-
Tourism promotion	-	-	-	-	381,779
Unrestricted	(43,926,365)	5,275,085	(38,651,280)	-	-
Total net position (deficit)	<u>\$ (8,501,410)</u>	<u>\$ 34,999,092</u>	<u>\$ 26,497,682</u>	<u>\$ 12,922,730</u>	<u>\$ 381,779</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

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

Functions/Programs:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General government	\$ 12,971,752	\$ 5,168,191	\$ 719,399	\$ 90,333
Public safety	30,681,997	5,308,528	2,546,590	-
Economic and physical development	2,772,832	56,334	170,259	509,000
Human services	23,325,654	1,855,462	12,586,551	-
Cultural and recreational	2,063,609	70,017	185,913	-
Education	24,919,207	230,396	-	756,583
Debt service - interest and fees	2,097,063	-	-	-
Total governmental activities	<u>98,832,113</u>	<u>12,688,928</u>	<u>16,208,712</u>	<u>1,355,916</u>
<b>Business-Type Activities:</b>				
Water	854,661	624,505	4,804,727	-
Sewer	927,318	573,035	1,060,512	-
Landfill	6,086,736	4,530,160	6,804	-
Total business-type activities	<u>7,868,715</u>	<u>5,727,700</u>	<u>5,872,043</u>	<u>-</u>
Total primary government	<u>\$ 106,700,828</u>	<u>\$ 18,416,628</u>	<u>\$ 22,080,755</u>	<u>\$ 1,355,916</u>
<b>Component Units:</b>				
Airport Authority	\$ 586,159	\$ 345,514	\$ 70,000	\$ 316,999
Tourism Development Authority	323,959	-	18,000	-
Total component units	<u>\$ 910,118</u>	<u>\$ 345,514</u>	<u>\$ 88,000</u>	<u>\$ 316,999</u>

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

## ROCKINGHAM COUNTY, NORTH CAROLINA

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

Functions/Programs:	Net (Expense) Revenue and Changes in Net Position			Component Units	
	Primary Government			Airport Authority	Tourism Development Authority
	Governmental Activities	Business-Type Activities	Total Primary Government		
<b>Primary Government:</b>					
<b>Governmental Activities:</b>					
General government	\$ (6,993,829)	\$ -	\$ (6,993,829)	\$ -	\$ -
Public safety	(22,826,879)	-	(22,826,879)	-	-
Economic and physical development	(2,037,239)	-	(2,037,239)	-	-
Human services	(8,883,641)	-	(8,883,641)	-	-
Cultural and recreational	(1,807,679)	-	(1,807,679)	-	-
Education	(23,932,228)	-	(23,932,228)	-	-
Debt service - interest and fees	(2,097,063)	-	(2,097,063)	-	-
Total governmental activities	(68,578,557)	-	(68,578,557)	-	-
<b>Business-Type Activities:</b>					
Water	-	4,574,571	4,574,571	-	-
Sewer	-	706,229	706,229	-	-
Landfill	-	(1,549,772)	(1,549,772)	-	-
Total business-type activities	-	3,731,028	3,731,028	-	-
Total primary government	(68,578,557)	3,731,028	(64,847,529)	-	-
<b>Component Units:</b>					
Airport Authority	-	-	-	146,354	-
Tourism Development Authority	-	-	-	-	(305,959)
Total component units	-	-	-	146,354	(305,959)
<b>General Revenues:</b>					
Taxes:					
Ad valorem taxes	58,036,916	-	58,036,916	-	-
Sales tax	19,561,689	-	19,561,689	-	-
Other taxes and licenses	47,445	-	47,445	-	371,506
Unrestricted intergovernmental	943,822	-	943,822	-	-
Miscellaneous	444,689	3,440	448,129	-	-
Gain (loss) on disposal of assets	(203,200)	78,320	(124,880)	-	-
Investment earnings	5,902	41,922	47,824	1,604	638
Total general revenues	78,837,263	123,682	78,960,945	1,604	372,144
Transfers	(163,413)	163,413	-	-	-
Total general revenues and transfers	78,673,850	287,095	78,960,945	1,604	372,144
Change in net position	10,095,293	4,018,123	14,113,416	147,958	66,185
<b>Net Position:</b>					
Beginning of year - July 1	(18,869,158)	30,980,969	12,111,811	13,031,126	315,594
Restatement	272,455	-	272,455	(256,354)	-
Beginning of year, as restated - July 1	(18,596,703)	30,980,969	12,384,266	12,774,772	315,594
End of year - June 30	\$ (8,501,410)	\$ 34,999,092	\$ 26,497,682	\$ 12,922,730	\$ 381,779

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

## ROCKINGHAM COUNTY, NORTH CAROLINA

## BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2021

	General Fund	Debt Service Fund	Capital Reserve Fund	Nonmajor Governmental Funds	Total
<b>Assets:</b>					
Cash and cash equivalents	\$ 34,920,369	\$ 133,951	8,510,742	\$ 3,020,153	\$ 46,585,215
Investments	7,671,009	-	-	102,055	7,773,064
Taxes receivable, net	1,339,113	-	-	106,095	1,445,208
Accounts receivable, net	7,102,046	-	850,350	93,389	8,045,785
Notes receivable	379,089	-	-	-	379,089
Restricted cash and cash equivalents	840,250	-	-	-	840,250
Total assets	<u>\$ 52,251,876</u>	<u>\$ 133,951</u>	<u>\$ 9,361,092</u>	<u>\$ 3,321,692</u>	<u>\$ 65,068,611</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	\$ 4,435,066	\$ -	\$ -	\$ 194,715	\$ 4,629,781
Unearned revenues	9,477	-	-	-	9,477
Total liabilities	<u>4,444,543</u>	<u>-</u>	<u>-</u>	<u>194,715</u>	<u>4,639,258</u>
<b>Deferred Inflows of Resources</b>	<u>3,203,372</u>	<u>-</u>	<u>-</u>	<u>601,197</u>	<u>3,804,569</u>
<b>Fund Balances:</b>					
Non-spendable, not in spendable form:					
Notes receivable	379,089	-	-	-	379,089
Restricted:					
Stabilization by State statute	5,247,264	-	850,350	98,287	6,195,901
Restricted, all other	5,294,450	86,762	3,087,498	2,179,504	10,648,214
Committed	-	-	5,150,000	222,718	5,372,718
Assigned	7,572,498	47,189	-	-	7,619,687
Unassigned	26,110,660	-	273,244	25,271	26,409,175
Total fund balances	<u>44,603,961</u>	<u>133,951</u>	<u>9,361,092</u>	<u>2,525,780</u>	<u>56,624,784</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 52,251,876</u>	<u>\$ 133,951</u>	<u>\$ 9,361,092</u>	<u>\$ 3,321,692</u>	<u>\$ 65,068,611</u>

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

# **ROCKINGHAM COUNTY, NORTH CAROLINA**

## **RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**

**June 30, 2021**

Ending fund balance for Governmental Funds	\$ 56,624,784
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	51,781,915
Net pension asset - ROD	179,808
Net pension liability - LGERS	(13,338,567)
Total pension liability - LEOSSA	(4,473,684)
Total OPEB liability	(69,188,957)
Deferred outflows related to pensions	7,824,279
Deferred inflows related to pensions	(469,142)
Deferred outflows related to pensions	14,088,400
Deferred inflows related to pensions	(12,810,018)
Accrued interest on debt is not due and payable in the current period and, therefore, is not reported in the funds.	(457,902)
Long-term liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(48,652,323)
Charges related to advance refunding bond issue	2,556,903
Deferred inflows - other	3,727,868
Internal service funds are used by management to charge insurance costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.	<u>4,105,226</u>
Net position of governmental activities per Exhibit A	<u><u>\$ (8,501,410)</u></u>

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

## ROCKINGHAM COUNTY, NORTH CAROLINA

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

	General Fund	Debt Service Fund	Capital Reserve Fund	Nonmajor Governmental Funds	Total
<b>Revenues:</b>					
Ad valorem taxes	\$ 55,196,121	\$ -	\$ -	\$ 4,555,051	\$ 59,751,172
Other taxes and licenses	15,252,965	-	4,741,587	-	19,994,552
Unrestricted intergovernmental	250,654	-	-	-	250,654
Restricted intergovernmental	14,614,957	-	756,583	2,856,353	18,227,893
Permits and fees	1,285,993	-	-	453,677	1,739,670
Sales and services	6,853,926	-	-	230,396	7,084,322
Investment earnings	(23,664)	512	9,549	3,841	(9,762)
Miscellaneous	1,325,699	89,867	-	26,732	1,442,298
Total revenues	<u>94,756,651</u>	<u>90,379</u>	<u>5,507,719</u>	<u>8,126,050</u>	<u>108,480,799</u>
<b>Expenditures:</b>					
Current:					
General government	11,604,167	-	-	467,492	12,071,659
Public safety	21,965,126	-	-	6,581,825	28,546,951
Economic and physical development	2,491,029	-	-	88,852	2,579,881
Human services	21,057,948	-	-	644,561	21,702,509
Cultural and recreational	1,903,124	-	-	16,886	1,920,010
Education	22,954,775	-	-	230,396	23,185,171
Capital outlay	2,049,635	-	-	-	2,049,635
Debt service:					
Principal	-	8,523,657	-	-	8,523,657
Interest and fees	-	2,027,546	-	-	2,027,546
Total expenditures	<u>84,025,804</u>	<u>10,551,203</u>	<u>-</u>	<u>8,030,012</u>	<u>102,607,019</u>
Revenues over (under) expenditures	<u>10,730,847</u>	<u>(10,460,824)</u>	<u>5,507,719</u>	<u>96,038</u>	<u>5,873,780</u>
<b>Other Financing Sources (Uses):</b>					
Long-term debt issued	-	3,368,000	-	-	3,368,000
Transfers in	1,575,474	7,145,684	8,358,588	-	17,079,746
Transfers out	(9,338,128)	-	(7,973,021)	-	(17,311,149)
Total other financing sources (uses)	<u>(7,762,654)</u>	<u>10,513,684</u>	<u>385,567</u>	<u>-</u>	<u>3,136,597</u>
Net change in fund balances	<u>2,968,193</u>	<u>52,860</u>	<u>5,893,286</u>	<u>96,038</u>	<u>9,010,377</u>
<b>Fund Balances:</b>					
Beginning of year - July 1	41,635,768	81,091	3,467,806	2,157,287	47,341,952
Restatement	-	-	-	272,455	272,455
Beginning of year - July 1, as restated	<u>41,635,768</u>	<u>81,091</u>	<u>3,467,806</u>	<u>2,429,742</u>	<u>47,614,407</u>
End of year - June 30	<u>\$ 44,603,961</u>	<u>\$ 133,951</u>	<u>\$ 9,361,092</u>	<u>\$ 2,525,780</u>	<u>\$ 56,624,784</u>

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

# **ROCKINGHAM COUNTY, NORTH CAROLINA**

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

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

Net change in fund balances - total governmental funds	\$ 9,010,377
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.	2,024,141
Depreciation expense allocates the costs of capital assets over their estimated useful lives. It is not reported as an expenditure in the governmental funds statement.	(4,583,676)
The sale/disposal of capital assets is reported as a revenue in the governmental funds statement without subtracting the net book value of the capital asset sold.	(203,200)
The net of vacation leave earned and used leave related to compensated absences that do not require current financial resources and are not reported in the fund statements	40,147
The net of contributions, benefit payments, and other expenses related to pensions and other post-employment benefits that do not require current financial resources and are not reported in the governmental funds statement.	(1,479,032)
The change in accrued interest on long-term debt reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported in the governmental funds.	127,168
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related accounts.	
Amortization of current year debt premium	384,204
Principal payments	8,523,657
Proceeds from issuance of debt	(3,368,000)
Deferred charge on refunding	(196,685)
Tax, ambulance, and other revenues in the fund statements that do not represent revenues earned in the current period are not recorded as revenues in the Statement of Activities.	797,556
The net revenue of certain activities of the Internal Service Fund is reported with governmental activities.	(981,364)
Change in net position of governmental activities	<u>\$ 10,095,293</u>

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

## ROCKINGHAM COUNTY, NORTH CAROLINA

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

	<b>Budgeted Amounts</b>			<b>Variance with</b>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Final Budget Over/Under</b>
<b>Revenues:</b>				
Ad valorem taxes	\$ 53,364,505	\$ 53,594,505	\$ 55,196,121	\$ 1,601,616
Other taxes and licenses	11,742,145	12,292,145	15,252,965	2,960,820
Unrestricted intergovernmental	262,000	262,000	250,654	(11,346)
Restricted intergovernmental	15,136,810	19,144,431	14,614,957	(4,529,474)
Permits and fees	995,100	995,400	1,285,993	290,593
Sales and services	7,122,588	7,132,049	6,853,926	(278,123)
Investment earnings	200,000	200,000	(23,664)	(223,664)
Miscellaneous	1,146,086	1,365,306	1,325,699	(39,607)
Total revenues	<u>89,969,234</u>	<u>94,985,836</u>	<u>94,756,651</u>	<u>(229,185)</u>
<b>Expenditures:</b>				
Current:				
General government	11,622,589	16,846,922	11,604,167	5,242,755
Public safety	24,410,073	23,990,567	21,965,126	2,025,441
Economic and physical development	2,246,597	4,110,134	2,491,029	1,619,105
Human services	24,669,296	27,495,540	21,057,948	6,437,592
Cultural and recreational	2,021,479	2,079,990	1,903,124	176,866
Education	20,960,929	24,785,223	22,954,775	1,830,448
Capital outlay	2,072,538	3,049,646	2,049,635	1,000,011
Contingency	250,000	152,706	-	152,706
Total expenditures	<u>88,253,501</u>	<u>102,510,728</u>	<u>84,025,804</u>	<u>18,484,924</u>
Revenues over (under) expenditures	<u>1,715,733</u>	<u>(7,524,892)</u>	<u>10,730,847</u>	<u>18,255,739</u>
<b>Other Financing Sources (Uses):</b>				
Transfers out	(4,611,327)	(9,512,058)	(9,338,128)	173,930
Transfers in	-	3,353,684	1,575,474	(1,778,210)
Appropriated fund balance	<u>2,895,594</u>	<u>13,683,266</u>	<u>-</u>	<u>(13,683,266)</u>
Total other financing sources (uses)	<u>(1,715,733)</u>	<u>7,524,892</u>	<u>(7,762,654)</u>	<u>(15,287,546)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>2,968,193</u>	<u>\$ 2,968,193</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>41,635,768</u>	
End of year - June 30			<u>\$ 44,603,961</u>	

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



## ROCKINGHAM COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2021

	Enterprise Funds				Internal Service Fund
	Water Fund	Sewer Fund	Landfill Fund	Total	
<b>Assets:</b>					
Current Assets:					
Cash and cash equivalents	\$ 3,341,270	\$ -	\$ 11,288,442	\$ 14,629,712	\$ 4,272,621
Accounts receivable, net	127,725	1,113,897	347,036	1,588,658	339,443
Restricted cash and cash equivalents	418,485	-	-	418,485	-
Total current assets	3,887,480	1,113,897	11,635,478	16,636,855	4,612,064
Non-current Assets:					
Investments	-	-	2,421,483	2,421,483	825,161
Land and construction in progress	5,602,746	2,131,331	1,117,291	8,851,368	-
Capital assets, net of depreciation	10,900,254	5,540,019	6,622,064	23,062,337	-
Total non-current assets	16,503,000	7,671,350	10,160,838	34,335,188	825,161
Total assets	20,390,480	8,785,247	21,796,316	50,972,043	5,437,225
<b>Deferred Outflows of Resources</b>					
Pension deferrals - LGERS	10,442	9,696	168,556	188,694	-
OPEB deferrals	15,797	14,361	242,705	272,863	-
Total deferred outflows	26,239	24,057	411,261	461,557	-
<b>Liabilities, Deferred Inflows of Resources, and Net Position:</b>					
<b>Liabilities:</b>					
Current Liabilities:					
Accounts payable and accrued liabilities	553,606	524,889	416,262	1,494,757	1,331,999
Accrued interest	4,672	-	-	4,672	-
Deferred revenue	2,080,899	2,530	-	2,083,429	-
Current portion of accrued vacation	244	244	27,755	28,243	-
Current portion of long-term debt	281,767	152,239	-	434,006	-
Total current liabilities	2,921,188	679,902	444,017	4,045,107	1,331,999
Non-current Liabilities:					
Net pension liability	19,159	17,790	309,276	346,225	-
Accrued landfill closure and post-closure care costs	-	-	8,146,746	8,146,746	-
Total OPEB Liability	105,966	105,966	1,243,339	1,455,271	-
Non-current portion of accrued vacation	82	82	9,251	9,415	-
Non-current portion of long-term debt	1,507,909	666,270	-	2,174,179	-
Total non-current liabilities	1,633,116	790,108	9,708,612	12,131,836	-
Total liabilities	4,554,304	1,470,010	10,152,629	16,176,943	1,331,999
<b>Deferred Inflows of Resources</b>					
Pension deferrals - LGERS	524	486	8,451	9,461	-
OPEB deferrals	14,364	13,058	220,682	248,104	-
Total deferred inflows	14,888	13,544	229,133	257,565	-
<b>Net Position:</b>					
Net investment in capital assets	15,131,810	6,852,842	7,739,355	29,724,007	-
Unrestricted net position	715,717	472,908	4,086,460	5,275,085	4,105,226
Total net position	\$ 15,847,527	\$ 7,325,750	\$ 11,825,815	\$ 34,999,092	\$ 4,105,226

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

## ROCKINGHAM COUNTY, NORTH CAROLINA

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

	Enterprise Funds				Internal Service Fund
	Water Fund	Sewer Fund	Landfill Fund	Total	
<b>Operating Revenues:</b>					
Charges for services	\$ 571,700	\$ 573,035	\$ 4,459,045	\$ 5,603,780	\$ 10,714,101
Other operating revenue	52,805	-	71,115	123,920	1,270,784
Total operating revenues	624,505	573,035	4,530,160	5,727,700	11,984,885
<b>Operating Expenses:</b>					
Personnel expenses	29,876	25,315	935,315	990,506	-
Operating expenses	206,038	423,950	1,253,744	1,883,732	-
Professional expenses	27,422	27,409	443,958	498,789	-
Supplies	2,729	6,281	186,887	195,897	-
Closure and post-closure care cost	-	-	1,908,076	1,908,076	-
Insurance claims and expenses	124,514	147,579	-	272,093	13,049,902
Depreciation	404,050	272,169	1,080,637	1,756,856	-
Administrative	-	-	278,119	278,119	-
Total operating expenses	794,629	902,703	6,086,736	7,784,068	13,049,902
Operating income (loss)	(170,124)	(329,668)	(1,556,576)	(2,056,368)	(1,065,017)
<b>Non-Operating Revenues (Expenses):</b>					
Government grants	4,804,727	1,060,512	6,804	5,872,043	-
Investment earnings	7,082	1	34,839	41,922	15,664
Gain on disposal of capital assets	-	-	78,320	78,320	-
Interest and fees	(60,032)	(24,615)	-	(84,647)	-
Other	2,683	757	-	3,440	-
Total non-operating revenues (expenses)	4,754,460	1,036,655	119,963	5,911,078	15,664
Income (loss) before transfers	4,584,336	706,987	(1,436,613)	3,854,710	(1,049,353)
Transfers in (out)	(403,814)	567,227	-	163,413	67,989
	(403,814)	567,227	-	163,413	67,989
Change in net position	4,180,522	1,274,214	(1,436,613)	4,018,123	(981,364)
<b>Net Position:</b>					
Beginning of year - July 1	11,667,005	6,051,536	13,262,428	30,980,969	5,086,590
End of year - June 30	\$ 15,847,527	\$ 7,325,750	\$ 11,825,815	\$ 34,999,092	\$ 4,105,226

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

## ROCKINGHAM COUNTY, NORTH CAROLINA

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Enterprise Funds				Internal Service Fund
	Water Fund	Sewer Fund	Landfill Fund	Total	
<b>Operating Activities:</b>					
Cash received from customers	577,753	\$ (515,925)	\$ 4,558,071	\$ 4,619,899	\$ -
Cash received from user departments	-	-	-	-	10,614,763
Other operating revenues (expenses)	55,488	757	71,115	127,360	1,270,784
Cash paid to suppliers for goods and services	(894,030)	(109,760)	(2,728,044)	(3,731,834)	(12,815,835)
Cash paid to employees for services	(53,985)	(49,955)	(939,984)	(1,043,924)	-
Closure and postclosure care cost	-	-	-	-	-
Net cash provided by (used for) operating activities	<u>(314,774)</u>	<u>(674,883)</u>	<u>961,158</u>	<u>(28,499)</u>	<u>(930,288)</u>
<b>Non-Capital Financing Activities:</b>					
Transfers in	(403,814)	567,227	-	163,413	67,989
Government grants	-	-	6,804	6,804	-
Net cash provided by (used for) non-capital financing activities	<u>(403,814)</u>	<u>567,227</u>	<u>6,804</u>	<u>170,217</u>	<u>67,989</u>
<b>Capital and Related Financing Activities:</b>					
Acquisition and construction of capital assets	(4,432,017)	(1,560,467)	(639,340)	(6,631,824)	-
Installment debt issued	982,800	277,200	-	1,260,000	-
Principal paid on bond maturities	(1,241,941)	(424,159)	-	(1,666,100)	-
Interest paid on bond maturities	(69,913)	(32,754)	-	(102,667)	-
Proceeds from sale of capital assets	-	-	88,878	88,878	-
Government grants	<u>4,804,727</u>	<u>1,060,512</u>	<u>-</u>	<u>5,865,239</u>	<u>-</u>
Net cash provided by (used for) capital and related financing activities	<u>43,656</u>	<u>(679,668)</u>	<u>(550,462)</u>	<u>(1,186,474)</u>	<u>-</u>
<b>Investing Activities:</b>					
Interest on investments	7,082	1	34,839	41,922	15,664
Sale of investments	-	-	-	-	241,954
Purchase of investments	-	-	(112,261)	(112,261)	(63,684)
Net cash provided by (used for) investing activities	<u>7,082</u>	<u>1</u>	<u>(77,422)</u>	<u>(70,339)</u>	<u>193,935</u>
Net increase (decrease) in cash and cash equivalent	(667,850)	(787,323)	340,078	(1,115,095)	(668,364)
<b>Cash and Cash Equivalents:</b>					
Beginning of year - July 1	<u>4,427,605</u>	<u>787,323</u>	<u>10,948,364</u>	<u>16,163,292</u>	<u>4,940,985</u>
End of year - June 30	<u>\$ 3,759,755</u>	<u>\$ -</u>	<u>\$ 11,288,442</u>	<u>\$ 15,048,197</u>	<u>\$ 4,272,621</u>

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

## ROCKINGHAM COUNTY, NORTH CAROLINA

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Enterprise Funds				Internal Service Fund
	Water Fund	Sewer Fund	Landfill Fund	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:					
Operating income (loss)	(167,441)	\$ (328,911)	\$ (1,556,576)	\$ (2,052,928)	\$ (1,065,017)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	404,050	272,169	1,080,636	1,756,855	-
Change in assets and liabilities:					
Accounts receivable	6,053	(1,088,960)	99,027	(983,880)	(101,640)
Accounts payable	(65,018)	492,929	(565,336)	(137,425)	236,369
Deferred revenue	(468,309)	2,530	-	(465,779)	-
Accrued closure and post-closure care costs	-	-	1,908,076	1,908,076	-
Deferred outflows	(8,565)	(6,383)	(198,015)	(212,963)	-
Net pension liability	(1,631)	(3,000)	55,416	50,785	-
Deferred inflows	(11,867)	(13,211)	(85,057)	(110,135)	-
Accrued vacation payable	(5,306)	(5,306)	6,713	(3,899)	-
Total OPEB liability	3,260	3,260	216,274	222,794	-
Total adjustments	(147,333)	(345,972)	2,517,734	2,024,429	134,729
Net cash provided by (used for) operating activities	\$ (314,774)	\$ (674,883)	\$ 961,158	\$ (28,499)	\$ (930,288)
Reconciliation of Cash & Cash Equivalents to the Statement of Net Position					
Cash and cash equivalents at end of year	\$ 3,759,755	\$ -	\$ 11,288,442	\$ 15,048,197	\$ 4,272,621
Cash and cash equivalents	\$ 3,341,270	\$ -	\$ 11,288,442	\$ 14,629,712	\$ 4,272,621
Restricted cash related to unspent bond proceeds	418,485	-	-	418,485	-
Total cash and investments at end of year	\$ 3,759,755	\$ -	\$ 11,288,442	\$ 15,048,197	\$ 4,272,621
Non-Cash Investing, Capital, and Financing Activities:					
Change in fair value of long-term investments	\$ -	\$ -	\$ 43,544	\$ 43,544	\$ -

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

## ROCKINGHAM COUNTY, NORTH CAROLINA

## STATEMENT OF FIDUCIARY NET POSITION

## FIDUCIARY FUNDS

JUNE 30, 2021

	<b>Custodial Funds</b>
<b>Assets:</b>	
Cash and cash equivalents	\$ 337,631
Property taxes receivable	<u>569,617</u>
<b>Total assets</b>	<u><u>907,248</u></u>
<b>Liabilities:</b>	
Accounts payable	<u>286,926</u>
<b>Total liabilities</b>	<u><u>286,926</u></u>
<b>Net Position:</b>	
Restricted for other governments and individuals	<u>620,322</u>
<b>Total net position</b>	<u><u>\$ 620,322</u></u>

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

# ROCKINGHAM COUNTY, NORTH CAROLINA

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

	<u>Custodial Funds</u>
<b>Additions:</b>	
Ad valorem taxes for other governments	\$ 19,565,804
Collections on behalf of inmates	<u>544,890</u>
	20,110,694
<b>Deductions:</b>	
Tax distributions to other governments	19,530,691
Payments on behalf of inmates	<u>537,438</u>
	20,068,129
Net increase (decrease) in net position	42,565
Net position, beginning, as previously reported	-
Prior period restatement - change in accounting principle	<u>577,757</u>
Net position, beginning, restated	<u>577,757</u>
Net position, ending	<u>\$ 620,322</u>

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

**ROCKINGHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**I. Summary of Significant Accounting Policies**

The accounting policies of Rockingham County, North Carolina (the “County”) and its discretely presented component units conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant accounting policies:

**A. Reporting Entity**

The County, which is governed by a five-member Board of Commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by accounting principles generally accepted in the United States of America, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable. The Government Accounting Standards Board (“GASB”) defines component units as legally separate organizations for which the elected officials of the primary government are financially accountable if it appoints a voting majority of the organization’s governing body and a) it is able to impose its will on that organization or b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens upon, the primary government.

This statement provides two methods for reporting component units in the financial statements of the primary government: discrete presentation and blending. Discrete presentation means that data will be presented in one or more separate columns to the right of the primary government data columns. Blending means that the component unit’s financial data is reported as though the unit is part of the primary government. If the units provide services or benefits exclusively, or almost exclusively, to the primary government, or if the component units and the primary government have “substantively identical boards,” the legally separate component units should be incorporated by blending. If the units do not meet these criteria, their data should be incorporated by discrete presentation.

Based on evaluating these characteristics, the following is a brief review of the component units in the County’s reporting entity:

**Discretely Presented Component Unit:**

**Rockingham County Airport Authority**

The Rockingham County Airport Authority (the “Airport Authority”) exists to provide airline services for the citizens of the County. The members of the Airport Authority’s governing board are appointed by the County Commissioners. The Airport Authority is financially dependent on the County to provide sufficient funds for operation.

Complete financial statements for the Airport Authority may be obtained from the entity’s administrative offices at Rockingham County Airport Authority, P.O. Box 12, Wentworth, North Carolina 27375.

**ROCKINGHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**Discretely Presented Component Unit, continued:**

**Rockingham County Tourism Development Authority**

The Rockingham County Tourism Development Authority (the "TDA") is a corporate body with powers outlined by the North Carolina General Statutes. The TDA's Board is appointed by the County Commissioners. The TDA is fiscally dependent on the County due to the County providing the administrative and finance functions relating to the TDA's operations. The TDA is funded via an occupancy tax levied pursuant to Session Law 105-164.4(a)(3) of the North Carolina General Assembly. The TDA is authorized to expend these funds to promote tourism in the County.

The TDA which has a June 30 year end and is presented as if it is a governmental fund (discrete presentation), has elected not to issue separate financial statements, but to include all relevant information required by generally accepted accounting principles as supplementary information in the County's Annual Financial Report.

**Rockingham County Industrial Facility and Pollution Control Financing Authority**

The Rockingham County Industrial Facility and Pollution Control Financing Authority (the "Authority") exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority is governed by a seven-member Board of Commissioners, all of whom are appointed by the County Commissioners. The County can remove any commissioner of the Authority with or without cause. The Authority had no financial transactions or account balances; therefore, it is not presented in the combined financial statements. The Authority does not issue separate financial statements.

**B. Basis of Presentation**

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

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



**ROCKINGHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

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

The County reports the following major governmental funds:

**General Fund.** The General Fund is the general operating fund of the County. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund.

**Debt Service Fund.** This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

The County reports the following nonmajor governmental funds:

**Special Revenue Funds.** Special revenue funds account for specific revenue sources that are legally restricted to expenditures for specified purposes. The County maintains eleven special revenue funds: Fire Districts Fund, Emergency Telephone System Fund, CDBG Grant Fund, Coronavirus Relief Fund, Vera Holland Stoneville Library Fund, Vera Holland Center Fund, Economic Development Projects Fund, Representative Payee Fund, Fines and Forfeitures Fund, Airport Capital Projects Fund and the Register of Deeds Fund.

**Capital Reserve Capital Project Fund.** This fund was established in accordance with North Carolina law to account for the accumulation of resources to be used for major capital purchases. These resources are transferred to other funds when needed.

**Enterprise Resource Planning/Document Imaging Project Fund (ERP).** This fund is used to account for purchasing, licensing and implementation of a new ERP system and document imaging system for finance, human resources, and community development.

The County reports all of its enterprise funds as major:

**Water Fund.** This fund is used to account for the operations of the County's water line system.

**Sewer Fund.** This fund is used to account for the operations of the County's sewer collection system and contracted sewer treatment services.

The County has four enterprise funds, the Water and Wastewater Infrastructure Project Fund, the Regional Water Fund, the South Rockingham Corporate Park Water & Wastewater Capital Projects Fund and the Hogans Creek Pump Project Fund, that are consolidated into the Water Fund and Sewer Fund for reporting purposes.

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**Landfill Fund.** This fund is used to account for the operations of the County's solid waste activities. County has one enterprise fund, the Landfill Expansion Project Fund, that is consolidated into the Landfill fund for reporting purposes.

The County reports the following fund types:

**Internal Service Funds.** Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County on a cost reimbursement basis. The County maintains four internal service funds: General Insurance Deductible Fund, Workman's Compensation Fund, Health Insurance Fund, and Cafeteria Plan Fund.

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

**C. Measurement Focus and Basis of Accounting**

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

**Government-Wide, Proprietary, and Fiduciary Fund Financial Statements.** The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for 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 non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services,

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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 the fiscal 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 are materially past due and are not considered to be an available resource to finance the operations of the current fiscal year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax collected and held by the State at fiscal 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 is both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

**D. Budgetary Data**

The County's budgets are adopted as required by North Carolina General Statutes. An annual budget is adopted for the General Fund, the Capital Reserve Capital Project Fund, the Fire Districts Special Revenue Fund, the Emergency Telephone System Special Revenue Fund, the Coronavirus Relief Special Revenue Fund, the Vera Holland Stoneville Library Special Revenue Fund, the Vera Holland Center Special Revenue Fund, the Representative Payee Special Revenue Fund, the Fines and Forfeitures Special Revenue Fund, the Register of Deeds Special Revenue Fund, the Debt Service Fund, the enterprise funds, and the internal service funds. All annual appropriations lapse at fiscal year-end. Project ordinances are adopted for the CDBG Grant Special Revenue Fund, Economic Development Projects Special Revenue

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Fund, the Airport Capital Projects Special Revenue Fund, and the capital projects funds except for the Capital Reserve Fund. The Enterprise Capital Project Fund is consolidated with the Water and Sewer Funds for reporting purposes.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds. Transfers of appropriations between funds may be made only by the Board. Transfers of appropriations between functional areas in a fund or from contingency shall be approved by the Board, but may be approved by the County Manager or Finance Officer if they are consistent with operational needs and any Board approved goals and do not exceed \$50,000. Transfers from contingency cannot exceed \$50,000, except this limit may be exceeded if the County Manager determines that an emergency exists. All such transfers approved by the County Manager or Finance Officer must be presented to the Board at its next regular meeting. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the Board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

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

**1. Deposits and Investments**

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

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

The County's and the TDA's investments are generally reported at fair value. The NCCMT Government Portfolio, a SEC-registered (2a-7) money market mutual fund, is measured at fair value. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

The County's investments with maturity of more than three months at acquisition and non-money market investments are carried at fair value as determined by quoted market prices

**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. The County and TDA considers demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

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**3. Restricted Assets**

Unexpended installment debt proceeds for the General Fund and governmental capital projects are classified as restricted assets within the applicable governmental funds because their use is completely restricted to the purpose for which the installment debt was originally issued. Consistent with a loan resolution with the USDA rural development, the County is required to fund and maintain a reserve account in the amount equal to one annual payment. These funds can be established as restricted cash for USDA reserve in annual deposits equal to ten percent of the annual payment until the reserve has an amount equal to one year's debt service. The unexpended debt proceeds for the Water Fund and Sewer Fund are classified as restricted assets because its use is completely restricted to the purpose for which the proceeds were originally issued.

Restricted cash at June 30, 2021, consisted of the following:

**Restricted Cash**

**Governmental Activities:**

General Fund	Grant funds	\$ 840,250
Total governmental activities		<u>840,250</u>

**Business-Type Activities:**

Water Fund	Grant funds	418,485
Total business-type activities		<u>418,485</u>

Total restricted cash		<u>\$ 1,258,735</u>
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**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 September 1 (lien date); however, penalties and interest do not accrue until the following January 6<sup>th</sup>. 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. Capital Assets**

Purchased or constructed assets are reported at historical cost. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. Minimum capitalization costs are \$2,500 for all asset categories. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The County's governmental activities do not report any infrastructure.

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The County holds title to certain Rockingham County Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit certificates of participation financing of acquisition and 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 Rockingham County Board of Education.

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

<u>Asset</u>	<u>Estimated Useful Lives</u>
Buildings and improvements	20-30 years
Vehicles	5 years
Equipment	7-15 years

In accordance with GASB 18, Accounting for Municipal Solidwaste Landfill Closure and Postclosure Care Cost, certain capital assets held by the Landfill fund are depreciated based on the consumption of the landfill as determined by an engineer. These assets will be fully depreciated by the date the landfill stops accepting solid waste.

**7. Deferred Inflows/Outflows of Resources**

In addition to assets, the Statement of Net 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 four items that meet this criteria – deferred charges on refunding, pension related deferrals, contributions made to the pension plan in the current fiscal year, and other post-employment benefit (OPEB) deferrals. In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has five items that meet the criteria for this category - prepaid taxes, taxes receivable, other receivables, other pension related deferrals, and other OPEB related deferrals.

**8. Long-Term Debt**

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

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reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

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

**9. 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 externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through State statute.

**Fund Balances**

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

The governmental fund types classify fund balances as follows:

**Non-Spendable Fund Balance**

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

*Long-Term Receivable* - portion of fund balance that is not an available resource because it represents the amount not expected to be converted to cash during the subsequent fiscal year.

**Restricted Fund Balance**

This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

*Stabilization by State Statute* - portion of fund balance that is not an available resource for appropriation in accordance with State law [G.S. 159-8(a)].

*Restricted for Register of Deeds* - portion of fund balance restricted by State statute for automation enhancement (software) improvements.

*Restricted for Register of Deeds' pension plan* - portion of fund balance that will be used for the Register of Deeds' pension obligations.

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*Restricted for Sheriff* - portion of fund balance restricted by revenue source for sheriff related activities.

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

*Restricted for Emergency Telephone System Fund (NC911)* - portion of fund balance restricted by revenue source for emergency telephone system (911) related activities.

*Restricted for Library* - portion of fund balance that will be used for the Vera Holland-Stoneville library.

*Restricted for Vera Holland Center* - portion of fund balance that will be used for the Vera Holland Center

*Restricted for Economic and Physical Development* - portion of fund balance restricted by revenue source for economic development incentives and projects.

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

*Restricted for Library* - portion of fund balance that will be used for the V. Holland-Stoneville library.

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

*Restricted for Capital Outlays* – portion of fund balance restricted by revenue source to be used for capital related purposes. Certain amounts presented in this category represent unspent debt proceeds. State law only permits the issuance of debt for capital related purposes.

*Restricted for Debt Services* - portion of fund balance that is restricted by loan resolution with the USDA for future debt service.

*Restricted for Public Health* - portion of fund balance restricted by revenue source for Public Health related programs and activities.

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



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<u>Purpose</u>	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Reserve Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>Restricted, all other:</b>					
Register of Deeds	\$ 131,771	\$ -	\$ -	\$ -	\$ 131,771
Sheriff	29,344	-	-	-	29,344
Fire protection	-	-	-	973,557	973,557
Emergency Telephone System Fund (NC911)	-	-	-	547,183	547,183
Library	-	-	-	383,035	383,035
Vera Holland Center	-	-	-	115,343	115,343
Economic and physical development	-	-	-	7,878	7,878
Representative Payee	-	-	-	152,508	152,508
LEO Separation Allowance	452,433	-	-	-	452,433
Capital outlays	-	-	3,087,498	-	3,087,498
Debt service	-	86,762	-	-	86,762
Public Health	4,680,902	-	-	-	4,680,902
<b>Total</b>	<u>\$ 5,294,450</u>	<u>\$ 86,762</u>	<u>\$ 3,087,498</u>	<u>\$ 2,179,504</u>	<u>\$ 10,648,214</u>

Restricted fund balance amounts per Exhibit A differ from amounts presented on Exhibit C due to restricted for Register of Deeds' pension plan of \$179,808.

**Committed Fund Balance**

Portion of fund balance that can only be used for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Commissioners is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

*Committed for Capital Outlays* - represents the portion of fund balance committed by the governing body for future capital related purposes.

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

<u>Purpose</u>	<u>Capital Reserve Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Capital outlays	5,150,000	\$ 222,718	\$ 5,372,718
<b>Total</b>	<u>\$ 5,150,000</u>	<u>\$ 222,718</u>	<u>\$ 5,372,718</u>

**Assigned Fund Balance**

Assigned fund balance is the portion of fund balance that Rockingham County intends to use for specific purposes. The County's governing body has the authority to assign fund balance. The Manager and Finance Officer, as granted in the officially adopted budget ordinance, have been granted limited authority to assign fund balance.

*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

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approves the appropriation; however, the budget ordinance authorizes the Manager and Finance Officer to make certain modifications without requiring Board approval.

*Assigned for Debt Service* - portion of fund balance budgeted by the Board for making future debt payments.

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

<b>Purpose</b>	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Total</b>
Subsequent year's expenditures	\$ 7,572,498	\$ -	\$ 7,572,498
Debt service	-	47,189	47,189
Total assigned fund balance	<u>\$ 7,572,498</u>	<u>\$ 47,189</u>	<u>\$ 7,619,687</u>

**Unassigned Fund Balance**

Unassigned fund balance represents the portion of fund balance that has not been assigned to another fund or is not restricted, committed, or assigned to specific purposes within the General Fund. Only the General Fund may report a positive unassigned fund balance.

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

The County has adopted a minimum fund balance policy for the General Fund, which instructs management to conduct the business of the County in such a manner that unassigned fund balance is at least equal to or greater than 16% of the total actual expenditures. Unassigned fund balance may be purposefully drawn down below the minimum required percentage of 16% for emergencies and excess above 18%, calculated at the previous fiscal year-end, may be drawn down of non-recurring expenditures. If unassigned fund balance falls below the minimum required percentage for two consecutive fiscal years, the County will replenish funds by direct appropriation beginning in the following year.

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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	\$ 44,603,961
Less:	
Long-term receivable	379,089
Restricted, all other	5,294,450
Stabilization by State statute	5,239,415
Assigned fund balance	<u>7,572,498</u>
Total available fund balance	<u>\$ 26,118,509</u>

**F. Revenues, Expenditures, and Expenses**

**1. Other Resources**

The General Fund provides the basis of local resources for other governmental funds. These transactions are recorded as “transfers-out” in the General Fund and “transfers-in” in the receiving fund.

**2. Compensated Absences**

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

The County’s sick leave policy 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 the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

**G. Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates.

**H. Defined Benefit Pension and OPEB 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 Register of Deeds’ Supplemental Pension Fund (RODSPF) (collectively, the “State-administered defined benefit pension plans”), and one other postemployment benefit plan (OPEB). For the purposes of measuring the net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the State-administered defined benefit pension plans and additions to/deductions from the State-administered defined benefit pension plans’

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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.

**I. New Pronouncements**

New pronouncements - During the fiscal year ended June 30, 2021 and beyond, the County has or will implement several new pronouncements of the GASB. These pronouncements are as follows:

**GASB Statement No. 84 "Fiduciary Activities"**

The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhances the value provided by the information reported in financial statements for assessing government accountability and stewardship. The requirements of this Statement will take effect for financial statements starting with reporting periods beginning after December 15, 2019. The County adopted the statement as of July 1, 2020.

**GASB Statement No. 87 "Leases"**

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2022. The County is currently evaluating the effect this statement will have on the County's financial position or results of operations.

**GASB Statement No. 89 "Accounting for Interest Cost Incurred Before The End Of A Construction Period"**

The objectives of this Statement are: (1) to enhance the relevance and comparability information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends December 31, 2020. Earlier application is encouraged. The requirements of this Statement should be applied prospectively. The County adopted the statement as of July 1, 2018.

**GASB Statement No. 91 "Conduit Debt Obligations"**

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the

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issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends December 31, 2022. Earlier application is encouraged. The County is currently evaluating the effect this statement will have on the County's financial position or results of operations.

**II. Detail Notes On All Funds**

**A. Assets**

**1. Deposits**

All of the County's and its component units 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 and its component unit's agents in their respective names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and its component units these deposits are considered to be held by their agents in the County's or its component unit'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 its component units 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 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 and its component units rely on the State Treasurer to monitor those financial institutions. The County and its component units analyze the financial soundness of any other financial institution used by the County or its component units. The County and its component units comply with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County and its component units have no policy regarding custodial credit risk for deposits.

At June 30, 2021, the County's deposits had a carrying amount of \$26,174,479, and a bank balance of \$25,670,058. Of the bank balance, \$750,000 was covered by federal depository insurance and the remainder by collateral held under the Pooling Method. The County had cash on hand of \$7,215 at June 30, 2021.

At June 30, 2021, the Tourism Development Authority's deposits had a carrying amount of \$358,171. The Tourism Development Authority's deposits are pooled in the County's Central Depository Account. All of the bank balance was covered by federal depository insurance. The Tourism Development Authority's cash and cash equivalents consist completely of investments.

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At June 30, 2021, the Airport Authority's deposits had a carrying amount of \$373,973 and a bank balance of \$376,473. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder by collateral held under the Pooling Method.

**2. Investments**

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

Investment Type	Valuation	Book Value	Less Than 6 Months	6-12 months	1-3 years
	Measurement Method				
North Carolina Capital Management Trust - Government Portfolio	Fair Value - Level 1	\$ 19,356,905	\$ 19,356,905	\$ -	\$ -
Government Agency:					
FHLB bond	Fair Value - Level 2	4,511,685	503,096	1,015,081	2,993,508
FFCB bond	Fair Value - Level 2	3,512,510			3,512,510
FHLMC bond	Fair Value - Level 2	2,747,831	-	-	2,747,831
FNMA bond	Fair Value - Level 2	750,779	-		750,779
Government Securities	Fair Value - Level 2	1,000,156	1,000,156		
Money Market	Fair Value - Level 2	5,055,802	5,055,802	-	-
<b>Commercial Paper:</b>					
Toyota	Fair Value - Level 2	999,400	999,400	-	-
LLOYDS Bank Corporate Market	Fair Value - Level 2	999,997	999,997	-	-
CSFBNY-Credit Suisse	Fair Value - Level 2	1,999,652	1,999,652	-	-
Exxon Mobile	Fair Value - Level 2	1,499,752	1,499,752	-	-
CACIBNY	Fair Value - Level 2	1,999,503	1,999,503	-	-
JP Morgan	Fair Value - Level 2	1,499,090	1,499,090	-	-
MUFG Bank Ltd	Fair Value - Level 2	499,952	499,952	-	-
ING Funding	Fair Value - Level 2	1,998,142	1,998,142	-	-
Salvation Army	Fair Value - Level 2	1,498,245	1,498,245	-	-
Natixis	Fair Value - Level 2	1,999,742	1,999,742	-	-
Total		<u>\$ 51,929,143</u>	<u>\$ 40,909,434</u>	<u>\$ 1,015,081</u>	<u>\$ 10,004,628</u>

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

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

Level of fair value hierarchy: Level 1: debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level 2: debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

**Interest Rate Risk.** The County and the TDA has a formal investment policy that specifically limits investment maturities as a means of managing its exposure to fair value losses arising from rising interest rates. Beyond purchase of investments to match anticipated cash flow requirements, investments will be purchased so that maturities are staggered with no security maturing more than three years from the date of purchase. Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding three years if the maturity of such investments is made to coincide

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with the expected use of funds. The TDA has no formal policy regarding interest rate risk. These amounts are included within cash on the statement of net position.

**Credit Risk.** The County and the TDA limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2021, the County's investments in commercial paper were rated P1 by Standard & Poor's and A1 by Moody's Investors Service. The County's and the TDA's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AA+ by Standard & Poor's as of June 30, 2021. The County's investment in FHLB bond, FFCB bond, FHLMC bond, and FBNA bond were rated AA+ by Standard and Poor's and AAA by Moody's Investors Service as of June 30, 2021. The TDA has no formal policy regarding credit risk. These amounts are included within cash on the statement of net position.

**Concentration of Credit Risk.** The County limits the amount that may be invested in one particular security type to 35% of total investments, excluding investments in United State treasury securities and the NCCMT. In addition total investment in commercial paper shall not exceed 30% of the County's total investment portfolio and the investment in commercial paper of a single issuer shall not exceed \$3,500,000. More than 20% of the County's investments are collectively in Toyota, LLOYDS Bank, CSFBNY-Credit Suisse, Exxon Mobile, CACPNY, JP Morgan, MUFG Bank, ING US Funding, Salvation Army and Natixis commercial paper. These investments are 1.9%, 1.9%, 3.9%, 2.9%, 3.9%, 2.9%, 1%, 3.8%, 2.9% and 3.9% of the County's total investments. Any investment held as of June 15, 2016 that does not meet the guidelines of the newly adopted policy shall be exempted from the requirements of this policy. At maturity, such monies shall be reinvested only as provided by the current policy.

**3. Property Tax - Use-Value Assessment On Certain Lands**

In accordance with the General Statutes, agriculture, horticulture, and forest land may be taxed at present use-value as opposed to market value. When the property loses its eligibility for use-valuation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with accrued interest from the original due date. This tax is immediately due and payable. 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.

<b>Year</b>			
<b>Levied</b>	<b>Tax</b>	<b>Interest</b>	<b>Total</b>
2017	1,892,417	108,814	2,001,231
2018	1,898,716	109,176	2,007,892
2019	2,132,696	122,630	2,255,326
2020	2,134,638	122,743	2,257,380
Total	<u>\$ 8,058,467</u>	<u>\$ 463,363</u>	<u>\$ 8,521,830</u>

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**4. Receivables - Allowance for Doubtful Accounts**

At June 30, 2021, the County's receivable balances (accounts receivable and taxes receivable in the accompanying statement) as presented in the Statement of Net Position were as follows:

	<b>Governmental Activities</b>				
	<b>General Fund</b>	<b>Internal Service Fund</b>	<b>Capital Reserve Fund</b>	<b>Nonmajor Funds</b>	<b>Total Governmental</b>
<b>Receivables:</b>					
Accounts	\$ 8,012,046	\$ 339,443	\$ 850,350	\$ 183,389	\$ 9,385,228
Taxes	2,459,113	-	-	106,095	2,565,208
Notes receivable	379,089	-	-	-	379,089
<b>Gross Receivables:</b>	10,850,248	339,443	850,350	289,484	12,329,525
Less: Allowance for uncollectibles	(2,030,000)	-	-	(90,000)	(2,120,000)
Net total receivables	<u>\$ 8,820,248</u>	<u>\$ 339,443</u>	<u>\$ 850,350</u>	<u>\$ 199,484</u>	<u>\$ 10,209,525</u>

	<b>Business-Type Activities</b>			
	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Landfill Fund</b>	<b>Total Business-type</b>
<b>Receivables:</b>				
Accounts	\$ 127,725	\$ 1,113,897	\$ 347,036	\$ 1,588,658
Taxes	-	-	-	-
Notes receivable	-	-	-	-
<b>Gross Receivables:</b>	127,725	1,113,897	347,036	1,588,658
Less: Allowance for uncollectibles	-	-	-	-
Net total receivables	<u>\$ 127,725</u>	<u>\$ 1,113,897</u>	<u>\$ 347,036</u>	<u>\$ 1,588,658</u>

Due from other governments consists primarily of refundable sales tax paid, grants, and other receivables from governmental agencies. Of the receivable listed above the amounts not scheduled for collection during the subsequent year was \$359,021.



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**5. Capital Assets**

**A. Primary Government**

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

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
<b>Governmental Activities:</b>					
<b>Non-Depreciable Capital Assets:</b>					
Land	\$ 2,611,803	\$ -	\$ -	\$ -	\$ 2,611,803
Construction in progress	80,290	56,010	-	-	136,300
Total non-depreciable capital assets	2,692,093	56,010	-	-	2,748,103
<b>Depreciable Capital Assets:</b>					
Buildings and improvements	82,628,096	512,864	(25,453)	-	83,115,507
Equipment	16,538,835	697,395	(1,415,232)	-	15,820,998
Vehicles	7,838,063	757,874	(812,733)	-	7,783,204
Total depreciable capital assets	107,004,994	1,968,133	(2,253,418)	-	106,719,709
<b>Less Accumulated Depreciation:</b>					
Buildings and improvements	35,920,035	2,573,601	(23,352)	-	38,470,284
Equipment	13,765,622	1,167,060	(1,415,232)	-	13,517,451
Vehicles	5,466,781	843,015	(611,634)	-	5,698,162
Total accumulated depreciation	55,152,438	\$ 4,583,676	\$ (2,050,218)	\$ -	57,685,897
Total depreciable capital assets, net	51,852,556				49,033,812
<b>Governmental Activity</b>					
<b>Capital Assets, Net</b>	<u>\$ 54,544,649</u>				<u>\$ 51,781,915</u>

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

General government	\$ 1,803,973
Public safety	2,398,059
Economic development	39,840
Human services	270,672
Cultural and recreational	71,132
	<u>71,132</u>
Total	<u>\$ 4,583,676</u>

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The following is a summary of the County's business-type assets:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balances</u>
<b>Business-Type Activities:</b>					
<b>Water:</b>					
<b>Capital Assets Not Being Depreciated:</b>					
Construction in progress	\$ 1,292,509	\$ 4,543,192	\$ -	\$ (232,955)	\$ 5,602,746
Total capital assets not being depreciated	<u>1,292,509</u>	<u>4,543,192</u>	<u>-</u>	<u>(232,955)</u>	<u>5,602,746</u>
<b>Depreciable Capital Assets:</b>					
Buildings and improvements	14,980,158	-	-	232,955	15,213,113
Equipment	<u>164,771</u>	<u>171,164</u>	<u>-</u>	<u>-</u>	<u>335,935</u>
Total depreciable capital assets	<u>15,144,929</u>	<u>171,164</u>	<u>-</u>	<u>232,955</u>	<u>15,549,048</u>
<b>Less Accumulated Depreciation:</b>					
Buildings and improvements	4,148,056	378,041	-	-	4,526,097
Equipment	<u>96,688</u>	<u>26,009</u>	<u>-</u>	<u>-</u>	<u>122,697</u>
Total accumulated depreciation	<u>4,244,744</u>	<u>\$ 404,050</u>	<u>\$ -</u>	<u>\$ -</u>	<u>4,648,794</u>
Total depreciable capital assets, net	<u>10,900,185</u>				<u>10,900,254</u>
Water capital assets, net	<u>12,192,694</u>				<u>16,503,000</u>
<b>Sewer:</b>					
<b>Non-Depreciable Capital Assets:</b>					
Land	\$ 41,784	\$ -	\$ -	\$ -	\$ 41,784
Construction in progress	<u>560,683</u>	<u>1,528,864</u>	<u>-</u>	<u>-</u>	<u>2,089,547</u>
Total non-depreciable capital assets	<u>602,467</u>	<u>1,528,864</u>	<u>-</u>	<u>-</u>	<u>2,131,331</u>
<b>Depreciable Capital Assets:</b>					
Buildings and improvements	9,700,674	-	-	-	9,700,674
Equipment	<u>233,649</u>	<u>31,604</u>	<u>-</u>	<u>-</u>	<u>265,253</u>
Total depreciable capital assets	<u>9,934,323</u>	<u>31,604</u>	<u>-</u>	<u>-</u>	<u>9,965,927</u>
<b>Less Accumulated Depreciation:</b>					
Buildings and improvements	4,047,099	242,841	-	-	4,289,940
Equipment	<u>106,640</u>	<u>29,328</u>	<u>-</u>	<u>-</u>	<u>135,968</u>
Total accumulated depreciation	<u>4,153,739</u>	<u>\$ 272,169</u>	<u>\$ -</u>	<u>\$ -</u>	<u>4,425,908</u>
Total depreciable capital assets, net	<u>5,780,584</u>				<u>5,540,019</u>
Sewer capital assets, net	<u>6,383,051</u>				<u>7,671,350</u>
<b>Landfill:</b>					
<b>Non-Depreciable Capital Assets:</b>					
Land	\$ 856,231	\$ -	\$ -	\$ -	\$ 856,231
Construction in progress	<u>-</u>	<u>261,060</u>	<u>-</u>	<u>-</u>	<u>261,060</u>
Total non-depreciable capital assets	<u>856,231</u>	<u>261,060</u>	<u>-</u>	<u>-</u>	<u>1,117,291</u>
<b>Depreciable Capital Assets:</b>					
Landfill	16,551,863	125,020	-	-	16,676,883
Buildings	<u>2,333,888</u>	<u>6,815</u>	<u>-</u>	<u>-</u>	<u>2,340,703</u>
Equipment	<u>7,520,456</u>	<u>321,202</u>	<u>(525,842)</u>	<u>-</u>	<u>7,315,816</u>
Total depreciable capital assets	<u>26,406,207</u>	<u>453,037</u>	<u>(525,842)</u>	<u>-</u>	<u>26,333,402</u>
<b>Less Accumulated Depreciation:</b>					
Landfill	13,637,935	516,826	-	-	14,154,761
Buildings	<u>916,876</u>	<u>91,905</u>	<u>-</u>	<u>-</u>	<u>1,008,781</u>
Equipment	<u>4,591,175</u>	<u>471,905</u>	<u>(515,284)</u>	<u>-</u>	<u>4,547,796</u>
Total accumulated depreciation	<u>19,145,986</u>	<u>\$ 1,080,636</u>	<u>\$ (515,284)</u>	<u>\$ -</u>	<u>19,711,338</u>
Total depreciable capital assets, net	<u>7,260,221</u>				<u>6,622,064</u>
Landfill capital assets, net	<u>8,116,452</u>				<u>7,739,355</u>
<b>Business-Type Activities</b>					
<b>Capital Assets, Net</b>	<u>\$ 26,692,197</u>				<u>\$ 31,913,705</u>

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**Net Investment in Capital Assets**

The total net investment in capital assets at June 30, 2021 is composed of the following:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Capital assets, net of depreciation	\$ 51,781,915	\$ 31,913,705
Long-term debt, total	(46,437,459)	(2,608,183)
School debt for which County does not hold title	10,499,673	-
Deferred Outflows - charges on refunding of debt	2,556,903	-
Unspent debt proceeds	-	418,485
	<b>\$ 18,401,032</b>	<b>\$ 29,724,007</b>

**B. Liabilities**

**1. Accounts Payable and Accrued Liabilities**

Payables at June 30, 2021 were as follows:

	<b>Governmental Activities</b>			
	<b>General Fund</b>	<b>Nonmajor Funds</b>	<b>Internal Service Fund</b>	<b>Total Governmental</b>
<b>Payables:</b>				
Accounts and vouchers	\$ 2,888,007	\$ 194,714	\$ -	\$ 3,082,721
Accrued payroll and related liabilities	1,547,059	-	-	1,547,059
Accrued interest payable	457,902	-	-	457,902
Incurred, but not reported	-	-	1,331,999	1,331,999
Total accounts payable and accrued liabilities	<u>\$ 4,892,968</u>	<u>\$ 194,714</u>	<u>\$ 1,331,999</u>	<u>\$ 6,419,681</u>

	<b>Business - Type Activities</b>			
	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Landfill Fund</b>	<b>Total Proprietary</b>
<b>Payables:</b>				
Accounts and vouchers	\$ 553,606	\$ 524,889	\$ 379,257	\$ 1,457,752
Accrued payroll and related liabilities	326	326	37,006	37,658
Accrued interest payable	4,672	-	-	4,672
Total accounts payable and accrued liabilities	<u>\$ 558,604</u>	<u>\$ 525,215</u>	<u>\$ 416,263</u>	<u>\$ 1,500,082</u>

Internal service funds predominately serve the governmental funds. Accordingly, the accounts payable and accrued liability balances for the internal service funds are included in governmental activities on the accompanying government-wide financial statement.

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Finally, the fiduciary fund financial statements include \$337,631 in accounts payable and accrued liabilities. This amount is excluded from the foregoing schedule and represents amounts due to various other agencies, individuals or governments.

**2. Pension Plan Obligations**

**A. Local Government Employees' Retirement System**

**Plan Description.** The County is a participating employer in the State-wide Local Governmental Employees' Retirement System (LGERS), a cost-sharing, multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEO) of participating local government entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's CAFR 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, or by calling (919) 981-5454, or at [www.osc.nc.gov](http://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. Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

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

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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 10.15% of compensation for law enforcement officers and 10.90% 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 \$2,775,424 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 \$13,684,792 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 0.383% (measured as of June 30, 2020), which was a decrease of 0.0178% from its proportion measured as of June 30, 2020 (measured as of June 30, 2019).

For the year ended June 30, 2021, the County recognized pension expense of \$4,585,891. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,728,149	\$ -
Changes of assumptions	1,018,417	-
Net difference between projected and actual earnings on pension plan investments	1,925,768	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	10,460	373,931
County contributions subsequent to the measurement date	2,775,424	-
Total	<u>\$ 7,458,218</u>	<u>\$ 373,931</u>

\$2,775,424 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred inflows or outflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30</b>	<b>Amount</b>
2022	1,202,426
2023	1,627,975
2024	908,533
2025	569,929
2026	-
Thereafter	-
Total	<u>\$ 4,308,863</u>

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

Inflation	3.00%
Salary increases	3.50 to 7.75%, including inflation and productivity factor
Investment rate of return	3.75%, 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.

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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:

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

The information above is based on 30-year expectations developed with the consulting actuary for the 2019 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 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.* The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.0%, 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 one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

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	<b>1% Decrease (6.0%)</b>	<b>Discount Rate (7.0%)</b>	<b>1% Increase (8.0%)</b>
County's proportionate share of the net pension liability (asset)	\$ 27,764,952	\$ 13,684,792	\$ 1,983,189

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

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

Retirees receiving benefits	22
Active plan members	97
Total	<u>119</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 following criteria in GASB Statement 73.



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**Actuarial Assumptions**

The entry age actuarial cost method was used in the December 31, 2019 valuation. 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	2.5 percent per annum
Salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	1.93 percent

The discount rate used to measure the TPL is the weekly average of the Bond Buyer General Obligation 20-year Municipal Bond Index determined at the end of each month.

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

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

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

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

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

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

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

**Contributions.** The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$138,400 as benefits came due for the reporting period.

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**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 \$4,473,684. The total pension liability was measured as of December 31, 2020 based on a December 31, 2019 actuarial valuation. The total pension liability was rolled forward to December 31, 2020 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2021, the County recognized pension expense of \$557,752.

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 259,908	\$ -
Changes of assumptions	144,374	83,486
Benefit payments and plan administrative expenses made subsequent to the measurement date	134,442	-
Total	<u>\$ 538,724</u>	<u>\$ 83,486</u>

\$134,442 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ending June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending</b>	
<b>June 30</b>	<b>Amount</b>
2022	\$ 102,109
2023	103,507
2024	75,280
2025	37,414
2026	2,486
Total	<u>\$ 320,796</u>

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

	<b>1% Decrease (0.93%)</b>	<b>Discount Rate (1.93%)</b>	<b>1% Increase (2.93%)</b>
Total pension liability	<u>\$ 4,810,922</u>	<u>\$ 4,473,684</u>	<u>\$ 4,161,750</u>

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

	<u><b>2021</b></u>
Beginning balance	\$ 3,272,971
Service cost	119,421
Interest on the total pension liability	102,347
Differences between expected and actual experience	51,335
Changes of assumptions or other inputs	1,194,623
Benefit payments	<u>(267,013)</u>
Ending balance of the total pension liability	<u>\$ 4,473,684</u>

*Changes of assumptions.* Changes of assumptions and other inputs reflect a change in the discount rate from 3.26 percent at June 30, 2020 to 1.93 percent at June 30, 2021.

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

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

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

**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 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. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2021 were \$200,170. No amounts were forfeited.

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**D. Deferred Compensation Plan**

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

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

**Plan Description.** The County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a non-contributory, cost-sharing multiple-employer defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Registers of Deeds' Supplemental Pension Fund is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at [www.osc.nc.gov](http://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 ten 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 \$8,662 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 \$179,808 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2020. The

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total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019. The total pension asset was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2020, the County's proportion was 0.785%, which was a decrease of -0.01687% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the County recognized pension expense of \$4,233. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 3,664
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	15,385
Changes in proportion and differences between employer contributions and proportionate share of contributions	7,369	2,137
County contributions subsequent to the measurement date	8,662	-
Total	<u>\$ 16,031</u>	<u>\$ 21,186</u>

\$8,662 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ending June 30, 2022. Other amounts reported as deferred inflows or outflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30</b>	<b>Amount</b>
2022	\$ (59)
2023	(2,939)
2024	(6,943)
2025	(3,876)
2026	-
Thereafter	-
Total	<u>\$ (13,817)</u>

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

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Inflation	3.00%
Salary increases	3.50 to 7.75%, including inflation and productivity factor
Investment rate of return	3.75%, 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 for the period January 1, 2010 through December 31, 2014.

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

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

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

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

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

	<b>1% Decrease (2.75%)</b>	<b>Discount Rate (3.75%)</b>	<b>1% Increase (4.75%)</b>
County's proportionate share of the net pension (asset)	\$ (152,724)	\$ (179,808)	\$ (202,725)

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

***Pension Liabilities (Asset), 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:

	<b>LGERS</b>	<b>ROD</b>	<b>LEOSSA</b>	<b>Total</b>
Proportionate Share of Net Pension Liability (Asset)	\$ 13,684,792	\$ (179,808)	-	\$ 13,504,984
Proportion of the Net Pension Liability (Asset)	0.383%	-0.768%	n/a	
Total Pension Liability	-	-	\$ 4,473,684	\$ 4,473,684
Pension Expense	\$ 4,585,891	\$ 4,233	\$ 557,752	\$ 5,147,876

**F. Other Post-Employment Benefits**

**Healthcare Benefits**

**Plan Description.** According to a County resolution, the County provides healthcare benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System). The County pays the full cost of coverage for these benefits for retirees who began working for the County on or before November 3, 1997. The cost of coverage is prorated for retirees who began working for the County on or after November 4, 1997. The County pays 50% for retirees with 10 years or more of service, 75% with 15 years, and 100% with 20 years. Also, retirees can purchase coverage for their dependents at the County's group rates. Coverage for all retirees who are eligible for Medicare will be transferred to a Medicare

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Supplemental plan after qualifying for Medicare. The Board of Commissioners may amend the benefit provisions. The plan is a single-employer defined benefit plan. A separate report was not issued for the plan. The Board of Commissioners adopted a policy discontinuing OPEB coverage for individuals hired after June 5, 2018.

Membership of the healthcare plan consisted of the following at June 30, 2019, the date of the latest actuarial valuation:

Retired members	376
Active members:	<u>447</u>
Total	<u><u>823</u></u>

**Funding Policy.** The County pays the full cost of coverage for these benefits for retirees who began working for the County on or before November 3, 1997 and a percentage of the premium cost based on years of service for employees hired after that date, as noted above. Also, the County's retirees can purchase coverage for their dependents at the County's group rates. The County's members pay \$496 per month for dependent coverage. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis. The Board of Commissioners established the contribution requirements of plan members, which may be amended by the Board.

**Total OPEB Liability**

The County's total OPEB liability of \$70,644,228 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

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

Inflation	2.50%
Real Wage Growth	1.00%
Wage Inflation	3.50%
Municipal Bond Index	
Prior Measurement Date	3.50%
Measurement Date	2.21%
Health Care Cost Trends	
Pre-Medicare	7.00%
Medicare	5.00%

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



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**Changes in the Total OPEB Liability:**

<b>Balance at June 30, 2020</b>	\$ 57,059,140
Service Cost	1,006,625
Interest	1,994,474
Difference between expected and actual experience	119,197
Changes of assumptions or other inputs	12,645,134
Benefit payments	<u>(2,180,342)</u>
Net changes	<u>13,585,088</u>
<b>Balance at June 30, 2021</b>	<u><u>\$ 70,644,228</u></u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.50% to 3.21%.

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

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

The remaining actuarial assumptions used in the June 30, 2019 valuation were based on a review of the recent plan experience performed concurrently with the June 30, 2019 valuation.

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50 percent) or 1-percentage-point higher (4.50 percent) than the current discount rate:

	<b>1% Decrease</b>	<b>Discount Rate</b>	<b>1% Increase</b>
	<b>1.21%</b>	<b>2.21%</b>	<b>3.21%</b>
Total OPEB Liability	<u>\$ 83,547,096</u>	<u>\$ 70,644,228</u>	<u>\$ 60,521,235</u>

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

	<b>1% Decrease</b>	<b>Discount Rate</b>	<b>1% Increase</b>
	<b>(Pre-medicare</b>	<b>(Pre-medicare</b>	<b>(Pre-medicare</b>
	<b>6.00%; Medicare</b>	<b>7.00%; Medicare</b>	<b>8.00%; Medicare</b>
	<b>4.0%)</b>	<b>5.0%)</b>	<b>6.0%)</b>
Total OPEB Liability	<u>\$ 59,426,485</u>	<u>\$ 70,644,228</u>	<u>\$ 85,053,132</u>

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

For the year ended June 30, 2021, the County recognized OPEB expense of \$1,615,665. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 994,086	\$ 7,265,660
Changes of assumption or other inputs	9,904,591	5,792,462
County contributions subsequent to the measurement date	3,462,586	-
Total	<u>\$ 14,361,263</u>	<u>\$ 13,058,122</u>

\$3,462,586 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ending June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year Ended June 30:**

2022	\$ (1,396,309)
2023	(1,396,309)
2024	(310,998)
2025	1,039,624
2026	(95,453)
Thereafter	-
	<u>\$ (2,159,445)</u>

**G. Other Employment Benefits**

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

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law enforcement and for law enforcement officers. The County considers these contributions to be immaterial.

**3. Closure and Post-Closure Care Costs**

Federal and State laws and regulations require the County to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$8,146,746 reported as landfill closure and post-closure care liability at June 30, 2021 represents a cumulative amount reported to date based on the use of 100 percent of the total estimated capacity of the old landfill and the total currently utilized estimated capacity for the lined portion of the new landfill (approximately 82%). The County will recognize the remaining estimated costs of closure and post-closure care as the remaining estimated capacity is filled. Not included in the estimated capacity is the additional landfill property the County has at its disposal. These amounts are based on what it would cost to perform all closure and post-closure care in 2021. The County closed the old facility in 1995 and opened its new landfill in 1996. The County began closure activity of the active cell and construction of the new cell in fiscal year 2020. As of June 30, 2021, \$4,059,831 in closure costs have been incurred and netted out of the total post-closure care liability. The County completed the partial close of the landfill cell in 2021 and will complete the closure with closure of the new adjoining cell in future years. As of June 30, 2021, the estimated closure and post-closure care liability for the old facility amounted to approximately \$80,355. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County has met the requirements of a local government financial test that is one option under State and federal laws and regulations that help determine if a unit is financially able to meet closure and post-closure care requirements. However, the County has also elected to establish a reserve fund to accumulate resources for the payment of closure and post-closure care costs. The County expects that future inflation costs will be paid from the interest earnings on these annual contributions. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or by future tax revenues.

**ROCKINGHAM COUNTY, NORTH CAROLINA**  
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**4. Deferred Outflows and Inflows of Resources**

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Pension - difference between expected and actual experience (LGERS, ROD, LEOSA)	\$ 1,988,057	\$ 3,664
OPEB - difference between expected and actual experience	994,086	7,265,660
Pension - changes in assumptions (LGERS, ROD, LEOSA)	1,162,791	83,486
OPEB - changes in assumptions	9,904,591	5,792,462
Pension - difference between projected and actual investment earnings (LGERS, ROD)	1,925,768	15,385
Pension - changes in proportion and differences between employer contributions and proportionate share of contributions (LGERS, ROD)	17,829	376,068
Contributions to plans subsequent to measurement date (LGERS, ROD, OPEB)	6,246,672	-
Charge on refunding of debt	2,556,903	-
Benefit payments/administration costs paid subsequent to the measurement date (LEOSA)	134,442	-
Prepaid taxes not yet earned (General)	-	76,701
Government-wide deferred outflows and inflows of resources	24,931,139	13,613,426
Taxes receivable, net (General)	-	1,339,991
Taxes receivable, net (Fire District)	-	101,197
Prepaid taxes (General)	-	76,701
Deferred grant revenue (Airport Capital Project)	-	500,000
Deferred grant revenue (General)	-	109,250
Emergency services, other receivables (General)	-	1,677,430
Total	<u>\$ -</u>	<u>\$ 3,804,569</u>

**5. Risk Management**

The County and TDA are exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County protects itself from potential loss through a combination of commercial insurance for primary and/or excess liability coverage and self-funded risk retention. Self-funded risks are for employee benefits. 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 years.

The County does not carry flood insurance through the NFIP.

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 County Finance Officer and Tax Collector are individually bonded for \$100,000.

The Finance Officer for the Tourism Development Authority is individually bonded for \$50,000.

**ROCKINGHAM COUNTY, NORTH CAROLINA**  
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All operating funds of the County participate in the risk management program and make payments to the Workman's Compensation Fund and the Health Insurance Fund based on the insured fund's historical claims experience. Payments are for prior and current year claims and to establish a reserve for catastrophic losses.

Claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but are not reported (IBNRs), based on historical experience. Settled claims have not exceeded self-retained or purchased insurance coverage in any of the past three fiscal years.

**A. General Insurance**

The County obtains property and general liability coverage from Sean Dunn. Claims did not exceed any individual occurrence or aggregate limits for the year. There have been no significant reductions in coverage in the past year.

**B. Health Insurance**

The County provides for health insurance benefits in its Health Insurance Fund. This is a self-funded program, supplemented by employee contributions, to pay medical claims of employees and their covered dependents. Actual claims administration are contracted to and administered by third party administrator. Medical claims exceeding \$175,000 per employee are covered by private insurers.

**C. Workman's Compensation**

The County provides for workman's compensation insurance benefits in its Workman's Compensation Fund. This is a self-funded program to pay workmen's compensation claims of the employees. Actual claims administration is contracted to, and administered by, Sedwick. The County is self-funded for claims up to \$600,000 per occurrence. Claims in excess of the retention are covered through purchased insurance up to \$1,000,000.

**D. Cafeteria Plan**

The County provides Flexible Spending Accounts (FSA) in the Cafeteria Plan Fund. Under Section 125 of the Internal Revenue Code, FSA's allow employees to pay for certain qualified benefits with pre-tax dollars. Each employee is allowed to deduct from their salary up to \$2,750 per year to pay for medical and medical related expenses. Actual claims administration is contracted to, and administered by Ameriflx.

**ROCKINGHAM COUNTY, NORTH CAROLINA**  
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**E. Reconciliation of Claims Liability**

Changes in the County's claims liability balance during fiscal year 2021 are as follows:

	<b>General Insurance Deductible Fund</b>	<b>Workman's Compensation Fund</b>	<b>Health Insurance Fund</b>	<b>Cafeteria Plan Fund</b>	<b>Total</b>
Balance, June 30, 2020	1,038	307,340	366,674	7,188	682,240
Add incurred premiums, claims (including IBNRs) and changes in estimates	(843,200)	(299,035)	(11,055,504)	(202,404)	(12,400,143)
Deduct claims payments	<u>847,018</u>	<u>396,766</u>	<u>11,603,799</u>	<u>202,319</u>	<u>13,049,902</u>
Balance, June 30, 2021	<u>\$ 4,856</u>	<u>\$ 405,071</u>	<u>\$ 914,969</u>	<u>\$ 7,103</u>	<u>\$ 1,331,999</u>

**6. Claims and Judgments**

Employees of the County are covered by unemployment compensation insurance. The County elected the direct reimbursement method for paying the costs of unemployment compensation benefits. Under this method, the County will reimburse the State annually for benefits charged against the County. For the year ended June 30, 2021, the County paid \$179,863 for unemployment benefits.

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

**ROCKINGHAM COUNTY, NORTH CAROLINA**  
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**7. Long-Term Obligations**

**A. Installment Purchases**

Installment purchase contracts for Government Activities at June 30, 2021 are comprised of the following:

Installment purchase contract, direct borrowing for the construction for the Madison-Mayodan Public Library Project (collateralized by the assets constructed with related debt proceeds), payable through 2027 in 15 semi-annual installments of \$73,334, plus interest at a rate of 2.35%. Upon default all outstanding principal and accrued interest becomes due and possession of the Project is remitted. Secured by assets constructed with related debt proceeds. 482,633

Installment purchase, direct borrowing for refinancing of other debt (collateralized by the assets constructed with related debt proceeds), payable through 2025 in annual installments ranging from \$265,118 to \$408,965, including interest, issued July 2012 at a rate of 2.38%. Upon default all outstanding principal and accrued interest becomes due and possession of the Project is remitted. Secured by assets constructed with related debt proceeds. 194,796

Qualified School Construction bonds, direct borrowings for the construction of school facilities (collateralized by the assets constructed with related debt proceeds). The debt is payable through 2026 in 16 annual principal payments on March 15 of \$400,050, plus interest at an effective rate of 1.63%. Upon default all outstanding principal and accrued interest becomes due or Deed of Trust trustee shall foreclose on the mortgaged property. 2,000,251

Qualified School Construction bonds, direct borrowing for the construction of school facilities (collateralized by the assets constructed with related debt proceeds). The debt is payable through 2025 in 15 annual principal payments on March 15 of \$257,087, plus interest at an effective rate of 5.17%. Upon default all outstanding principal and accrued interest becomes due or Deed of Trust trustee shall foreclose on the mortgaged property. 922,401

Installment purchase contract, direct borrowing (USDA) for the construction of an animal shelter (collateralized by the assets constructed with related debt proceeds). The note is payable in 40 annual installments through April 2052 of \$87,762, including interest at a rate of 3.375%. Upon default all outstanding principal and accrued interest becomes due and possession of the Project is remitted. 1,651,654

Installment purchase contract, direct borrowing for the construction of a pool at RCHS (collateralized by the assets constructed with related debt proceeds), payable through 2027 in 20 annual installments of \$115,000, plus interest at a rate of 2.18%. Upon default all outstanding principal and accrued interest becomes due and possession of the Project is remitted. 690,000

Installment purchase contract, direct borrowing for the acquisition of energy saving improvements (collateralized by assets acquired), payable through 2031 in 15 annual installments of \$240,942, including interest at a rate of 3.19%. Upon default all outstanding principal and accrued interest becomes due and possession of the Project is remitted. 2,206,065

Installment purchase, direct borrowing for refinancing of other debt (collateralized by county owned building), payable through 2032 in annual installments ranging from \$15,088 to \$274,030, including interest, issued September 2020 at a rate of 1.17%. Upon default all outstanding principal and accrued interest becomes due or Deed of Trust trustee shall foreclose on the mortgaged property.

	3,067,000
Total installment purchase contracts	\$ 11,214,800

**ROCKINGHAM COUNTY, NORTH CAROLINA**  
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Installment purchase contracts for Business-Type Activities at June 30, 2021 are comprised of the following:

Installment purchase, direct borrowing for refinancing of other debt (collateralized by the assets constructed with related debt proceeds), payable through 2025 in annual installments ranging from \$265,118 to \$408,965 including interest, issued July 2012 at a rate of 2.38%. Upon default all outstanding principal and accrued interest becomes due and possession of the Project is remitted. \$ 1,171,204

Installment purchase, direct borrowing for refinancing of other debt (collateralized by county owned building), payable through 2032 in annual installments ranging from \$57,462 to \$60,785, including interest, issued September 2020 at a rate of 1.62%/. Upon default all outstanding principal and accrued interest becomes due or Deed of Trust trustee shall foreclose on the mortgaged property.

	1,157,000
Total installment purchase contracts	\$ 2,328,204

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

Year Ending June 30	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	1,456,558	270,962	340,501	43,324	1,797,059	314,286
2023	1,455,332	235,164	338,213	36,000	1,793,545	271,164
2024	1,452,173	199,270	334,070	28,764	1,786,243	228,034
2025	1,343,424	163,279	330,782	21,624	1,674,206	184,903
2026	1,190,565	132,667	327,638	14,572	1,518,203	147,239
2027 -2031	2,763,397	418,744	543,000	33,704	3,306,397	452,448
2032-2036	494,731	210,344	114,000	1,385	608,731	211,729
2037-2041	272,983	160,827	-	-	272,983	160,827
2042-2046	322,265	111,545	-	-	322,265	111,545
2047-2051	380,444	53,366	-	-	380,444	53,366
2052	82,928	2,799	-	-	82,928	2,799
Total	11,214,800	1,958,967	\$ 2,328,204	\$ 179,373	\$ 13,543,004	\$ 2,138,340



**ROCKINGHAM COUNTY, NORTH CAROLINA**  
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**B. Limited Obligation Refunding Bonds**

\$23,520,000 Limited Obligation Refunding bonds, Direct Placement issued September 2011 with variable interest rates from 2.00% to 4.00%, interest payments due semi-annually on October 1 and April 1 through April 2024; principal payments due annually on April 1 through April 2024, ranging from \$1,730,000 to \$2,065,000. Proceeds were used to refund the 2002 Certificates of Participation and other installment debt related to the construction of two new elementary schools, the renovations of three schools, and the construction of a water and sewer line for the new schools. Collateralized by the assets constructed with related debt proceeds. Corporation or Trustee may take action under the Deed of Trust to exclude the County from possession of the project and sell or lease the assets. Upon default all outstanding principal and accrued interest becomes due and possession of the Project is remitted.

\$ 5,210,000

\$41,655,000 Limited Obligation Refunding bonds, Direct Placement issued April 15, 2015 with variable interest rates from 2.00% to 5.00%, interest payments due semi-annually on October 1 and April 1 through April 2034; principal payments due annually on April 1 through April 2034, ranging from \$2,020,000 to \$2,505,000. Proceeds were used to refund the 2008 Certificates of Participation related to the construction of a new courthouse and new emergency operations center. Collateralized by the assets constructed with related debt proceeds. Corporation or Trustee may take action under the Deed of Trust to exclude the County from possession of the project and sell or lease the assets. Upon default all outstanding principal and accrued interest becomes due and possession of the Project is remitted.

27,985,000

Total limited obligation bonds

\$ 33,195,000

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

Year Ending June 30	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	3,801,494	1,363,113	93,505	13,268	3,894,999	1,376,381
2023	3,821,495	1,168,922	93,506	8,359	3,915,001	1,177,281
2024	3,817,032	983,463	92,968	3,719	3,910,000	987,182
2025	2,195,000	808,981	-	-	2,195,000	808,981
2026	2,210,000	699,231	-	-	2,210,000	699,231
2027 -2031	10,920,000	2,098,913	-	-	10,920,000	2,098,913
2032-2035	6,150,000	411,625	-	-	6,150,000	411,625
Total	32,915,021	7,534,248	279,979	25,346	33,195,000	7,559,594

At June 30, 2020, \$279,979 of the Limited Obligation Refunding bonds issued has been allocated to the refunding of debt related to water and sewer lines for schools. This amount is reported in the enterprise funds as a note payable allocated between the Water Fund and the Sewer Fund. The Water Fund contains \$171,731 of the note payable, and the Sewer Fund contains \$108,248.

At June 30, 2021, the County had a legal debt margin of \$580,800,848.

**Advance Refunding**

On April 15, 2015, the County issued \$41,655,000 in Limited Obligation Series 2015 with an interest rate ranging from 2.00% to 5.00%. The proceeds were used to advance refund \$40,595,000 of outstanding Series 2008 certificates of participation, which had interest rates ranging from 3.50% to 5.00%. The net proceeds of \$44,461,813 (including \$452,029 in underwriting fees and other issuance costs) were deposited with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, a portion of the certificates of participation Series 2008 are

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considered defeased and the liability for those bonds has been removed from the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$3,737,013. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt. The government advance refunded a portion of the 2008 certificates of deposit to reduce its total debt service payments over 20 years by \$2,241,768 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,735,541. On June 30, 2021, \$27,365,000 of debt outstanding is considered defeased.

**C. Changes in General Long-Term Obligations**

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

	Beginning Balances	Additions	Retirements	Ending Balances	Due in Less than One Year
<b>Governmental Activities:</b>					
Direct borrowings installment purchase contracts	\$ 12,569,768	\$ 3,368,000	\$ 4,722,968	\$ 11,214,800	\$ 1,456,558
Direct Placement Limited Obligation Refunding bonds	36,715,708	-	3,800,687	32,915,021	3,801,494
Premium on long-term debt-LOB's	2,691,844	-	384,206	2,307,638	180,992
Total pension liability (LEOSSA)	3,272,971	1,200,713	-	4,473,684	-
Other post-employment benefits	55,826,665	13,362,294	-	69,188,957	-
Net pension liability (LGRS)	10,646,818	2,691,749	-	13,338,567	-
Compensated absences	2,255,011	69,242	109,389	2,214,864	1,661,148
Total governmental activities	\$ 123,978,785	\$ 20,691,998	\$ 9,017,250	\$ 135,653,531	\$ 7,100,192
<b>Business-Type Activities:</b>					
<b>Water Fund</b>					
Direct borrowings installment purchase contracts	\$ 1,819,237	\$ 982,800	\$ 1,184,093	\$ 1,617,944	\$ 224,414
Direct Placement Limited Obligation Refunding bonds	229,580	-	57,848	171,731	57,353
Premium on long-term debt-LOB's	7,084	-	7,084	-	-
Other post-employment benefits	102,706	3,260	-	105,966	-
Net pension liability (LGRS)	20,790	-	1,631	19,159	-
Compensated absences	5,632	149	5,456	325	244
Total Water Fund	\$ 2,185,029	\$ 986,209	\$ 1,256,112	\$ 1,915,125	\$ 282,011
<b>Sewer Fund</b>					
Direct borrowings installment purchase contracts	\$ 820,755	\$ 277,200	\$ 387,695	\$ 710,260	\$ 116,087
Limited Obligation Refunding bonds	144,712	-	36,464	108,248	36,152
Premium on long-term debt-LOB's	4,462	-	4,462	-	-
Other post-employment benefits	102,706	3,260	-	105,966	-
Net pension liability (LGRS)	20,790	-	3,000	17,790	-
Compensated absences	5,632	149	5,456	325	244
Total Sewer Fund	\$ 1,099,057	\$ 280,609	\$ 437,077	\$ 942,589	\$ 152,483
<b>Landfill Fund</b>					
Accrued landfill closure and post-closure costs	\$ 6,238,670	\$ 1,908,076	\$ -	\$ 8,146,746	\$ -
Other post-employment benefits	1,027,065	216,273	-	1,243,338	-
Net pension liability (LGRS)	253,860	55,416	-	309,276	-
Compensated absences	30,293	6,713	-	37,006	27,755
Total Landfill Fund	\$ 7,549,888	\$ 2,186,478	\$ -	\$ 9,736,366	\$ 27,755
<b>Total Business-Type Activities:</b>					
Direct borrowings installment purchase contracts	\$ 2,639,992	\$ 1,260,000	\$ 1,571,788	\$ 2,328,204	\$ 340,501
Limited Obligation Refunding bonds	374,292	-	94,312	279,979	93,505
Premium on long-term debt-LOB's	11,546	-	11,546	-	-
Accrued landfill closure and post-closure costs	6,238,670	1,908,076	-	8,146,746	-
Other post-employment benefits	1,232,477	222,793	-	1,455,270	-
Net pension liability (LGRS)	295,440	55,416	4,631	346,225	-
Compensated absences	41,557	7,011	10,911	37,657	28,243
Total business-type activities	\$ 10,833,974	\$ 3,453,296	\$ 1,693,188	\$ 12,594,081	\$ 462,249

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

**D. Conduit Debt Obligations**

Rockingham County Industrial and Pollution Control Financing Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as by the letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2021, there were seven series of industrial revenue bonds outstanding, with an aggregate principal amount payable of approximately \$13,300,000.

**III. Interfund Balances and Activity**

**Transfers to/from Other Funds:**

Transfers to/from for the year ended June 30, 2021 are summarized below:

<u>Fund</u>	<u>To</u>	<u>From</u>	<u>Purpose</u>
General Fund	\$ -	\$ 9,338,128	
Debt Service Fund	417,137	-	- General Fund Debt Service for Principal & Interest
Capital Project Fund (Capital Reserve)	8,358,588	-	- Transferred for debt service on RCJC building/Courthouse
Internal Service Funds	67,989	-	- Transferred to cover the replacement of a County vehicles.
Enterprise Funds:			
Water Fund	517,677	-	- Indirect costs, NTE debt payments, and to fund Wateline extension on Gold Hill Road.
Water Fund		331,000	- General Fund to reimburse funds advanced for Gold Hill Project.
Sewer Fund	187,192	-	- Indirect costs and NTE debt payments
Landfill Fund	-	-	
Capital Project Fund	22,500	-	- South Rock Corp Park match
General Fund	1,575,474	-	- Water Fund reimburse from advancement on Gold Hill, RCHS track, phones, and other projects.
Other governmental funds:			
Capital Project Fund (Capital Reserve)	-	1,477,429	- Water Fund reimburse from advancement on Gold Hill, RCHS track, phones, and other projects.
Internal Service Fund	-	-	
LEO Separation Allowance Fund	-	-	
Capital Project Fund (Capital Reserve)	-	6,728,547	- Debt Service Payments for Principal & Interest
Debt Service Fund	6,728,547	-	- Debt Service Payments for Principal & Interest
Total	<u>\$ 17,875,104</u>	<u>\$ 17,875,104</u>	

**IV. Related Organization**

The Board of County Commissioners is responsible for appointing all the members of the Board of the Rockingham County Industrial Facilities and Pollution Control Financing Authority (the Authority), but the County's accountability for this organization does not extend beyond making these appointments. The Authority exists to aid in the financing of industrial and manufacturing facilities for the purpose of alleviating unemployment and to aid in financing pollution control facilities for industry in connection with manufacturing and industrial facilities.

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**V. Joint Ventures**

**Rockingham Community College**

The County, in conjunction with the State of North Carolina and the Rockingham County Board of Education, participates in a joint venture to operate the Rockingham County Community College. Each of the three participants appoints four members of the 13-member Board of Trustees of the Community College. The president of the Community College's student government serves as an ex-officio non-voting member of the Community College's Board of Trustees. The Community College is included as a component unit of the State. The County has the basic responsibility for providing funding for the Community College operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds to provide financing for new and restructured facilities. Of the last general obligation bond issue for this purpose, no debt was outstanding at year-end. The County has an ongoing financial responsibility for the Community College because of the statutory responsibilities to provide funding for the Community College's facilities.

The County contributed \$2,164,473 to the Community College for operating purposes and \$169,091 for capital related purposes during the fiscal year ended June 30, 2021. In addition, the County contributed \$2,494,372 in local option sales tax that is dedicated to Workforce Development Initiatives. 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 215 Wren Memorial Drive, Wentworth, North Carolina 27375.

**Industrial Development Park**

The County, in conjunction with the City of Reidsville, is involved with the development of an industrial park with a total cost of \$2,874,600. The project is complete and the County has paid its half of the total project cost in the amount of \$1,437,300; the county does not own title to any assets. The County and the City of Reidsville continue to share, equally, in the maintenance costs of the facility.

**VI. Jointly Governed Organization**

The County, in conjunction with six other counties and 18 municipalities, established the Piedmont Triad Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$19,267 to the Council during the fiscal year ended June 30, 2021.

**VII. Summary Disclosure of Significant Contingencies**

**Federal and State-Assisted Programs**

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

**ROCKINGHAM COUNTY, NORTH CAROLINA**  
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**VIII. Uncertainties**

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

**VIII. Change in Accounting Principle**

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

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

<b>Governmental Activities Net Position - Increase (Decrease)</b>	<b>Nonmajor Special Revenue Fund Balance - Increase (Decrease)</b>	<b>Nonmajor Capital Projects Fund Balance - Increase (Decrease)</b>	<b>Explanation</b>
\$ -	\$ 121,107	\$ (121,107)	The Airport Capital Project Fund was reclassified from a Capital Project Fund to a Special Revenue Fund.
122,128	122,128	-	The Vera Holland Center Fund was reclassified from an agency fund to a Special Revenue Fund.
150,327	150,327	-	The Representative Payee Fund was reclassified from an agency fund to a Special Revenue Fund.
<u>\$ 272,455</u>	<u>\$ 393,562</u>	<u>\$ (121,107)</u>	

**ROCKINGHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**X. Restatement**

The Airport Authority's, a discretely presented component unit, issued financial statements for June 30, 2021 included a restatement to the financial statements. The federal and state grants receivable was overstated by \$202,092 and construction in progress was overstated by \$256,354 at June 30, 2020 due to a change order occurring subsequent to year end. This also resulted in accounts payable being overstated by \$202,092 and total net position being overstated by \$256,354. The restatement is reflected in the Statement of Activities. Our opinion is not modified with respect to this matter.

## **REQUIRED SUPPLEMENTAL FINANCIAL DATA**

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This section contains additional information on the Law Enforcement Officers' Special Separation Allowance, the Other Post-Employment Benefits-Retiree Health Plan, the Local Government Employees' Retirement System, and the Register of Deeds' Supplemental Pension Fund as of June 30, 2021.

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

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Beginning balance	\$ 3,272,971	\$ 3,132,222	\$ 3,028,549	\$ 2,748,876	\$ 2,779,536
Service cost	119,421	112,756	123,301	105,704	112,954
Interest on the total pension liability	102,347	109,259	92,011	102,115	95,996
Difference between expected and actual experience	51,335	93,161	229,089	106,516	-
Changes of assumptions or other inputs	1,194,623	86,795	(107,104)	172,132	(58,440)
Benefit payments	(267,013)	(261,222)	(233,624)	(206,794)	(181,170)
Ending balance of the total pension liability	<u>\$ 4,473,684</u>	<u>\$ 3,272,971</u>	<u>\$ 3,132,222</u>	<u>\$ 3,028,549</u>	<u>\$ 2,748,876</u>

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

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

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



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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$4,473,684	\$3,272,971	\$3,132,222	\$3,028,549	\$2,748,876
Covered payroll	4,732,918	4,727,841	4,709,978	4,544,375	4,828,631
Total pension liability as a percentage of covered payroll	94.52%	69.23%	66.50%	66.64%	56.93%

Note to the schedules:

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

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

**OPEB LIABILITY AND RELATED RATIOS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST FOUR FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>				
Service cost	\$ 1,006,625	\$ 1,845,087	\$ 1,957,455	\$ 2,216,064
Interest	1,994,474	2,588,610	2,404,536	2,161,751
Differences between expected and actual experience	119,197	(12,833,216)	877,839	871,861
Changes of assumptions	12,645,134	4,302	(4,155,065)	(7,561,009)
Benefit payments	(2,180,342)	(2,161,151)	(2,007,243)	(1,925,002)
<b>Net change in total OPEB liability</b>	<u>13,585,088</u>	<u>(10,556,368)</u>	<u>(922,478)</u>	<u>(4,236,335)</u>
<b>Total OPEB liability - beginning</b>	<u>57,059,140</u>	<u>67,615,508</u>	<u>68,537,984</u>	<u>72,774,319</u>
<b>Total OPEB liability - ending</b>	<u>\$ 70,644,228</u>	<u>\$ 57,059,140</u>	<u>\$ 67,615,506</u>	<u>\$ 68,537,984</u>
<b>Covered payroll</b>	19,532,526	19,532,526	25,683,803	25,683,803
<b>Total OPEB liability as a percentage of covered payroll</b>	361.67%	292.12%	263.26%	266.85%

**Notes to Schedule**

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

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

## ROCKINGHAM COUNTY, NORTH CAROLINA

**LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)**  
**LAST EIGHT FISCAL YEARS\***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Proportion of the net pension liability (asset) (%)	0.383%	0.401%	0.422%	0.427%
Proportion of the net pension liability (asset) (\$)	\$ 13,684,792	\$ 10,942,258	\$ 10,934,103	\$ 6,516,961
Covered payroll during the measurement period	\$ 27,655,021	\$ 22,850,178	\$ 22,934,103	\$ 28,575,226
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll during the measurement period	49.48%	47.89%	47.68%	22.81%
Plan fiduciary net position as a percentage of the total pension liability**	88.61%	90.86%	91.63%	94.18%

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

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

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

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.436%	0.429%	0.426%	0.431%
\$ 9,256,989	\$ 1,926,583	\$ (2,512,969)	\$ 5,191,589
\$ 25,648,248	\$ 25,693,085	\$ 25,154,528	\$ 25,128,539
36.09%	7.50%	-9.99%	20.66%
91.47%	98.09%	102.64%	94.35%

## ROCKINGHAM COUNTY, NORTH CAROLINA

**LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF ROCKINGHAM COUNTY'S CONTRIBUTIONS  
LAST EIGHT FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 2,775,424	\$ 2,516,342	\$ 2,226,332	\$ 2,141,004	\$ 2,121,868
Contributions in relation to the contractually required contribution	<u>2,775,424</u>	<u>2,516,342</u>	<u>2,226,332</u>	<u>2,141,004</u>	<u>2,121,868</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll during the measurement period	\$ 27,709,498	\$ 27,655,021	\$ 22,850,178	\$ 22,934,103	\$ 28,575,226
Contributions as a percentage of covered payroll	10.02%	9.10%	9.74%	9.34%	7.43%

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

<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 1,741,235	\$ 1,825,286	\$ 1,784,304
<u>1,741,235</u>	<u>1,825,286</u>	<u>1,784,304</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 25,648,248	\$ 25,693,085	\$ 25,154,528
6.79%	7.10%	7.09%

# ROCKINGHAM COUNTY, NORTH CAROLINA

## REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND REQUIRED SUPPLEMENTARY INFORMATION PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) LAST EIGHT FISCAL YEARS\*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Proportion of the net pension liability (asset) (%)	0.785%	0.768%	0.844%	0.808%
Proportion of the net pension liability (asset) (\$)	\$ (179,808)	\$ (151,559)	\$ (139,754)	\$ (137,844)
Covered payroll during the measurement period	68,196	73,304	35,607	35,607
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll during the measurement period	-263.66%	-206.75%	-392.49%	-387.13%
Plan fiduciary net position as a percentage of the total pension liability	173.62%	164.11%	153.31%	153.77%

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

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

<u>2017</u>	<u>2016</u>	<u>2015</u>
0.799%	0.816%	0.807%
\$ (149,312)	\$ (189,077)	\$(182,823)
68,777	74,568	73,632
-217.10%	-253.56%	-248.29%
160.17%	197.29%	193.88%



**ROCKINGHAM COUNTY, NORTH CAROLINA**
**REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF ROCKINGHAM COUNTY'S CONTRIBUTIONS  
 LAST SEVEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 8,662	\$ 7,297	\$ 7,221	\$ 7,220
Contributions in relation to the contractually required contribution	<u>8,662</u>	<u>7,297</u>	<u>7,221</u>	<u>7,220</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 73,827	\$ 68,196	\$ 73,304	\$ 35,607
Contributions as a percentage of covered payroll	11.73%	10.70%	9.85%	20.28%

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

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 2,614	\$ 4,649	\$ 6,529
<u>2,614</u>	<u>4,649</u>	<u>6,529</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 35,607	\$ 68,777	\$ 74,568
7.34%	6.76%	8.76%



## **NONMAJOR GOVERNMENTAL FUNDS**

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## ROCKINGHAM COUNTY, NORTH CAROLINA

## NONMAJOR GOVERNMENTAL FUNDS

## COMBINING BALANCE SHEET

June 30, 2021

	Special Revenue Funds	Capital Project Funds	Total
<b>Assets:</b>			
Cash and cash equivalents	\$ 2,797,435	\$ 222,718	\$ 3,020,153
Investments	102,055	-	102,055
Taxes receivable	106,095	-	106,095
Accounts receivable, net	93,389	-	93,389
Total assets	<u>\$ 3,098,974</u>	<u>\$ 222,718</u>	<u>\$ 3,321,692</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	\$ 194,715	\$ -	\$ 194,715
Deferred revenue	-	-	-
Total liabilities	<u>194,715</u>	<u>-</u>	<u>194,715</u>
<b>Deferred Inflows of Resources</b>	<u>601,197</u>	<u>-</u>	<u>601,197</u>
<b>Fund Balances:</b>			
Non-spendable, not in spendable form			
Restricted:			
Stabilization by State statute	98,287	-	98,287
Restricted, all other	2,179,504	-	2,179,504
Committed	-	222,718	222,718
Assigned	-	-	-
Unassigned	25,271	-	25,271
Total fund balances	<u>2,303,062</u>	<u>222,718</u>	<u>2,525,780</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,098,974</u>	<u>\$ 222,718</u>	<u>\$ 3,321,692</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

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

	Special Revenue Funds	Capital Project Funds	Total
<b>Revenues:</b>			
Ad valorem taxes	\$ 4,555,051	\$ -	\$ 4,555,051
Other taxes and licenses	-	-	-
Restricted intergovernmental	2,856,353	-	2,856,353
Sales and services	230,396	-	230,396
Permits and fee	453,677	-	453,677
Miscellaneous	26,732	-	26,732
Investment earnings	3,841	-	3,841
Total revenues	<u>8,126,050</u>	<u>-</u>	<u>8,126,050</u>
<b>Expenditures:</b>			
Current:			
General government	453,677	13,815	467,492
Human services	644,561	-	644,561
Public safety	6,581,825	-	6,581,825
Economic and physical development	88,852	-	88,852
Education	230,396	-	230,396
Cultural and recreational	16,886	-	16,886
Capital outlay	-	-	-
Total expenditures	<u>8,016,197</u>	<u>13,815</u>	<u>8,030,012</u>
Revenues over (under) expenditures	<u>109,853</u>	<u>(13,815)</u>	<u>96,038</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	109,853	(13,815)	96,038
<b>Fund Balances:</b>			
Beginning, as previously reported	1,799,647	357,640	2,157,287
Prior period restatement - change in accounting principle	393,562	(121,107)	272,455
Beginning, as restated	<u>2,193,209</u>	<u>236,533</u>	<u>2,429,742</u>
End of year - June 30	<u>\$ 2,303,062</u>	<u>\$ 222,718</u>	<u>\$ 2,525,780</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

## NONMAJOR SPECIAL REVENUE FUNDS

## COMBINING BALANCE SHEET

June 30, 2021

	<b>Fire Districts Fund</b>	<b>Emergency Telephone System Fund</b>	<b>CDBG Grant Fund</b>	<b>Coronavirus Relief Fund</b>	<b>Vera Holland Stoneville Library Fund</b>
<b>Assets:</b>					
Cash and cash equivalents	\$ 973,801	\$ 475,761	\$ -	\$ -	\$ 383,035
Investments	-	102,055	-	-	-
Taxes receivable	101,197	-	-	-	-
Other receivable	-	-	-	-	-
Total assets	<u>\$ 1,074,998</u>	<u>\$ 577,816</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 383,035</u>
<b>Liabilities, Deferred Inflows</b>					
<b>of Resources, and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	\$ 244	\$ 30,633	\$ 276	\$ -	\$ -
Deferred revenue	-	-	-	-	-
Total liabilities	<u>244</u>	<u>30,633</u>	<u>276</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>	<u>101,197</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>					
Restricted:					
Stabilization by State statute	-	-	-	-	-
Restricted, all other	973,557	547,183	-	-	383,035
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	(276)	-	-
Total fund balances	<u>973,557</u>	<u>547,183</u>	<u>(276)</u>	<u>-</u>	<u>383,035</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,074,998</u>	<u>\$ 577,816</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 383,035</u>

<b>Vera Holland Center Fund</b>	<b>Economic Development Projects Fund</b>	<b>Representative Payee Fund</b>	<b>Fines and Forfeitures Fund</b>	<b>Airport Capital Projects Fund</b>	<b>Register of Deeds Fund</b>	<b>Total</b>
\$ 118,518	\$ 7,878	\$ 152,508	\$ 21,319	\$ 627,106	\$ 37,509	\$ 2,797,435
-	-	-	-	-	-	102,055
-	-	-	-	4,898	-	106,095
-	-	-	-	93,389	-	93,389
<u>\$ 118,518</u>	<u>\$ 7,878</u>	<u>\$ 152,508</u>	<u>\$ 21,319</u>	<u>\$ 725,393</u>	<u>\$ 37,509</u>	<u>\$ 3,098,974</u>
\$ 3,175	\$ -	\$ -	\$ 21,319	\$ 101,559	\$ 37,509	\$ 194,715
-	-	-	-	-	-	-
<u>3,175</u>	<u>-</u>	<u>-</u>	<u>21,319</u>	<u>101,559</u>	<u>37,509</u>	<u>194,715</u>
-	-	-	-	500,000	-	601,197
-	-	-	-	98,287	-	98,287
115,343	7,878	152,508	-	-	-	2,179,504
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	25,547	-	25,271
<u>115,343</u>	<u>7,878</u>	<u>152,508</u>	<u>-</u>	<u>123,834</u>	<u>-</u>	<u>2,303,062</u>
<u>\$ 118,518</u>	<u>\$ 7,878</u>	<u>\$ 152,508</u>	<u>\$ 21,319</u>	<u>\$ 725,393</u>	<u>\$ 37,509</u>	<u>\$ 3,098,974</u>



## ROCKINGHAM COUNTY, NORTH CAROLINA

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

	Fire Districts Fund	Emergency Telephone System Fund	CDBG Grant Fund	Coronavirus Relief Fund	Vera Holland Stoneville Library Fund
<b>Revenues:</b>					
Ad valorem taxes	\$ 4,555,051	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental	-	352,961	-	1,766,317	-
Sales and services	-	-	-	-	-
Permit and fees	-	-	-	-	-
Miscellaneous	-	-	-	-	16,947
Investment earnings	-	1,216	-	344	977
Total revenues	<u>4,555,051</u>	<u>354,177</u>	<u>-</u>	<u>1,766,661</u>	<u>17,924</u>
<b>Expenditures:</b>					
Current:					
General government	-	-	-	-	-
Human services	-	-	-	-	-
Public safety	4,440,280	374,884	-	1,766,661	-
Economic and physical development	-	-	279	-	-
Education	-	-	-	-	-
Cultural and recreational	-	-	-	-	-
Total expenditures	<u>4,440,280</u>	<u>374,884</u>	<u>279</u>	<u>1,766,661</u>	<u>-</u>
Revenues over (under) expenditures	<u>114,771</u>	<u>(20,707)</u>	<u>(279)</u>	<u>-</u>	<u>17,924</u>
<b>Other financing uses</b>					
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	114,771	(20,707)	(279)	-	17,924
<b>Fund Balances:</b>					
Beginning, as previously reported	858,786	567,890	3	-	365,111
Prior period restatement - change in accounting principle	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Beginning, as restated	<u>858,786</u>	<u>567,890</u>	<u>3</u>	<u>-</u>	<u>365,111</u>
End of year - June 30	<u>\$ 973,557</u>	<u>\$ 547,183</u>	<u>\$ (276)</u>	<u>\$ -</u>	<u>\$ 383,035</u>

Vera Holland Center Fund	Economic Development Projects Fund	Representative Payee Fund	Fines and Forfeitures Fund	Airport Capital Projects Fund	Register of Deeds Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,555,051
-	-	646,742	-	90,333	-	2,856,353
-	-	-	230,396	-	-	230,396
-	-	-	-	-	453,677	453,677
9,785	-	-	-	-	-	26,732
316	21	-	-	967	-	3,841
10,101	21	646,742	230,396	91,300	453,677	8,126,050
-	-	-	-	-	453,677	453,677
-	-	644,561	-	-	-	644,561
-	-	-	-	-	-	6,581,825
-	-	-	-	88,573	-	88,852
-	-	-	230,396	-	-	230,396
16,886	-	-	-	-	-	16,886
16,886	-	644,561	230,396	88,573	453,677	8,016,197
(6,785)	21	2,181	-	2,727	-	109,853
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(6,785)	21	2,181	-	2,727	-	109,853
-	7,857	-	-	-	-	1,799,647
122,128	-	150,327	-	121,107	-	393,562
122,128	7,857	150,327	-	121,107	-	2,193,209
\$ 115,343	\$ 7,878	\$ 152,508	\$ -	\$ 123,834	\$ -	\$ 2,303,062

## ROCKINGHAM COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUNDS

## COMBINING BALANCE SHEET

June 30, 2021

	Enterprise Resource Planning/ Document Imaging Project Fund	Total
<b>Assets:</b>		
Cash and cash equivalents	\$ 222,718	\$ 222,718
Accounts receivable, net	-	-
Total assets	<u>\$ 222,718</u>	<u>\$ 222,718</u>
<b>Liabilities and Fund Balances:</b>		
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>		
Restricted:		
Stabilization by State statute	-	-
Restricted, all other	-	-
Committed	222,718	222,718
Unassigned	-	-
Total fund balances	<u>222,718</u>	<u>222,718</u>
Total liabilities and fund balances	<u>\$ 222,718</u>	<u>\$ 222,718</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Enterprise Resource Planning/ Document Imaging Project Fund	Total
<b>Revenues:</b>		
Other taxes and licenses	\$ -	\$ -
<b>Expenditures:</b>		
<b>Current:</b>		
General government	13,815	13,815
Revenues over (under) expenditures	(13,815)	(13,815)
<b>Other Financing Sources (Uses):</b>		
Transfers in	-	-
Transfers out	-	-
Total other financing sources (uses)	-	-
Net change in fund balances	(13,815)	(13,815)
<b>Fund Balances:</b>		
Beginning of year - July 1	236,533	236,533
End of year - June 30	\$ 222,718	\$ 222,718



## **THE GENERAL FUND**

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

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## ROCKINGHAM COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Taxes	\$ 53,179,505	\$ 54,771,901	\$ 1,592,396	\$ 53,290,975
Penalties and interest	415,000	424,220	9,220	450,912
Total	53,594,505	55,196,121	1,601,616	53,741,887
<b>Other Taxes and Licenses:</b>				
Local option sales tax	12,022,845	14,820,102	2,797,257	12,701,616
Privilege licenses	4,300	5,186	886	6,218
Rental receipts tax	35,000	42,259	7,259	32,828
Register of Deeds' excise stamps	230,000	385,418	155,418	295,402
Total	12,292,145	15,252,965	2,960,820	13,036,064
<b>Unrestricted Intergovernmental:</b>				
Beer and wine	232,000	225,779	(6,221)	232,415
Dog Taxes	30,000	24,875	(5,125)	28,739
Total	262,000	250,654	(11,346)	261,154
<b>Restricted Intergovernmental:</b>				
Federal and State grants	18,367,229	14,004,307	(4,362,922)	12,594,101
Court facility fees	135,000	103,912	(31,088)	132,936
Other restricted intergovernmental	642,202	506,738	(135,464)	662,928
Total	19,144,431	14,614,957	(4,529,474)	13,389,965
<b>Permits and Fees:</b>				
Inspection fees	379,400	511,080	131,680	424,518
Gun permits	70,000	139,095	69,095	78,486
Register of Deeds' fees	380,000	494,248	114,248	437,079
Animal shelter fees	166,000	141,570	(24,430)	145,690
Total	995,400	1,285,993	290,593	1,085,773

## ROCKINGHAM COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Sales and Services:</b>				
Jail fees	360,500	356,049	(4,451)	413,854
Human service fees	1,282,275	1,831,569	549,294	1,650,768
Ambulance fees	5,164,330	4,354,895	(809,435)	4,641,182
Miscellaneous sales and services	324,944	311,413	(13,531)	365,476
Total	7,132,049	6,853,926	(278,123)	7,071,280
<b>Investment Earnings</b>	200,000	(23,664)	(223,664)	680,966
<b>Miscellaneous:</b>				
ABC revenue	11,000	7,697	(3,303)	5,687
Sale of capital assets	-	25,449	25,449	36,950
Commissions	287,072	231,573	(55,499)	284,833
Other	1,067,234	1,060,980	(6,254)	647,369
Total	1,365,306	1,325,699	(39,607)	974,839
Total Revenues	94,985,836	94,756,651	(229,185)	90,241,928
<b>Expenditures:</b>				
<b>General Government:</b>				
<b>Governing Body:</b>				
Salaries and employee benefits	135,834	135,767		139,122
Operating expenses	73,243	59,767		64,586
Capital outlay	5,500	-		608
Total	214,577	195,534	19,043	204,316
<b>Administration:</b>				
Salaries and employee benefits	471,040	469,595		384,228
Operating expenses	28,544	12,264		14,504
Capital outlay	1,000	976		-
Total	500,584	482,835	17,749	398,732



## ROCKINGHAM COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021		2020	
	Final Budget	Actual	Variance Over/Under	Actual
<b>Public Information Office:</b>				
Salaries and employee benefits	76,718	77,140		74,592
Operating expenses	66,436	26,604		35,075
Total	143,154	103,744	39,410	109,667
<b>Human Resources:</b>				
Salaries and employee benefits	335,000	326,670		296,736
Operating expenses	67,855	60,494		61,486
Capital outlay	-	-		-
Total	402,855	387,164	15,691	358,222
<b>Finance:</b>				
Salaries and employee benefits	596,524	593,014		566,154
Operating expenses	81,526	55,781		53,535
Capital outlay	-	-		17,736
Total	678,050	648,795	29,255	637,425
<b>Tax Administration:</b>				
Salaries and employee benefits	1,339,755	1,296,721		1,262,097
Operating expenses	485,522	428,047		412,262
Capital outlay	-	-		23,166
Total	1,825,277	1,724,768	100,509	1,697,525
<b>Tax Revaluation:</b>				
Operating expenses	1,321,736	1,735		2,100
Total	1,321,736	1,735	1,320,001	2,100

## ROCKINGHAM COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021		2020	
	Final Budget	Actual	Variance Over/Under	Actual
<b>Legal:</b>				
Salaries and employee benefits	253,058	236,791		241,857
Operating expenses	39,085	6,612		17,990
Total	292,143	243,403	48,740	259,847
<b>Register of Deeds:</b>				
Salaries and employee benefits	435,708	423,732		417,108
Operating expenses	173,561	133,928		93,634
Capital outlay	5,696	2,138		917
Total	614,965	559,798	55,167	511,659
<b>Information Services:</b>				
Salaries and employee benefits	963,459	948,069		858,456
Operating expenses	1,061,639	834,313		773,169
Capital outlay	547,517	257,400		209,097
Total	2,572,615	2,039,782	532,833	1,840,722
<b>Graphical Information System:</b>				
Salaries and employee benefits	145,563	135,799		130,590
Operating expenses	70,837	67,626		68,332
Capital outlay	-	-		-
Total	216,400	203,425	12,975	198,922
<b>Public Buildings:</b>				
Salaries and employee benefits	695,645	677,911		679,703
Operating expenses	654,667	609,532		529,583
Capital outlay	375,416	174,936		254,986
Total	1,725,728	1,462,379	263,349	1,464,272
<b>Court Facilities:</b>				
Salaries and employee benefits	-	-		-
Operating expenses	455,901	449,832		378,458
Capital outlay	40,580	40,568		60,415
Total	496,481	490,400	6,081	438,873

## ROCKINGHAM COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Elections:</b>				
Salaries and employee benefits	325,248	244,336		320,400
Operating expenses	146,924	115,020		134,181
Capital outlay	-	-		-
Total	472,172	359,356	112,816	454,581
<b>Elections Grants:</b>				
Salaries and employee benefits	105,064	84,236		-
Operating expenses	95,398	64,619		-
Capital outlay	97,480	35,796		-
Total	297,942	184,651	113,291	-
<b>Risk Manager:</b>				
Salaries and employee benefits	90,187	90,283		86,428
Operating expenses	14,864	7,808		11,097
Total	105,051	98,091	6,960	97,525
<b>Non-Departmental Operating Expense</b>	3,343,032	2,137,855	1,205,177	2,015,851
<b>Non-Departmental COVID19:</b>				
Salaries and employee benefits	9,352	9,350		-
Operating expenses	2,331,997	451,648		-
Capital outlay	356,000	331,268		-
Total	2,697,349	792,266	1,905,083	-
<b>Total General Government</b>	17,920,111	12,115,981	5,804,130	10,690,239
<b>Public Safety:</b>				
<b>Emergency Services Administration:</b>				
Salaries and employee benefits	122,514	122,787		119,284
Operating expenses	70,060	53,177		55,027
Capital outlay	1,449	1,449		11,832
Total	194,023	177,413	16,610	186,143

## ROCKINGHAM COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021		2020
	Final Budget	Actual	Variance Over/Under
			Actual
<b>Emergency Medical Service:</b>			
Salaries and employee benefits	5,148,293	4,697,344	3,837,995
Operating expenses	2,087,725	1,605,077	1,526,215
Capital outlay	591,336	564,563	423,960
Total	7,827,354	6,866,984	5,788,170
<b>Communications:</b>			
Salaries and employee benefits	1,725,008	1,577,087	1,461,398
Operating expenses	202,757	197,472	200,569
Capital outlay	5,513	5,512	2,856
Total	1,933,278	1,780,071	1,664,823
<b>Civil Preparedness/Fire Marshall:</b>			
Salaries and employee benefits	277,126	244,026	255,179
Operating expenses	228,208	165,974	155,762
Capital outlay	99,199	95,657	43,915
Total	604,533	505,657	454,856
<b>Sheriff:</b>			
Salaries and employee benefits	6,375,411	6,259,852	6,196,443
Operating expenses	1,241,153	1,121,090	1,200,270
Capital outlay	463,501	433,059	352,571
Total	8,080,065	7,814,001	7,749,284
<b>Jail:</b>			
Salaries and employee benefits	2,474,671	2,298,106	2,110,229
Operating expenses	1,677,662	1,421,525	1,543,343
Capital outlay	9,357	8,185	9,117
Total	4,161,690	3,727,816	3,662,689
<b>Animal Control:</b>			
Salaries and employee benefits	214,820	213,843	221,965
Operating expenses	27,906	22,033	22,893
Capital outlay	3,100	2,991	28,571
Total	245,826	238,867	273,429

## ROCKINGHAM COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Animal Shelter:</b>				
Salaries and employee benefits	377,076	363,734		319,133
Operating expenses	286,026	278,874		226,969
Capital outlay	89,352	89,352		187,729
Total	752,454	731,960	20,494	733,831
<b>Code Enforcement:</b>				
Salaries and employee benefits	131,472	131,415		126,926
Operating expenses	28,870	11,195		13,553
Capital outlay	-	-		-
Total	160,342	142,610	17,732	140,479
<b>Inspection/Planning:</b>				
Salaries and employee benefits	450,375	412,747		374,026
Operating expenses	308,875	270,031		169,540
Capital outlay	61,203	60,742		9,415
Total	820,453	743,520	76,933	552,981
<b>Central Permitting:</b>				
Salaries and employee benefits	177,295	174,659		114,912
Operating expenses	8,764	8,077		3,906
Total	186,059	182,736	3,323	118,818
<b>Other Public Safety:</b>				
Medical examiner	100,000	92,000		91,000
Juvenile detention	248,500	223,001		164,209
Total	348,500	315,001	33,499	255,209
Total Public Safety	25,314,577	23,226,636	2,087,941	21,580,712
<b>Economic and Physical Development:</b>				
<b>Economic Development:</b>				
Other	2,521,230	1,309,701		986,720
Total	2,521,230	1,309,701	1,211,529	986,720

## ROCKINGHAM COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021		2020
	Final Budget	Actual	Variance Over/Under
			Actual
<b>Partnership for Economic Development:</b>			
Salaries and employee benefits	503,236	500,272	419,367
Operating expenses	107,533	77,189	91,071
Capital outlay	-	-	-
Total	610,769	577,461	510,438
<b>Airport Authority:</b>			
Operating expenses	70,000	70,000	70,000
Capital outlay	16,667	16,667	16,667
Total	86,667	86,667	86,667
<b>Soil Conservation:</b>			
Salaries and employee benefits	186,896	187,274	179,402
Operating expenses	21,786	17,253	22,997
Capital outlay	-	-	-
Total	208,682	204,527	202,399
<b>Cooperative Extension:</b>			
Salaries and employee benefits	266,734	265,404	239,459
Operating expenses	119,919	45,029	40,085
Capital outlay	-	-	-
Total	386,653	310,433	279,544
<b>4-H Grant:</b>			
Operating expenses	14,050	11,060	15,947
Capital outlay	10,675	3,567	1,300
Total	24,725	14,627	17,247

## ROCKINGHAM COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Economic Development - Other:</b>				
Operating expenses	298,750	7,847		7,517
Total	298,750	7,847	290,903	7,517
 Total Economic and Physical Development	 4,137,476	 2,511,263	 1,626,213	 2,090,532
<b>Human Services:</b>				
<b>Consolidated Health and Human Services:</b>				
Salaries and employee benefits	225,598	158,427		232,182
Operating expenses	87,482	46,951		48,831
Capital outlay	40,796	-		66,162
Total	353,876	205,378	148,498	347,175
 <b>Public Health:</b>				
Salaries and employee benefits	6,177,712	4,786,498		4,367,677
Operating expenses	1,403,785	1,010,566		1,134,609
Capital outlay	252,202	135,299		40,412
Total	7,833,699	5,932,363	1,901,336	5,542,698
 <b>Mental Health:</b>				
Operating expenses	382,591	311,800		339,450
Total	382,591	311,800	70,791	339,450
 <b>Social Services:</b>				
Salaries and employee benefits	9,966,613	8,850,710		8,869,893
Operating expenses	6,977,307	4,342,200		4,215,034
Capital outlay	258,661	106,100		258,053
Total	17,202,581	13,299,010	3,903,571	13,342,980
 <b>Veterans Service Officer:</b>				
Salaries and employee benefits	70,619	70,724		68,603
Operating expenses	5,259	2,261		2,580
Total	75,878	72,985	2,893	71,183

## ROCKINGHAM COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Council On Aging:</b>				
Operating expenses	1,278,468	765,816	512,652	1,105,998
<b>Youth Services:</b>				
Salaries and employee benefits	735,089	551,663		679,322
Operating expenses	111,068	88,173		111,558
Capital outlay	3,816	3,816		7,019
Total	849,973	643,652	206,321	797,899
<b>Other Agencies:</b>				
Centerpoint LME	-	-		-
Project Help	36,900	36,900		36,900
Sentencing alternatives	15,750	15,750		15,750
Other	21,299	19,509		13,545
Total	73,949	72,159	1,790	66,195
<b>More At Four:</b>				
Salaries and employee benefits	-	-		10,400
Operating expenses	-	-		226,189
Capital outlay	-	-		-
Total	-	-	-	236,589
Total Head Start	-	-	-	236,589
Total Human Services	28,051,015	21,303,163	6,747,852	21,850,167
<b>Cultural and Recreational:</b>				
<b>Libraries:</b>				
Salaries and employee benefits	1,417,825	1,323,720		1,354,794
Operating expenses	567,845	486,368		497,877
Capital outlay	69,630	10,862		46,034
Total	2,055,300	1,820,950	234,350	1,898,705



## ROCKINGHAM COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Other:</b>				
Arts Council	8,000	8,000		8,000
Fine Arts	86,320	85,036		83,626
Total	94,320	93,036	1,284	91,626
Total Cultural and Recreational	2,149,620	1,913,986	235,634	1,990,331
<b>Education:</b>				
<b>Public Schools:</b>				
Current expense	15,834,840	15,834,840	-	15,834,840
Capital outlay	4,077,237	2,291,999	1,785,238	2,311,233
<b>Community college:</b>				
Current expense	4,704,055	4,658,845	45,210	4,104,473
Capital outlay	169,091	169,091	-	169,091
Total Education	24,785,223	22,954,775	1,830,448	22,419,637
<b>Contingency</b>	152,706	-	152,706	-
Total Expenditures	102,510,728	84,025,804	18,484,924	80,621,618
Revenues over (under) expenditures	(7,524,892)	10,730,847	18,255,739	9,620,310

## ROCKINGHAM COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Other Financing Sources (Uses):</b>				
Transfers to Other Funds:				
Special revenue funds	(42,989)	(42,989)	-	(466,060)
Capital project funds	(8,555,018)	(8,381,088)	173,930	(4,304,260)
Enterprise funds	(471,914)	(471,914)	-	(1,051,148)
Debt Service Fund	(417,137)	(417,137)	-	(479,858)
Internal Service Funds	(25,000)	(25,000)	-	-
Transfers from other funds:				
Capital project funds	3,022,684	1,244,474	1,778,210	600,735
Enterprise funds	331,000	331,000	-	-
Appropriated fund balance	13,683,266	-	(13,683,266)	-
Total other financing sources (uses)	7,524,892	(7,762,654)	(15,287,546)	(5,248,158)
Net change in fund balance	\$ -	2,968,193	\$ 2,968,193	4,372,152
<b>Fund Balance:</b>				
Beginning of year - July 1		41,635,768		37,263,616
End of year - June 30		\$ 44,603,961		\$ 41,635,768

## ROCKINGHAM COUNTY, NORTH CAROLINA

**PUBLIC HEALTH PROGRAM**  
**(AN INTEGRAL PART OF THE GENERAL FUND)**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
State, Federal and Other Grants				
State Aid to County	\$ 116,040	\$ 140,215	\$ 24,175	\$ 93,148
AIDS Control	500	42	(458)	600
Tuberculosis	15,953	16,944	991	12,501
Communicable Disease	4,098	248	(3,850)	4,098
Health Promotion	34,354	9,428	(24,926)	64,819
CBCCCP	48,125	12,079	(36,046)	32,260
Child Health	30,532	39,632	9,100	31,846
Women's Preventative Health	246,560	200,802	(45,758)	235,238
Women, Infants, Children (Nutritional)	414,414	442,648	28,234	409,647
Maternal Health	10,552	11,039	487	10,134
Child Service Coordinator	43,303	54,129	10,826	43,303
Immunization Action Plan	28,312	57,338	29,026	24,013
Minority Diabetes	16,589	4,671	(11,918)	16,405
COVID-19 PH Response	1,426,129	656,386	(769,743)	-
Health Equity Payment Initiative	-	66,403	66,403	-
Environmental Health	70,000	27,289	(42,711)	-
Food and Lodging Grant	25,500	22,117	(3,383)	24,099
Congregation RN Program	250	500	250	-
Preparedness Grant	38,802	38,082	(720)	38,082
School Nurse Grant (SNFI)	200,000	200,000	-	200,000
Project Connect	-	-	-	-
Care Coordination for Children	184,840	173,886	(10,954)	173,914
Pregnancy Care Management	245,168	258,738	13,570	231,568
Medication Assistance Program Grant	27,404	33,370	5,966	26,149
Dental Grant	20,400	23,800	3,400	22,100
Family Planning Donation	-	-	-	172
STD Drugs	2,389	602	(1,787)	759
KBR Grant	110,000	750	(109,250)	-
Total	<u>3,360,214</u>	<u>2,491,138</u>	<u>(869,076)</u>	<u>1,694,855</u>
Health Department Fees				
Clinic Fees	718,250	708,534	(9,716)	952,153
Dental Clinic fees	378,000	322,268	(55,732)	458,311
Environmental Health Fees	171,000	261,460	90,460	224,145
COVID Vaccine Fees	-	532,857	532,857	-
Miscellaneous Reimbursement	-	-	-	2,996
Total	<u>1,267,250</u>	<u>1,825,119</u>	<u>557,869</u>	<u>1,637,605</u>
Total Revenues	<u>4,627,464</u>	<u>4,316,257</u>	<u>(311,207)</u>	<u>3,332,460</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

**PUBLIC HEALTH PROGRAM**  
**(AN INTEGRAL PART OF THE GENERAL FUND)**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>2021</b>			<b>2020</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Expenditures</b>				
General		4,943,170		4,517,575
Health Promotion		9,634		9,971
Communicable Disease		2,624		3,769
CBCCCP		25,059		20,936
Woment, Infants, Children (Nutritional)		15,916		9,438
Pregnancy Care Management		10,851		93,296
Minority Diabetes Prevention Program		7,281		10,308
Child Health		234,003		215,875
Care Coordination for Children		38,152		72,081
Family Planning		59,110		63,848
Immunization Action Plan		1,425		600
Environmental Health		112,700		85,626
Dental Clinic		402,003		362,119
Prescription Assistance		48,133		46,196
KBR Grant		750		-
Medication Assistance Program Grant		21,552		31,060
Total Expenditures	<u>7,833,699</u>	<u>5,932,363</u>	<u>1,901,336</u>	<u>5,542,698</u>
Revenues over (under) expenditures	(3,206,235)	(1,616,106)	1,590,129	(2,210,238)
<b>Other Financing Sources (Uses)</b>				
Intra-fund transfer in - General Fund	<u>3,206,235</u>	<u>1,616,106</u>	<u>(1,590,129)</u>	<u>2,210,238</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

**SOCIAL SERVICES PROGRAM**  
**(AN INTEGRAL PART OF THE GENERAL FUND)**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
State, Federal and Other Grants				
Administration	\$ 7,322,080	\$ 7,164,045	\$ (158,035)	\$ 7,237,688
Medicaid Transportation	50,000	47,772	(2,228)	72,159
Administration Aid/Indirect Cost	1,020,337	-	(1,020,337)	-
Fraud	10,729	26,540	15,811	20,743
Independent Living Links	21,218	4,418	(16,800)	11,194
Child Daycare	50,000	-	(50,000)	-
IV-B & IV-E Adoption	74,533	21,090	(53,443)	92,791
Child Protective Services	387,631	-	(387,631)	-
Adult Day Care	14,399	-	(14,399)	-
Energy Assistance	69,759	-	(69,759)	-
Child Care IV-E	497,652	860,606	362,954	797,739
IV-D Incentive	66,474	149,321	82,847	195,586
Crisis Intervention	452,924	-	(452,924)	-
Child Care - State Foster	279,572	293,599	14,027	142,072
Special Children Adoption Grant	-	24,953	24,953	72,247
Share the Warmth	878	-	(878)	-
Low Income Home Energy Assistance	552,924	-	(552,924)	-
Medicaid Fraud Collections	-	3,041	3,041	-
SA Fraud/Recoupment Collections	-	24,135	24,135	-
LIEAP Fraud Collections	-	100	100	-
CIP Fraud Collections	-	462	462	-
COVID 19-DSS	437,464	167,004	(270,460)	-
Miscellaneous	-	8,413	8,413	1,400
Total	11,308,574	8,795,499	(2,513,075)	8,643,619
 Social Service Fees				
Health Choice	14,325	(50)	(14,375)	12,963
Health Cov Workers W/ Disabilities	450	-	(450)	200
Total	14,775	(50)	(14,825)	13,163
 Total Revenues	11,323,349	8,795,449	(2,527,900)	8,656,782

## ROCKINGHAM COUNTY, NORTH CAROLINA

**SOCIAL SERVICES PROGRAM**  
**(AN INTEGRAL PART OF THE GENERAL FUND)**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>2021</b>			<b>2020</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Expenditures:</b>				
Administration:				
Personnel services		8,850,710		8,869,893
Operating expenses		883,210		834,707
Capital outlay		106,100		258,053
Total	11,615,624	9,840,020	1,775,604	9,962,653
Public Assistance:				
Medicaid - local portion		2,912		12,439
Medicaid Transportation		51,855		77,951
Contracts/Grants - local portion		3,404,223		3,289,937
Total	5,586,957	3,458,990	2,127,967	3,380,327
Total Expenditures	17,202,581	13,299,010	3,903,571	13,342,980
Revenues over (under) expenditures	(5,879,232)	(4,503,561)	1,375,671	(4,686,198)
<b>Other Financing Sources (Uses)</b>				
Intra-fund transfer in - General Fund	5,879,232	4,503,561	(1,375,671)	4,686,198
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	\$ -	\$ -

## ROCKINGHAM COUNTY, NORTH CAROLINA

**YOUTH INVOLVEMENT PROGRAM**  
**(AN INTEGRAL PART OF THE GENERAL FUND)**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
JCPC Funs	\$ 326,726	\$ 326,726	\$ -	\$ 288,806
Transitions contract	-	6,000	6,000	-
Alternatives to Commitment Expansion Grant	88,400	81,795	(6,605)	82,768
Program fees/reimbursements	-	93	93	48
Total	<u>415,126</u>	<u>414,614</u>	<u>(512)</u>	<u>371,622</u>
<b>Expenditures:</b>				
Youth Services:				
Salaries and employee benefits	640,280	506,969	133,311	584,766
Operating expenses	48,535	31,352	17,183	54,476
Capital outlay	3,816	3,816	-	5,763
Total	<u>692,631</u>	<u>542,137</u>	<u>150,494</u>	<u>645,005</u>
Alternative to Commitment Expansion				
Salaries and employee benefits	34,420	32,337	2,083	33,099
Operating expenses	53,980	49,456	4,524	50,148
Total	<u>88,400</u>	<u>81,793</u>	<u>6,607</u>	<u>83,247</u>
SA Prevention LME				
Salaries and employee benefits	60,389	12,357	48,032	47,351
Operating expenses	8,553	7,365	1,188	4,854
Total	<u>68,942</u>	<u>19,722</u>	<u>49,220</u>	<u>52,205</u>
Total Expenditures	<u>849,973</u>	<u>643,652</u>	<u>206,321</u>	<u>797,899</u>
Revenues over (under) expenditures	(434,847)	(229,038)	205,809	(426,277)
<b>Other Financing Sources (Uses)</b>				
Intra-fund transfer in - General Fund	<u>434,847</u>	<u>229,038</u>	<u>(205,809)</u>	<u>426,277</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>





# SPECIAL REVENUE FUNDS

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Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

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**Fire Districts Fund** - This fund accounts for the ad valorem tax-levies of the seventeen fire districts in Rockingham County.

**Emergency Telephone System Fund** - This fund accounts for the telephone surcharges to be used for the emergency telephone system.

**CDBG Grant Fund** - This fund accounts for the activities related to CDBG grants.

**Coronavirus Relief Fund**- This fund accounts for the activities related federal and state aid received in response to the COVID-19 pandemic.

**Vera Holland Stoneville Library Fund** - This fund accounts for the monies donated by Vera Holland to the Stoneville Library for maintenance of the facility.

**Vera Holland Center Fund** – This fund accounts for the monies donated by Vera Holland to the Vera Holland Center for maintenance of the facility.

**Economic Development Projects Fund** - This fund accounts for the activities related to economic development paid for via various grants.

**Representative Payee Fund**– This fund accounts for monies held by the Social Services Department for the benefit of certain individuals in the County.

**Fines and Forfeitures Fund** - This fund accounts for monies collected by the Courts that are designated and remitted to the County School System.

**Airport Capital Projects Fund** - This fund is used to account for the construction of a runway and taxi-way improvements at the local airport.

**Register of Deeds Fund**- This fund accounts for monies collected by the Register of Deeds that are designated and remitted to various State agencies.

## ROCKINGHAM COUNTY, NORTH CAROLINA

## SPECIAL REVENUE FUND - FIRE DISTRICTS

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Ad valorem taxes	\$ 4,444,937	\$ 4,555,051	\$ 110,114	\$ 4,385,585
Total revenues	<u>4,444,937</u>	<u>4,555,051</u>	<u>110,114</u>	<u>4,385,585</u>
<b>Expenditures:</b>				
<b>Public Safety:</b>				
<b>Fire Districts:</b>				
Wentworth	385,726	384,862	864	355,094
Stokesdale	262,528	261,942	586	234,567
Bethany	423,154	422,523	631	394,454
Northwest	148,281	148,197	84	146,636
Huntsville	384,295	383,881	414	360,163
Oregon Hill	219,749	219,804	(55)	214,145
Shiloh	282,335	282,386	(51)	276,179
Monroeton	373,687	373,240	447	352,632
Williamsburg	307,612	307,634	(22)	300,525
Summerfield	113,669	113,340	329	104,492
Yanceyville Road	165,922	165,741	181	160,136
Stoneyview	136,885	136,799	86	147,764
Casville	27,087	27,088	(1)	17,381
Jacobs Creek	121,517	121,042	475	118,942
Madison-Mayodan	207,684	207,719	(35)	191,000
Stokes-Rockingham	11,943	11,923	20	11,127
Ruffin	164,756	164,793	(37)	162,384
Draper	354,855	354,096	759	337,981
Leaksville	346,349	346,377	(28)	355,436
Pelham	<u>6,903</u>	<u>6,893</u>	<u>10</u>	<u>6,341</u>
Total public safety expenditures	<u>4,444,937</u>	<u>4,440,280</u>	<u>4,657</u>	<u>4,247,379</u>
Net change in fund balance	<u>\$ -</u>	<u>114,771</u>	<u>\$ 114,771</u>	<u>138,206</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>858,786</u>		<u>720,580</u>
End of year - June 30		<u>\$ 973,557</u>		<u>\$ 858,786</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

## SPECIAL REVENUE FUND - EMERGENCY TELEPHONE SYSTEM

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
<b>Restricted Intergovernmental:</b>				
911 funds	\$ 314,500	\$ 352,961	\$ 38,461	\$ 310,977
Investment earnings	-	1,216	1,216	9,287
Total revenues	<u>314,500</u>	<u>354,177</u>	<u>39,677</u>	<u>320,264</u>
<b>Expenditures:</b>				
Public safety	<u>375,000</u>	<u>374,884</u>	<u>116</u>	<u>474,235</u>
Revenues over (under) expenditures	(60,500)	(20,707)	39,793	(153,971)
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	<u>60,500</u>	-	<u>(60,500)</u>	-
Total other financing sources (uses)	<u>60,500</u>	-	<u>(60,500)</u>	-
Net change in fund balance	<u>\$ -</u>	(20,707)	<u>\$ (20,707)</u>	(153,971)
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>567,890</u>		<u>721,861</u>
End of year - June 30		<u>\$ 547,183</u>		<u>\$ 567,890</u>

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**SPECIAL REVENUE FUND - CDBG GRANT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

		<b>Actual</b>		
	<b>Project</b>	<b>Prior</b>	<b>Current</b>	
	<b>Authorization</b>	<b>Years</b>	<b>Year</b>	<b>Total to Date</b>
<b>Revenues:</b>				
Grants:				
CDBG Grants	\$ 3,540,000	\$ 1,252,972	\$ -	\$ 1,252,972
CDBG Covid19 Assistance	900,000	-	-	-
Miscellaneous	-	3	-	3
Total revenues	<u>4,440,000</u>	<u>1,252,975</u>	<u>-</u>	<u>1,252,975</u>
<b>Expenditures:</b>				
Economic development	3,540,000	1,252,972	-	1,252,972
Human services	900,000	-	279	279
	<u>4,440,000</u>	<u>1,252,972</u>	<u>279</u>	<u>1,253,251</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 3</u>	(279)	<u>\$ (276)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>3</u>	
End of year - June 30			<u>\$ (276)</u>	

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**SPECIAL REVENUE FUND - CORONAVIRUS RELIEF FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>2021</b>			<b>2020</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
COVID-19 NC Allocation	\$ 1,766,317	\$ 1,766,317	\$ -	\$ 1,730,763
American Rescue Plan Act Grant Revenue	17,677,626	-	(17,677,626)	-
Investment income	344	344	-	-
	<u>19,444,287</u>	<u>1,766,661</u>	<u>(17,677,626)</u>	<u>1,730,763</u>
<b>Expenditures:</b>				
Public Safety	<u>19,444,287</u>	<u>1,766,661</u>	<u>(17,677,626)</u>	<u>1,730,763</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		-		-
End of year - June 30		<u>\$ -</u>		<u>\$ -</u>

# **ROCKINGHAM COUNTY, NORTH CAROLINA**

## **SPECIAL REVENUE FUND - VERA HOLLAND STONEVILLE LIBRARY**

### **SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**

#### **IN FUND BALANCE - BUDGET AND ACTUAL**

#### **FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

#### **8WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>2021</b>			<b>2020</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
Miscellaneous income	\$ 15,000	\$ 16,947	\$ 1,947	\$ 7,548
Investment earnings	5,000	977	(4,023)	5,596
Total revenues	20,000	17,924	(2,076)	13,144
<b>Expenditures:</b>				
Cultural and recreational	20,000	-	20,000	18,100
Net change in fund balance	<u>\$ -</u>	17,924	<u>\$ 17,924</u>	(4,956)
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>365,111</u>		<u>370,067</u>
End of year - June 30		<u>\$ 383,035</u>		<u>\$ 365,111</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

**SPECIAL REVENUE FUND - ECONOMIC DEVELOPMENT PROJECTS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

		Actual		
	Project Authorization	Prior Years	Current Year	Total to Date
Revenues:				
Golden Leaf grant	\$ -	\$ 596,480	\$ -	\$ 596,480
NC Commerce grants	-	1,265,000	-	1,265,000
Golden Leaf revolving loan payment	-	372,122	-	372,122
Lease revenue	-	596,480	-	596,480
Investment earnings	-	17,927	21	17,948
Total revenues	-	2,848,009	21	2,848,030
Expenditures:				
Economic and physical development	-	2,911,480	-	2,911,480
Revenues over (under) expenditures	-	(63,471)	21	(63,450)
Other Financing Sources (Uses):				
Transfer from General Fund	-	443,450	-	443,450
Total other financing sources (uses)	-	443,450	-	443,450
Net change in fund balance	\$ -	\$ 379,979	21	\$ 380,000
Fund Balance:				
Beginning of year - July 1			7,857	
End of year - June 30			\$ 7,878	

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**SPECIAL REVENUE FUND - REPRESENTATIVE PAYEE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Over/Under</u></b>
<b>Revenues:</b>			
Restricted intergovernmental	\$ <u>750,000</u>	\$ <u>646,742</u>	\$ <u>(103,258)</u>
<b>Expenditures:</b>			
Human services			
Payments made for benefit of beneficiaries	<u>750,000</u>	<u>644,561</u>	<u>105,439</u>
Net change in fund balance	\$ <u>-</u>	2,181	\$ <u>2,181</u>
<b>Fund Balance:</b>			
Beginning, as previously reported		-	
Prior period restatement - change in accounting principle		<u>150,327</u>	
Beginning, as restated		<u>150,327</u>	
End of year - June 30		<u>\$ 152,508</u>	



**ROCKINGHAM COUNTY, NORTH CAROLINA**

**SPECIAL REVENUE FUND - FINES AND FORFEITURES FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>			
Sales and services			
Penalties, fines and forfeitures	\$ <u>600,000</u>	\$ <u>230,396</u>	\$ <u>(369,604)</u>
<b>Expenditures:</b>			
Education			
Payments of penalties, fines and forfeitures to the Rockingham County School System	<u>600,000</u>	<u>230,396</u>	<u>369,604</u>
 Net change in fund balance	 \$ <u>-</u>	 -	 \$ <u>-</u>
<b>Fund Balance:</b>			
Beginning of year - July 1		<u>-</u>	
End of year - June 30		\$ <u>-</u>	

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**SPECIAL REVENUE FUND - AIRPORT CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Restricted intergovernmental	\$ 467,135	\$ 73,666	\$ (393,469)
Local match funds	502,933	16,667	(486,266)
Investment earnings	-	967	967
Total revenue	<u>970,068</u>	<u>91,300</u>	<u>(878,768)</u>
<b>Expenditures:</b>			
Capital improvements	<u>995,262</u>	<u>88,573</u>	<u>906,689</u>
Revenues over (under) expenditures	(25,194)	2,727	27,921
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>25,194</u>	<u>-</u>	<u>(25,194)</u>
Total other financing sources (uses)	<u>25,194</u>	<u>-</u>	<u>(25,194)</u>
Net change in fund balance	<u>\$ -</u>	<u>2,727</u>	<u>\$ 2,727</u>
<b>Fund Balance:</b>			
Beginning, as previously reported		-	
Prior period restatement - change in accounting principle		<u>121,107</u>	
Beginning, as restated		<u>121,107</u>	
End of year - June 30		<u>\$ 123,834</u>	

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**SPECIAL REVENUE FUND - REGISTER OF DEEDS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Over/Under</u></b>
<b>Revenues:</b>			
Permits and fees			
Register of deeds	<u>434,500</u>	<u>453,677</u>	<u>\$ 19,177</u>
<b>Expenditures:</b>			
General government			
Payments of fees collected to the State of North Carolina	<u>434,500</u>	<u>453,677</u>	<u>(19,177)</u>
 Net change in fund balance	 <u>\$ -</u>	 -	 <u>\$ -</u>
<b>Fund Balance:</b>			
Beginning of year - July 1		<u>-</u>	
End of year - June 30		<u><u>\$ -</u></u>	

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**SPECIAL REVENUE FUND - VERA HOLLAND CENTER**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>2021</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Miscellaneous income	\$ 10,500	\$ 9,785	\$ (715)
Investment earnings	500	316	(184)
Total revenues	<u>11,000</u>	<u>10,101</u>	<u>(899)</u>
<b>Expenditures:</b>			
Cultural and recreational	<u>17,250</u>	<u>16,886</u>	<u>364</u>
Revenues over (under) expenditures	(6,250)	(6,785)	(535)
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>6,250</u>	<u>-</u>	<u>(6,250)</u>
Total other financing sources (uses)	<u>6,250</u>	<u>-</u>	<u>(6,250)</u>
Net change in fund balance	<u>\$ -</u>	<u>(6,785)</u>	<u>\$ (6,785)</u>
<b>Fund Balance:</b>			
Beginning, as previously reported		-	
Prior period restatement - change in accounting principle		<u>122,128</u>	
Beginning, as restated		<u>122,128</u>	
End of year - June 30		<u>\$ 115,343</u>	



## **DEBT SERVICE FUND**

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The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

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## ROCKINGHAM COUNTY, NORTH CAROLINA

## MAJOR FUND - DEBT SERVICE FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 512	\$ 512	\$ 3,593
Miscellaneous income-rebates	89,159	89,867	708	143,971
Total revenues	89,159	90,379	1,220	147,564
<b>Debt Service:</b>				
Principal retirement	8,523,658	8,523,657	1	5,499,909
Interest and fees	2,081,659	2,027,546	54,113	2,231,257
Total expenditures	10,605,317	10,551,203	54,114	7,731,166
Revenues over (under) expenditures	(10,516,158)	(10,460,824)	55,334	(7,583,602)
<b>Other Financing Sources (Uses):</b>				
<b>Transfers In:</b>				
From General Fund	417,137	417,137	-	479,858
From Capital Reserve Fund	6,731,021	6,728,547	(2,474)	7,109,000
Proceeds from Debt Issuance	3,368,000	3,368,000	-	-
Total other financing sources (uses)	10,516,158	10,513,684	(2,474)	7,588,858
Net change in fund balance	\$ -	52,860	\$ 52,860	5,256
<b>Fund Balance:</b>				
Beginning of year - July 1		81,091		75,835
End of year - June 30		\$ 133,951		\$ 81,091





## CAPITAL PROJECTS FUNDS

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

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**Capital Reserve Capital Project Fund** - This fund was established in accordance with North Carolina law to account for the accumulation of resources to be used for major capital purchases. These resources are transferred to the other Capital Projects Fund when needed.

**Enterprise Resource Planning/Document Imaging Project Fund** - This fund is used to account for the purchase of new document imaging equipment.

## ROCKINGHAM COUNTY, NORTH CAROLINA

## CAPITAL RESERVE CAPITAL PROJECT FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Local option sales tax	\$ 4,010,660	\$ 4,741,587	\$ 730,927	\$ 4,091,051
Restricted intergovernmental	840,000	756,583	(83,417)	1,111,862
Investment earnings	-	9,549	9,549	37,203
Total revenues	4,850,660	5,507,719	657,059	5,240,116
<b>Other Financing Sources (Uses):</b>				
<b>Transfers In:</b>				
General Fund	8,532,518	8,358,588	(173,930)	4,129,660
<b>Transfers Out:</b>				
General Fund	(3,022,684)	(1,244,474)	1,778,210	600,735
Debt Service Fund	(6,731,021)	(6,728,547)	2,474	(7,109,000)
Appropriated fund balance	1,221,187	-	(1,221,187)	-
Total other financing sources (uses)	-	385,567	385,567	(3,580,075)
Net change in fund balance	<u>\$ 4,850,660</u>	5,893,286	<u>\$ 1,042,626</u>	1,660,041
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>3,467,806</u>		<u>1,807,765</u>
End of year - June 30		<u>\$ 9,361,092</u>		<u>\$ 3,467,806</u>

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**ENTERPRISE RESOURCE PLANNING & DOCUMENT IMAGING PROJECT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

		<b>Actual</b>		
	<b><u>Project Authorization</u></b>	<b><u>Prior Years</u></b>	<b><u>Current Year</u></b>	<b><u>Total to Date</u></b>
<b>Expenditures:</b>				
General government	\$ 988,000	\$ 751,467	\$ 13,815	\$ 765,282
<b>Other Financing Sources (Uses):</b>				
<b>Transfers In:</b>				
General Fund	(988,000)	988,000	-	988,000
Net change in fund balance	<u>\$ (1,976,000)</u>	<u>\$ 236,533</u>	(13,815)	<u>\$ 222,718</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>236,533</u>	
End of year - June 30			<u>\$ 222,718</u>	



# ENTERPRISE FUNDS

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The 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.

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**Water Fund** - This fund is used to account for the operation of the County's water line system.

**Sewer Fund** - This fund is used to account for the operation of the County's sewer collection system and contracted sewer treatment services.

**Regional Water System Project** - This fund is used to account for the Regional Water System project.

**Water and Wastewater Infrastructure Project** - This fund is used to account for the Water Fund and Sewer Fund capital projects.

**South Rockingham Corporate Park Water & Wastewater Capital Project** - This fund is used to account for the South Rockingham Corporate Park Water and Wastewater Fund capital projects.

**Hogans Creek Pump Project** – This fund is used to account for Hogan’s Creek Water Booster Pump Station relocation and flood protection project.

**Landfill Fund** - This fund is used to account for the operations of the County's solid waste activities.

**Landfill Expansion Project Fund** - This fund is used to account for the construction of new landfill cells for future solid waste disposal sites.

**Landfill Reserve Fund** - This fund is used to account for funds set aside to fund future cell constructions.

## ROCKINGHAM COUNTY, NORTH CAROLINA

## ENTERPRISE FUND - WATER

## SCHEDULE OF REVENUES AND EXPENDITURES -

## BUDGET AND ACTUAL (MODIFIED ACCRUAL)

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
<b>Operating Revenues:</b>				
Water usage fees	\$ 504,000	\$ 498,377	\$ (5,623)	\$ 488,248
Water connection fees	40,000	73,323	33,323	62,050
Other operating revenues	-	18	18	1,287
Total revenues	<u>544,000</u>	<u>571,718</u>	<u>27,718</u>	<u>551,585</u>
<b>Operating Expenditures:</b>				
<b>Water Operations:</b>				
Personnel	60,254	53,986	6,268	66,520
Professional expenditures	31,953	27,422	4,531	14,461
Supplies	5,000	2,729	2,271	6,074
Repairs and maintenance	127,002	124,514	2,488	106,389
Other operating expenditures	<u>235,538</u>	<u>206,038</u>	<u>29,500</u>	<u>152,999</u>
Total	<u>459,747</u>	<u>414,689</u>	<u>45,058</u>	<u>346,443</u>
<b>Debt Service:</b>				
Interest and fees	71,582	69,913	1,669	74,344
Debt principal	<u>1,241,941</u>	<u>1,241,940</u>	<u>1</u>	<u>273,789</u>
Total	<u>1,313,523</u>	<u>1,311,853</u>	<u>1,670</u>	<u>348,133</u>
<b>Capital Outlay</b>	<u>621,658</u>	<u>462,443</u>	<u>159,215</u>	<u>29,320</u>
Total expenditures	<u>2,394,928</u>	<u>2,188,985</u>	<u>205,943</u>	<u>723,896</u>
Revenues over (under) expenditures	<u>(1,850,928)</u>	<u>(1,617,267)</u>	<u>233,661</u>	<u>(172,311)</u>
<b>Other Financing Sources (Uses):</b>				
<b>Transfers In:</b>				
General Fund	284,722	284,722	-	761,240
Capital Projects Fund	232,955	232,955	-	-
<b>Transfers Out:</b>				
General Fund	(331,000)	(331,000)	-	-
Long-term debt issued	982,800	982,800	-	-
Appropriated fund balance	<u>681,451</u>	<u>-</u>	<u>681,451</u>	<u>-</u>
Total other financing sources (uses)	<u>1,850,928</u>	<u>1,169,477</u>	<u>(681,451)</u>	<u>761,240</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (447,790)</u>	<u>\$ (447,790)</u>	<u>\$ 588,929</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

## ENTERPRISE FUND - WATER

## SCHEDULE OF REVENUES AND EXPENDITURES -

## BUDGET AND ACTUAL (MODIFIED ACCRUAL)

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
<b>Reconciliation from Modified Accrual to Full Accrual Basis:</b>				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ (447,790)		\$ 588,929
Reconciling items:				
Earnings - Enterprise Fund:				
Infrastructure Project		2,685		2,738
Corporate Projects		1,364,687		-
Transfer from :				
Water and Wastewater Capital Projects		(590,490)		-
Expense allocation		-		(68,644)
Depreciation		(404,050)		(322,741)
Debt issuance proceeds		(982,800)		-
Increase (decrease) deferred outflows		8,565		(4,778)
(Increase) decrease in net pension liability		1,631		(789)
(Increase) decrease deferred inflows		11,867		(10,319)
Decrease in debt principal		1,241,940		273,789
Capital outlay		462,443		29,320
(Increase) decrease in other post- employment benefits liability		(3,260)		19,002
Amortization of debt premium		7,084		7,077
(Increase) decrease in accrued interest payable		2,797		1,162
(Increase) decrease in accrued vacation		5,306		2,532
Change in net position		<u>\$ 680,615</u>		<u>\$ 517,278</u>
Change in net position:		\$ 680,615		
Regional Water System Fund		3,499,907		
		<u>\$ 4,180,522</u>		

## ROCKINGHAM COUNTY, NORTH CAROLINA

## ENTERPRISE FUND - SEWER

## SCHEDULE OF REVENUES AND EXPENDITURES -

## BUDGET AND ACTUAL (MODIFIED ACCRUAL)

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
<b>Operating Revenues:</b>				
Sewer usage fees	\$ 580,000	\$ 555,795	\$ (24,205)	\$ 604,966
Sewer connection fees	6,000	17,240	11,240	-
Other operating revenues	-	-	-	2,500
Total revenues	586,000	573,035	(12,965)	607,466
<b>Expenditures:</b>				
<b>Sewer Operations:</b>				
Personnel expenses	51,719	49,956	1,763	74,656
Professional expenditures	31,942	27,409	4,533	14,025
Supplies	6,542	6,281	261	6,941
Repairs and maintenance	149,759	147,579	2,180	119,182
Other operating expenditures	384,180	378,756	5,424	325,750
Total	624,142	609,981	14,161	540,554
<b>Debt Service:</b>				
Interest and fees	30,716	32,754	(2,038)	33,695
Debt principal	424,159	424,159	-	152,135
Total	454,875	456,913	(2,038)	185,830
<b>Capital Outlay</b>	212,314	131,405	80,909	120,745
Total expenditures	1,291,331	1,198,299	93,032	847,129
Revenues over (under) expenditures	(705,331)	(625,264)	80,067	(239,663)



## ROCKINGHAM COUNTY, NORTH CAROLINA

## ENTERPRISE FUND - SEWER

## SCHEDULE OF REVENUES AND EXPENDITURES -

## BUDGET AND ACTUAL (MODIFIED ACCRUAL)

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
<b>Other Financing Sources (Uses):</b>				
<b>Transfer In:</b>				
General Fund	187,192	187,192	-	289,908
Long-term debt issued	277,200	277,200	-	-
Appropriated fund balance	240,939	-	(240,939)	-
Total other financing sources (uses)	<u>705,331</u>	<u>464,392</u>	<u>(240,939)</u>	<u>289,908</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (160,872)</u>	<u>\$ (160,872)</u>	<u>\$ 50,245</u>
<b>Reconciliation from Modified Accrual to Full Accrual Basis:</b>				
Revenues and other financing sources over (under) expenditures and other financing uses financing uses		\$ (160,872)		\$ 50,245
Reconciling items:				
Earnings - Enterprise Fund				
Infrastructure Project		758		772
Corporate Project Fund		1,060,512		6
Transfer from :				
Corporate Project Fund		380,035		174,600
Depreciation		(272,169)		(258,176)
Debt issuance proceeds		(277,200)		
Increase (decrease) deferred outflows - pension		6,383		(4,778)
(Increase) decrease in net pension liability		3,000		(789)
(Increase) decrease deferred inflows - pension		13,211		(10,319)
Decrease in debt principal		424,159		152,135
Capital outlay		94,905		120,745
Capital expense not capitalized		(8,694)		36,500
(Increase) decrease in other post- employment benefits liability		(3,260)		19,002
(Increase) decrease in accrued interest payable		3,677		667
Amortization of debt premium		4,462		4,462
(Increase) decrease in accrued vacation		<u>5,307</u>		<u>2,531</u>
Change in net position		<u>\$ 1,274,214</u>		<u>\$ 355,482</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

WATER AND SEWER CAPITAL PROJECTS FUND  
 REGIONAL WATER SYSTEM PROJECT  
 SCHEDULE OF REVENUES AND EXPENDITURES  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	<u>Project Authorization</u>	<u>Actual Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
<b>Revenues:</b>				
Government grants	\$ 10,911,736	\$ 5,634,594	\$ 3,440,040	\$ 9,074,634
Operating revenue	100,425	100,425	52,787	153,212
Investment earnings	<u>141,658</u>	<u>135,958</u>	<u>7,080</u>	<u>143,038</u>
Total revenues	<u>11,153,819</u>	<u>5,870,977</u>	<u>3,499,907</u>	<u>9,370,884</u>
<b>Expenditures:</b>				
Capital Outlay	<u>9,927,364</u>	<u>5,634,593</u>	<u>2,849,551</u>	<u>8,484,144</u>
Total expenditures	<u>9,927,364</u>	<u>5,634,593</u>	<u>2,849,551</u>	<u>8,484,144</u>
Revenues over (under) expenditures	<u>1,226,455</u>	<u>236,384</u>	<u>650,356</u>	<u>886,740</u>
<b>Other Financing Sources (Uses) :</b>				
Transfers to Capital Projects Fund	(993,500)	-	(357,535)	(357,535)
Transfer to Water Fund	<u>(232,955)</u>	<u>-</u>	<u>(232,955)</u>	<u>(232,955)</u>
Total other financing sources (uses)	<u>(1,226,455)</u>	<u>-</u>	<u>(590,490)</u>	<u>(590,490)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 236,384</u>	<u>\$ 59,866</u>	<u>\$ 296,250</u>
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Capital Outlay			<u>2,849,551</u>	
<b>Change in net position</b>			<u><u>\$ 3,499,907</u></u>	

## ROCKINGHAM COUNTY, NORTH CAROLINA

WATER AND SEWER CAPITAL PROJECTS FUND  
 WATER AND WASTEWATER INFRASTRUCTURE PROJECT  
 SCHEDULE OF REVENUES, EXPENDITURES -  
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<b>Project Authorization</b>	<b>Actual Prior Years</b>	<b>Current Year</b>	<b>Total to Date</b>
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 97	\$ 3	\$ 100
Other	-	3,440	3,440	6,880
Total revenues	-	3,537	3,443	6,980
<b>Expenditures:</b>				
Land and easements	96,635	-	-	-
Professional services	1,306,645	1,249,546	3,440	1,252,986
Costs of issuance	48,720	48,736	-	48,736
Total expenditures	1,452,000	1,298,282	3,440	1,301,722
Revenues over (under) expenditures	(1,452,000)	(1,294,745)	3	(1,294,742)
<b>Other Financing Sources (Uses) :</b>				
Long-term debt issued	1,452,000	1,452,000	-	1,452,000
Total other financing sources (uses)	1,452,000	1,452,000	-	1,452,000
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 157,255	\$ 3	\$ 157,258

## ROCKINGHAM COUNTY, NORTH CAROLINA

## WATER AND WASTEWATER CAPITAL PROJECTS FUND

## WATER AND WASTEWATER SOUTH ROCKINGHAM CORPORATE PARK PROJECT

## SCHEDULE OF REVENUES, EXPENDITURES -

## FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Project Authorization	Actual Prior Years	Current Year	Total to Date
<b>Revenues:</b>				
Government grants	\$ 4,500,000	\$ -	\$ 2,425,199	\$ 2,425,199
Investment earnings	-	6	-	6
Total revenues	4,500,000	6	2,425,199	2,425,205
<b>Expenditures:</b>				
Engineering and Construction	5,690,600	165,100	2,837,180	3,002,280
Total expenditures	5,690,600	165,100	2,837,180	3,002,280
Revenues over (under) expenditures	(1,190,600)	(165,094)	(411,981)	(577,075)
<b>Other Financing Sources (Uses) :</b>				
Transfers from General Fund	197,100	174,600	22,500	197,100
Transfers from Capital Projects Fund	993,500	-	357,535	357,535
Total other financing sources (uses)	1,190,600	174,600	380,035	554,635
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 9,506	\$ (31,946)	\$ (22,440)
Reconciliation of Modified Accrual Basis to Full Accrual Basis				
Capital Outlay			2,837,180	
<b>Change in net position</b>			<u>\$ 2,805,234</u>	

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**WATER AND SEWER CAPITAL PROJECTS FUND**  
**WATER AND WASTEWATER INFRASTRUCTURE PROJECT**  
**SCHEDULE OF REVENUES, EXPENDITURES -**  
**FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Project Authorization</u>	<u>Actual Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
<b>Revenues:</b>				
Other	\$ 1,791,500	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
Professional services	<u>1,791,500</u>	<u>-</u>	<u>36,000</u>	<u>36,000</u>
Total expenditures	<u>1,791,500</u>	<u>-</u>	<u>36,000</u>	<u>36,000</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(36,000)</u>	<u>(36,000)</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

## ENTERPRISE FUND - LANDFILL

## SCHEDULE OF REVENUES AND EXPENDITURES -

## BUDGET AND ACTUAL (MODIFIED ACCRUAL)

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
<b>Operating Revenues:</b>				
Solid waste charges	\$ 4,006,000	\$ 4,265,552	\$ 259,552	\$ 3,974,315
Tire and appliance tax	130,000	170,598	40,598	170,613
Recycling	25,000	22,895	(2,105)	40,639
Other	51,058	71,115	20,057	74,606
Total operating revenues	<u>4,212,058</u>	<u>4,530,160</u>	<u>318,102</u>	<u>4,260,173</u>
<b>Non-Operating Revenues:</b>				
Grant	8,250	6,804	(1,446)	7,805
Gain (loss) on disposal of capital assets	-	78,320	78,320	-
Investment earnings	<u>75,000</u>	<u>30,723</u>	<u>(44,277)</u>	<u>184,441</u>
Total non-operating revenues	<u>83,250</u>	<u>115,847</u>	<u>32,597</u>	<u>192,246</u>
Total revenues	<u>4,295,308</u>	<u>4,646,007</u>	<u>350,699</u>	<u>4,452,419</u>
<b>Expenditures:</b>				
<b>Landfill Administration:</b>				
Administrative	<u>278,119</u>	<u>278,119</u>	<u>-</u>	<u>280,290</u>
<b>Landfill Operations:</b>				
Personnel expenses	915,667	873,147	42,520	894,472
Operating expenses	4,359,214	1,023,326	3,335,888	949,570
Professional expenses	458,080	357,458	100,622	343,650
Supplies	198,022	186,107	11,915	206,973
Repairs and maintenance	<u>362,285</u>	<u>308,727</u>	<u>53,558</u>	<u>303,269</u>
Total	<u>6,293,268</u>	<u>2,748,765</u>	<u>3,544,503</u>	<u>2,697,934</u>
<b>Inmate Litter Program:</b>				
Personnel expenses	110,463	66,837	43,626	95,461
Supplies	<u>4,780</u>	<u>780</u>	<u>4,000</u>	<u>1,889</u>
Total	<u>115,243</u>	<u>67,617</u>	<u>47,626</u>	<u>97,350</u>
<b>Capital Outlay</b>	<u>1,580,114</u>	<u>597,268</u>	<u>982,846</u>	<u>651,380</u>
Total expenditures	<u>8,266,744</u>	<u>3,691,769</u>	<u>4,574,975</u>	<u>3,726,954</u>
Revenues over (under) expenditures	<u>(3,971,436)</u>	<u>954,238</u>	<u>4,925,674</u>	<u>725,465</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

## ENTERPRISE FUND - LANDFILL

## SCHEDULE OF REVENUES AND EXPENDITURES -

## BUDGET AND ACTUAL (MODIFIED ACCRUAL)

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Budget	Actual	Variance Over/Under	Actual
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	12,605
Transfers out	-	-	-	(6,049)
Fund balance appropriated	3,971,436	-	(3,971,436)	-
Total	3,971,436	-	(3,971,436)	6,556
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 954,238	\$ 954,238	\$ 732,021
<b>Reconciliation from Modified Accrual to Full Accrual Basis:</b>				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 954,238		\$ 732,021
Reconciling items:				
Capital outlay		589,077		638,090
Change in deferred outflows - pension		18,657		(38,351)
Change in net pension liability		(55,416)		(13,851)
Change in deferred inflows - pension		(1,676)		(4,853)
Depreciation		(1,080,637)		(3,932,850)
Change in other post- employment benefits liability		(216,274)		190,014
Change in deferred inflows - OPEB		86,733		(144,654)
Change in deferred outflows - OPEB		179,358		(4,306)
Change in accrued vacation		(6,713)		2,991
Change in accrued landfill closure and post-closure care cost		(1,908,076)		(1,189,625)
Change in net position		\$ (1,440,729)		\$ (3,765,374)
Change in net position:		\$ (1,440,729)		\$ (3,765,374)
Landfill Expansion Fund		(1,461,079)		177,692
Landfill Reserve Fund		1,465,195		-
		\$ (1,436,613)		\$ (3,587,682)

## ROCKINGHAM COUNTY, NORTH CAROLINA

## LANDFILL EXPANSION CAPITAL PROJECTS FUND

## SCHEDULE OF REVENUES AND EXPENDITURES

FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Project Authorization</u>	<u>Actual Prior Years</u>	<u>Current Year</u>	<u>Closed out Project</u>	<u>Total to Date</u>
<b>Revenues:</b>					
<b>Operating Revenues:</b>					
Other	\$ 159,482	\$ 159,482	\$ -	\$ 159,482	\$ -
<b>Non-Operating Revenues:</b>					
Investment earnings	206,581	203,046	3,535	206,581	-
Total revenues	366,063	362,528	3,535	366,063	-
<b>Expenditures:</b>					
Cell construction	4,206,108	4,167,587	38,520	4,206,107	-
Professional services	963,342	876,842	86,500	963,342	-
Total expenditures	5,169,450	5,044,429	125,020	5,169,449	-
Revenues over (under) expenditures	(4,803,387)	(4,681,901)	(121,485)	(4,803,386)	-
<b>Other Financing Sources (Uses) :</b>					
Transfers from Landfill Operations Fund	6,268,000	6,268,000	-	6,268,000	-
Transfer to Landfill Reserve Fund	(1,464,613)	-	(1,464,614)	(1,464,614)	-
Total other financing sources (uses)	4,803,387	6,268,000	(1,464,614)	4,803,386	-
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 1,586,099	\$ (1,586,099)	\$ -	\$ -

**Reconciliation from Modified Accrual to Full Accrual Basis:**

Revenues and other financing sources over (under) expenditures and other financing uses	\$ (1,586,099)
Reconciling items:	
Capital outlay	125,020
Change in net position	\$ (1,461,079)



**ROCKINGHAM COUNTY, NORTH CAROLINA**

**SPECIAL REVENUE FUND - LANDFILL RESERVE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>2021</b>		
	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Over/Under</u></b>
<b>Revenues:</b>			
Investment earnings	\$ -	\$ 581	\$ 581
<b>Expenditures:</b>			
General	\$ 1,464,613	-	1,464,613
Revenues over (under) expenditures	(1,464,613)	581	(1,464,032)
<b>Other Financing Sources (Uses):</b>			
Transfer from Landfill Capital Project Fund	1,464,613	1,464,614	-
Total other financing sources (uses)	1,464,613	1,464,614	-
Net change in fund balance	\$ -	1,465,195	\$ -
<b>Fund Balance:</b>			
Beginning of year - July 1		-	
End of year - June 30		<u>\$ 1,465,195</u>	



## INTERNAL SERVICE FUNDS

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Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other department or agencies of the County on a cost reimbursement basis.

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**General Insurance Deductible Fund** - This fund is used to account for payment of the County's deductible on its general liability insurance coverage.

**Workman's Compensation Fund** - This fund was established as a self-insurance fund to accumulate claim reserves and to pay claims and administrative fees from workman's compensation liability.

**Health Insurance Fund** - This fund was established as a self-insurance fund for employee health insurance coverage. The employee's premium and the County's contribution are deposited in this fund. Payments for health coverage are made to a third-party administrator for the statement of claims plus administrative expenses.

**Cafeteria Plan Fund** - This fund was established to account for the employees' 125 plan.

## ROCKINGHAM COUNTY, NORTH CAROLINA

## INTERNAL SERVICE FUNDS

## COMBINING STATEMENT OF NET POSITION

JUNE 30, 2021

	<b>General Insurance Deductible Fund</b>	<b>Workman's Compensation Fund</b>	<b>Health Insurance Fund</b>	<b>Cafeteria Plan Fund</b>	<b>Total</b>
<b>Assets:</b>					
Cash and cash equivalents	\$ 376,953	\$ 1,869,740	\$ 1,976,987	\$ 48,940	\$ 4,272,621
Investments	-	401,078	424,084	-	825,161
Receivables	770	-	331,322	7,351	339,443
Total assets	<u>377,723</u>	<u>2,270,818</u>	<u>2,732,393</u>	<u>56,291</u>	<u>5,437,225</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable and accrued liabilities	<u>4,856</u>	<u>405,071</u>	<u>914,969</u>	<u>7,103</u>	<u>1,331,999</u>
Total current liabilities	<u>4,856</u>	<u>405,071</u>	<u>914,969</u>	<u>7,103</u>	<u>1,331,999</u>
Total liabilities	<u>4,856</u>	<u>405,071</u>	<u>914,969</u>	<u>7,103</u>	<u>1,331,999</u>
<b>Net Position:</b>					
Unrestricted net position	<u>372,867</u>	<u>1,865,747</u>	<u>1,817,424</u>	<u>49,188</u>	<u>4,105,226</u>
Total net position	<u>\$ 372,867</u>	<u>\$ 1,865,747</u>	<u>\$ 1,817,424</u>	<u>\$ 49,188</u>	<u>\$ 4,105,226</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

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

	General Insurance Deductible Fund	Workman's Compensation Fund	Health Insurance Fund	Cafeteria Plan Fund	Total
<b>Operating Revenues:</b>					
Charges for services	\$ 849,430	\$ 679,666	\$ 9,001,594	\$ 183,411	\$ 10,714,101
Other operating revenue	187,777	4,401	1,078,606	-	1,270,784
Total operating revenues	1,037,207	684,067	10,080,200	183,411	11,984,885
<b>Operating Expenses:</b>					
Insurance claims and expenses	847,018	396,766	11,603,799	202,319	13,049,902
Operating income (loss)	190,189	287,301	(1,523,599)	(18,908)	(1,065,017)
<b>Non-Operating Revenues (Expenses):</b>					
Investment earnings	1,098	6,305	8,261	-	15,664
<b>Other Financing Sources (Uses):</b>					
Transfers in	42,989	-	-	25,000	67,989
Change in net position	234,276	293,606	(1,515,338)	6,092	(981,364)
<b>Net Position:</b>					
Beginning of year - July 1	138,591	1,572,141	3,332,762	43,096	5,086,590
End of year - June 30	\$ 372,867	\$ 1,865,747	\$ 1,817,424	\$ 49,188	\$ 4,105,226

## ROCKINGHAM COUNTY, NORTH CAROLINA

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

	General Insurance Deductible Fund	Workman's Compensation Fund	Health Insurance Fund	Cafeteria Plan Fund	Total
<b>Operating Activities:</b>					
Cash received from user departments	\$ 849,430	\$ 679,666	\$ 8,902,256	\$ 183,411	\$ 10,614,763
Other operating revenues	187,777	4,401	1,078,606	-	1,270,784
Cash paid to suppliers for goods and services	(843,194)	(356,584)	(11,411,873)	(204,184)	(12,815,835)
Net cash provided (used) by operating activities	<u>194,013</u>	<u>327,483</u>	<u>(1,431,011)</u>	<u>(20,773)</u>	<u>(930,288)</u>
<b>Non-Capital Financing Activities:</b>					
Transfers in	42,989	-	-	25,000	67,989
Net cash provided by financing activities	<u>42,989</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>67,989</u>
<b>Investing Activities:</b>					
Purchase of investments	-	(63,684)	-	-	(63,684)
Sale of investments	-	-	241,954	-	241,954
Interest on investments	1,098	6,305	8,261	-	15,664
Net cash provided by (used for) investing activities	<u>1,098</u>	<u>(57,379)</u>	<u>250,215</u>	<u>-</u>	<u>193,935</u>
Net increase (decrease) in cash and cash equivalents	238,100	270,104	(1,180,796)	4,227	(668,364)
<b>Cash and Cash Equivalents:</b>					
Beginning of year - July 1	<u>138,853</u>	<u>1,599,636</u>	<u>3,157,783</u>	<u>44,713</u>	<u>4,940,985</u>
End of year - June 30	<u>\$ 376,953</u>	<u>\$ 1,869,740</u>	<u>\$ 1,976,987</u>	<u>\$ 48,940</u>	<u>\$ 4,272,621</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Operating income (loss)	<u>\$ 190,189</u>	<u>\$ 287,301</u>	<u>\$ (1,523,599)</u>	<u>\$ (18,908)</u>	<u>\$ (1,065,017)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Change in assets and liabilities:					
(Decrease) increase in accounts receivable	(770)	-	(99,338)	(1,532)	(101,640)
Increase (decrease) in accounts payable	4,594	40,182	191,926	(333)	236,369
Total adjustments	<u>3,824</u>	<u>40,182</u>	<u>92,588</u>	<u>(1,865)</u>	<u>134,729</u>
Net cash provided (used) by operating activities	<u>\$ 194,013</u>	<u>\$ 327,483</u>	<u>\$ (1,431,011)</u>	<u>\$ (20,773)</u>	<u>\$ (930,288)</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

## INTERNAL SERVICE FUND - GENERAL INSURANCE DEDUCTIBLE

## SCHEDULE OF REVENUES, EXPENSES, AND CHANGES

## IN FUND NET POSITION - FINANCIAL PLAN AND ACTUAL

## FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021			2020
	Financial Plan	Actual	Variance Over/Under	Actual
<b>Operating Revenues:</b>				
Charges for services	\$ 849,630	\$ 849,430	\$ (200)	\$ 799,804
Other operating revenue	188,463	187,777	(686)	66,061
Total operating revenue	1,038,093	1,037,207	(886)	865,865
<b>Operating Expenses:</b>				
Insurance claims and expenses	1,081,082	847,018	234,064	935,006
Operating income (loss)	(42,989)	190,189	233,178	(69,141)
<b>Non-Operating Revenues:</b>				
Investment earnings	-	1,098	1,098	4,141
<b>Other Financing Sources (Uses):</b>				
Transfers in	42,989	42,989	-	19,676
Transfers out	-	-	-	(12,605)
Total other financing sources (uses)	42,989	42,989	-	7,071
Change in net position	\$ -	234,276	\$ 234,276	(57,929)
<b>Net Position:</b>				
Beginning of year - July 1		138,591		196,520
End of year - June 30		\$ 372,867		\$ 138,591

## ROCKINGHAM COUNTY, NORTH CAROLINA

**INTERNAL SERVICE FUND - WORKMAN'S COMPENSATION**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES**  
**IN FUND NET POSITION - FINANCIAL PLAN AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>2021</b>			<b>2020</b>
	<b>Financial Plan</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Operating Revenues:</b>				
Charges for services	\$ 679,666	\$ 679,666	\$ -	\$ 655,210
Other operating revenues	-	4,401	4,401	-
Total operating revenues	<u>679,666</u>	<u>684,067</u>	<u>4,401</u>	<u>655,210</u>
<b>Operating Expenses:</b>				
Insurance claims and expenses	<u>687,666</u>	<u>396,766</u>	<u>290,900</u>	<u>422,226</u>
Operating income (loss)	(8,000)	287,301	295,301	232,984
<b>Non-Operating Revenues:</b>				
Investment earnings	<u>8,000</u>	<u>6,305</u>	<u>(1,695)</u>	<u>31,160</u>
Revenues over (under) expenses	-	293,606	293,606	264,144
<b>Other Financing Sources (Uses):</b>				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>\$ -</u>	<u>293,606</u>	<u>\$ 293,606</u>	<u>264,144</u>
<b>Net Position:</b>				
Beginning of year - July 1		<u>1,572,141</u>		<u>1,307,997</u>
End of year - June 30		<u>\$ 1,865,747</u>		<u>\$ 1,572,141</u>



**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES  
IN FUND NET POSITION - FINANCIAL PLAN AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>2021</b>			<b>2020</b>
	<b>Financial Plan</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Operating Revenues:</b>				
Charges for services	\$ 8,762,061	\$ 9,001,594	\$ 239,533	\$ 8,196,984
Other operating	800,000	1,078,606	278,606	379,507
Total operating revenues	<u>9,562,061</u>	<u>10,080,200</u>	<u>518,139</u>	<u>8,576,491</u>
<b>Operating Expenses:</b>				
Insurance claims and expenses	<u>11,742,461</u>	<u>11,603,799</u>	<u>138,662</u>	<u>9,237,897</u>
Operating income (loss)	(2,180,400)	(1,523,599)	379,477	(661,406)
<b>Non-Operating Revenues:</b>				
Investment earnings	<u>5,000</u>	<u>8,261</u>	<u>3,261</u>	<u>62,391</u>
Revenues over (under) expenses	(2,175,400)	(1,515,338)	660,062	(599,015)
<b>Other Financing Sources (Uses):</b>				
Fund balance appropriated	<u>2,175,400</u>	<u>-</u>	<u>(2,175,400)</u>	<u>-</u>
Change in net position	<u>\$ -</u>	<u>(1,515,338)</u>	<u>\$ (1,515,338)</u>	<u>(599,015)</u>
<b>Net Position:</b>				
Beginning of year - July 1		<u>3,332,762</u>		<u>3,931,777</u>
End of year - June 30		<u>\$ 1,817,424</u>		<u>\$ 3,332,762</u>

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**INTERNAL SERVICE FUND - CAFETERIA PLAN**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES**  
**IN FUND NET POSITION - FINANCIAL PLAN AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>2021</b>			<b>2020</b>
	<b>Financial Plan</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Operating Revenues:</b>				
Charges for services	\$ 177,000	\$ 183,411	\$ 6,411	\$ 195,618
<b>Operating Expenses:</b>				
Insurance claims and expenses	245,000	202,319	42,681	202,247
Operating income (loss)	(68,000)	(18,908)	49,092	(6,629)
<b>Other Financing Sources (Uses):</b>				
Transfers in	25,000	25,000	-	-
Fund balance appropriated	43,000	-	(43,000)	-
Total other financing sources (uses)	68,000	25,000	(43,000)	-
Change in net position	\$ -	6,092	\$ 6,092	(6,629)
<b>Net Position:</b>				
Beginning of year - July 1		43,096		49,725
End of year - June 30		\$ 49,188		\$ 43,096



## **CUSTODIAL FUNDS - FIDUCIARY FUNDS**

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Custodial Funds are used to account for assets held by the County as a custodial for individuals, private organizations, other governments, and/or other funds.

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**Jail Inmate Funds** - This fund is used to account for cash deposits made for the benefit of inmates from their friends and families.

**Municipal Tax Fund** – This fund is used to account for ad valorem and vehicle property taxes that are billed and collected by the County for various municipalities within the County.

## ROCKINGHAM COUNTY, NORTH CAROLINA

## CUSTODIAL FUNDS

## COMBINING STATEMENT OF FIDUCIARY

## NET POSITION

JUNE 30, 2021

	<b>Jail Inmate Funds</b>	<b>Municipal Tax Fund</b>	<b>Totals</b>
<b>Assets:</b>			
Cash and cash equivalents	\$ 79,619	\$ 258,012	\$ 337,631
Property taxes receivable	-	569,617	569,617
<b>Total Assets</b>	<u>79,619</u>	<u>827,629</u>	<u>907,248</u>
<b>Liabilities:</b>			
Accounts payable	<u>28,914</u>	<u>258,012</u>	<u>286,926</u>
<b>Net Position:</b>			
Restricted for other governments and individuals	<u>50,705</u>	<u>569,617</u>	<u>620,322</u>
<b>Total net position</b>	<u>\$ 50,705</u>	<u>\$ 569,617</u>	<u>\$ 620,322</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

## CUSTODIAL FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY  
NET POSITION

	<b>Jail Inmate Funds</b>	<b>Municipal Tax Fund</b>	<b>Totals</b>
<b>Additions:</b>			
Ad valorem taxes for other governments	\$ -	\$ 19,565,804	\$ 19,565,804
Collections on behalf of inmates	544,890	-	544,890
	<u>544,890</u>	<u>19,565,804</u>	<u>20,110,694</u>
<b>Deductions:</b>			
Tax distributions to other governments	-	19,530,691	19,530,691
Payments on behalf of inmates	537,438	-	537,438
	<u>537,438</u>	<u>19,530,691</u>	<u>20,068,129</u>
Net increase (decrease) in net position	7,452	35,113	42,565
Net position, beginning, as previously reported	-	-	-
Prior period restatement - change in accounting principle	43,253	534,504	577,757
Net position, beginning, restated	<u>43,253</u>	<u>534,504</u>	<u>577,757</u>
Net position, ending	<u>\$ 50,705</u>	<u>\$ 569,617</u>	<u>\$ 620,322</u>



## **SUPPLEMENTAL FINANCIAL DATA**

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This section contains additional information on the cash and investments, taxes receivable, and tax levy.

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## ROCKINGHAM COUNTY, NORTH CAROLINA

## SCHEDULE OF CASH AND INVESTMENT BALANCES

June 30, 2021

	Carrying Value	Cost Value	Market Value
<b>Cash:</b>			
In demand deposits	\$ 26,174,479	\$ 26,174,479	\$ 26,174,479
<b>Investments:</b>			
North Carolina Capital Management Trust	19,356,905	19,356,905	19,356,905
FHLB bond	4,511,685	4,511,685	
FFCB bond	3,512,510	3,512,510	
FHLMC bond	2,747,831	2,747,831	
FNMA bond	750,779	750,779	
Government Securities	1,000,156	1,000,156	
Money Market	5,055,802	5,055,802	
Commercial paper	14,993,475	14,993,475	-
Total investments	51,929,143	51,929,143	19,356,905
Total cash and investments	\$ 78,103,622	\$ 78,103,622	\$ 45,531,384

	By Fund	By Fund Type
<b>Distribution by Funds:</b>		
General Fund		\$ 43,431,628
<b>Special Revenue Funds:</b>		
Fire District Fund	973,801	
Emergency Telephone System Fund	577,816	
Vera Holland Stoneville Library Fund	383,035	
Vera Holland Stoneville Center Fund	118,518	
Economic Development Projects	7,878	
Representative Payee Fund	152,508	
Fines and Forfeitures	21,319	
Airport Capital Projects Fund	627,106	
Register of Deeds Fund	37,509	
Total special revenue funds		2,899,490
<b>Capital Projects Funds:</b>		
Capital Reserve Fund	8,510,742	
Enterprise Planning Resource/ Document Imaging Project Fund	222,718	
Total capital project funds		8,733,460

## ROCKINGHAM COUNTY, NORTH CAROLINA

## SCHEDULE OF CASH AND INVESTMENT BALANCES

June 30, 2021

	<u>By Fund</u>	<u>By Fund Type</u>
<b>Debt Service Fund</b>		<u>133,951</u>
<b>Enterprise Funds:</b>		
Water Fund	3,759,755	
Sewer Fund	-	
Landfill Fund	<u>13,709,925</u>	
Total enterprise funds		<u>17,469,680</u>
<b>Internal Service Funds:</b>		
General Insurance Deductible Fund	376,953	
Workman's Compensation Fund	2,270,818	
Health Insurance Fund	2,401,071	
Cafeteria Plan Fund	<u>48,940</u>	
Total internal service funds		<u>5,097,782</u>
<b>Custodial Funds:</b>		
Jail Inmate Fund	79,619	
Municipal Tax Fund	258,012	
Total trust and agency funds		<u>337,631</u>
Total cash and investments		<u>\$ 78,103,622</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

## SCHEDULE OF AD VALOREM TAXES RECEIVABLE

June 30, 2021

<b>Fiscal Year Ended June 30</b>	<b>Uncollected Balance June 30, 2020</b>	<b>Additions</b>	<b>Collections and Credits</b>	<b>Uncollected Balance June 30, 2021</b>
2021	\$ -	\$ 54,826,250	\$ 54,029,760	\$ 796,490
2020	794,339	-	444,353	349,986
2019	\$304,941	-	90,399	214,542
2018	273,896	-	70,627	203,269
2017	\$195,653	-	42,671	152,982
2016	151,002	-	29,690	121,312
2015	115,428	-	20,293	95,135
2014	111,912	-	15,661	96,251
2013	103,521	-	9,888	93,633
2012	86,579	-	6,503	80,076
2011	<u>76,678</u>	<u>-</u>	<u>76,678</u>	<u>-</u>
Total	<u>\$ 2,213,949</u>	<u>\$ 54,826,250</u>	<u>\$ 54,836,524</u>	2,203,675
Plus: Uncollected 2021 levy, ad valorem taxes receivable				255,438
Less: Allowance for uncollectible accounts				<u>(1,120,000)</u>
Ad valorem taxes receivable, net				<u>\$ 1,339,113</u>
<b>Reconciliation of Collections and Credits with Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
General Fund				<u>\$ 55,196,121</u>
<b>Reconciling Items:</b>				
Interest collected				(285,275)
2020 levy billed and collected in prior fiscal year				49,017
Taxes written off				76,211
Other				<u>(199,550)</u>
Total reconciling items				<u>(359,597)</u>
Total collections and credits				<u>\$ 54,836,524</u>

## ROCKINGHAM COUNTY, NORTH CAROLINA

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

	County-Wide Levy			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
<b>Original Levy:</b>					
Property taxed at current year's rate	\$ 7,877,091,919	\$ 0.00695	\$ 54,745,789	\$ 48,419,259	\$ 6,326,530
<b>Discoveries:</b>					
Current year's taxes	52,191,571	0.00695	362,731	354,359	8,372
<b>Abatements</b>	<u>(56,202,367)</u>		<u>(282,270)</u>	<u>(248,245)</u>	<u>(34,025)</u>
Total property valuation	<u>\$ 7,873,081,123</u>				
<b>Net Levy</b>			54,826,250	48,525,373	6,300,877
Uncollected tax at June 30, 2021			<u>796,490</u>	<u>756,409</u>	<u>40,081</u>
<b>Current Year's Taxes Collected</b>			<u>\$ 54,029,760</u>	<u>\$ 47,768,964</u>	<u>\$ 6,260,796</u>
<b>Percent of Current Year's Taxes Collected</b>			98.55%	98.44%	99.36%

**ROCKINGHAM COUNTY TOURISM DEVELOPMENT AUTHORITY**  
**(A Discretely Presented Component Unit of Rockingham County, North Carolina)**

**BALANCE SHEET**

**June 30, 2021**

**Assets:**

Cash and cash equivalents	\$ 358,171
Accounts receivable, net	<u>25,361</u>
Total assets	<u><u>\$ 383,532</u></u>

**Liabilities:**

Accounts payable and accrued liabilities	\$ 1,753
--	----------

**Fund Balances:**

Restricted:	
Tourism promotion	<u>381,779</u>
Total liabilities and fund balances	<u><u>\$ 383,532</u></u>

**ROCKINGHAM COUNTY TOURISM DEVELOPMENT AUTHORITY**  
**(A discretely presented component unit of Rockingham County, North Carolina)**

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

	<b>2021</b>			<b>2020</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
County occupancy tax	\$ 316,400	\$ 371,506	\$ 55,106	\$ 353,729
Federal grants	18,000	18,000	-	-
Investment earnings	2,000	638	(1,362)	4,745
Total revenues	<u>336,400</u>	<u>390,144</u>	<u>53,744</u>	<u>358,474</u>
<b>Expenditures:</b>				
Grants	18,000	18,000	-	-
Tourism promotion	<u>384,613</u>	<u>305,959</u>	<u>78,654</u>	<u>334,950</u>
Total expenditures	<u>402,613</u>	<u>323,959</u>	<u>78,654</u>	<u>334,950</u>
Revenues over (under) expenditures	(66,213)	66,185	132,398	23,524
<b>Other Financing Sources (Uses):</b>				
Fund balance appropriated	<u>66,213</u>	<u>-</u>	<u>(66,213)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>66,185</u>	<u>\$ 66,185</u>	<u>23,524</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>315,594</u>		<u>292,070</u>
End of year - June 30		<u>\$ 381,779</u>		<u>\$ 315,594</u>



# STATISTICAL SECTION

## (Unaudited)

### Table

#### **Financial Trends:**

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

Net Position By Component	1
Changes in Net Position	2
Governmental Activities Tax Revenues By Source	3
Fund Balances of Governmental Funds	4
Changes in Fund Balances of Governmental Funds	5
General Governmental Tax Revenues By Source	6

#### **Revenue Capacity:**

These schedules contain information to help the reader assess the County's revenues.

Assessed Value and Estimated Actual Value of Taxable Property	7
Property Tax Rates - Direct and Overlapping Governments	8
Principal Property Taxpayers	9
Property Tax Levies and Collections	10

#### **Debt Capacity:**

Since the Board of Education has no tax levying or debt issuing authority, the County provides significant funding to the school system. Fiscal data from the County has been included to help the reader understand the school system.

Ratio of Outstanding Debt By Type	11
Ratio of General Bonded Debt Outstanding	12
Computation of Legal Debt Limit	13

#### **Demographic and Economic Information:**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. Information on the County is also included.

Demographic and Economic Statistics	14
Principal Employers	15
Full-Time Equivalent County Government Employees By Function	16

#### **Operating Information:**

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

Operating Indicators By Function	17
Capital Asset Statistics By Function	18



# ROCKINGHAM COUNTY, NORTH CAROLINA

## NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

	2012	2013	2014	2015
Governmental activities				
Net investment in capital assets	\$ 11,285,856	\$ 12,014,275	\$ 17,302,161	\$ 20,613,379
Restricted	10,540,158	6,707,598	7,586,908	7,308,152
Unrestricted	(29,019,895)	(25,291,789)	(25,230,446)	(26,507,536)
Total Governmental activities net position	<u>\$ (7,193,881)</u>	<u>\$ (6,569,916)</u>	<u>\$ (341,377)</u>	<u>\$ 1,413,995</u>
Business-type activities				
Net investment in capital assets	\$ 14,102,197	\$ 15,984,312	\$ 16,517,649	\$ 16,768,068
Restricted	-	-	-	-
Unrestricted	10,698,543	13,192,550	14,011,399	14,245,183
Total business-type activities net position	<u>\$ 24,800,740</u>	<u>\$ 29,176,862</u>	<u>\$ 30,529,048</u>	<u>\$ 31,013,251</u>
Primary government				
Net investment in capital assets	\$ 25,388,053	\$ 27,998,587	\$ 33,819,810	\$ 37,381,447
Restricted	10,540,158	6,707,598	7,586,908	7,308,152
Unrestricted	(18,321,352)	(12,099,239)	(11,219,047)	(12,262,353)
Total primary government net position	<u>\$ 17,606,859</u>	<u>\$ 22,606,946</u>	<u>\$ 30,187,671</u>	<u>\$ 32,427,246</u>

Information presented from the first year of GASB statement 34 implementation

Table 1

2016	2017	2018	2019	2020	2021
\$ 20,486,107	\$ 20,116,665	\$ 19,010,915	\$ 18,648,542	\$ 18,458,285	\$ 18,401,032
8,091,394	9,058,665	9,531,236	13,817,453	15,097,269	13,928,576
(23,353,825)	(24,586,566)	(62,813,441)	(59,251,392)	(52,424,712)	(40,831,017)
<u>\$ 5,223,676</u>	<u>\$ 4,588,764</u>	<u>\$ (34,271,290)</u>	<u>\$ (26,785,397)</u>	<u>\$ (18,869,158)</u>	<u>\$ (8,501,409)</u>
\$ 16,091,249	\$ 16,015,776	\$ 17,352,933	\$ 18,977,790	\$ 23,820,086	\$ 29,724,007
-	-	-	-	-	-
12,615,970	13,110,343	15,979,926	14,444,301	7,160,883	5,275,085
<u>\$ 28,707,219</u>	<u>\$ 29,126,119</u>	<u>\$ 33,332,859</u>	<u>\$ 33,422,091</u>	<u>\$ 30,980,969</u>	<u>\$ 34,999,092</u>
\$ 36,577,356	\$ 36,132,441	\$ 36,363,848	\$ 37,626,332	\$ 42,278,371	\$ 48,125,039
8,091,394	9,058,665	9,531,236	13,817,453	15,097,269	13,928,576
(10,737,855)	(11,476,223)	(46,833,515)	(44,807,091)	(45,263,829)	(35,555,932)
<u>\$ 33,930,895</u>	<u>\$ 33,714,883</u>	<u>\$ (938,431)</u>	<u>\$ 6,636,694</u>	<u>\$ 12,111,811</u>	<u>\$ 26,497,683</u>

Table 2

# **ROCKINGHAM COUNTY, NORTH CAROLINA**

## **CHANGES IN NET POSITION LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)**

<b>Expenses</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Governmental activities:				
General government	\$ 17,096,672	\$ 16,726,831	\$ 16,896,489	\$ 17,703,365
Public safety	20,940,371	22,406,288	22,236,312	22,447,539
Economic development	2,681,142	2,924,869	3,254,494	2,517,147
Human Services	23,812,544	24,352,451	24,065,552	23,988,043
Culture and recreational	1,520,170	2,320,561	1,640,742	1,629,300
Education	21,564,332	21,470,117	19,387,942	20,208,612
Debt service - interest and fees	4,808,571	3,551,689	3,386,016	4,077,776
Total governmental activities expenses	<u>92,423,802</u>	<u>93,752,806</u>	<u>90,867,547</u>	<u>92,571,782</u>
Business-type activities:				
Water	714,799	692,832	584,932	631,993
Sewer	686,285	715,412	660,811	701,424
Landfill	2,388,258	(1,009,997)	2,112,290	3,345,800
Total business-type activities	<u>3,789,342</u>	<u>398,247</u>	<u>3,358,033</u>	<u>4,679,217</u>
Total primary governmental expenses	<u>\$ 96,213,144</u>	<u>\$ 94,151,053</u>	<u>\$ 94,225,580</u>	<u>\$ 97,250,999</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	794,387	703,901	861,526	696,816
Public Safety	4,119,119	4,940,180	4,752,669	5,187,321
Human Services	1,542,780	1,321,522	1,439,981	1,020,137
Other activities	133,050	165,308	155,840	317,934
Operating grants and contributions	20,168,923	20,441,986	21,011,977	21,223,600
Capital grants and contributions	5,226,765	4,926,922	5,369,453	5,240,189
Total governmental activities program revenues	<u>\$ 31,985,024</u>	<u>\$ 32,499,819</u>	<u>\$ 33,591,446</u>	<u>\$ 33,685,997</u>
Business-type activities:				
Charges for services:				
Water	326,982	300,628	313,166	366,972
Sewer	418,194	448,903	440,129	453,581
Landfill	3,787,648	3,478,026	3,248,203	3,528,353
Operating grants and contributions	55,551	8,047	10,684	44,308
Capital grants and contributions	77,229	-	210,508	-
Total business-type activities program revenues	<u>4,665,604</u>	<u>4,235,604</u>	<u>4,222,690</u>	<u>4,393,214</u>
Total primary governmental program revenues	<u>36,650,628</u>	<u>36,735,423</u>	<u>37,814,136</u>	<u>38,079,211</u>
<b>Net (expense)/revenue</b>				
Governmental activities	(60,438,777)	(61,252,986)	(57,276,102)	(58,885,785)
Business-type activities	876,262	3,837,357	864,657	(286,003)
Total primary governmental net expense	<u>\$ (59,562,515)</u>	<u>\$ (57,415,629)</u>	<u>\$ (56,411,445)</u>	<u>\$ (59,171,788)</u>

Information presented from the first year of GASB statement 34 implementation

Table 2

	2016	2017	2018	2019	2020	2021
\$	19,453,950	\$ 20,460,702	\$ 11,563,539	\$ 12,194,078	\$ 12,433,484	\$ 12,971,752
	23,475,190	24,995,515	27,728,924	28,908,026	29,925,615	30,681,997
	3,425,292	4,085,121	2,557,077	4,035,653	4,022,835	2,772,832
	24,244,991	24,877,274	22,544,833	22,509,817	22,214,091	23,325,654
	1,656,759	1,852,493	2,016,183	2,129,407	2,078,207	2,063,609
	19,675,319	19,475,790	19,050,929	21,018,058	22,419,637	24,919,206
	2,044,814	2,393,870	2,319,591	2,361,711	2,008,408	2,097,063
	<u>93,976,315</u>	<u>98,140,765</u>	<u>87,781,076</u>	<u>93,156,750</u>	<u>95,102,277</u>	<u>98,832,113</u>
	659,995	687,986	696,612	689,673	729,641	854,661
	724,825	694,658	702,858	739,065	821,649	927,318
	<u>6,162,274</u>	<u>4,029,743</u>	<u>5,688,418</u>	<u>4,802,448</u>	<u>8,224,349</u>	<u>6,086,736</u>
	<u>7,547,094</u>	<u>5,412,387</u>	<u>7,087,888</u>	<u>6,231,186</u>	<u>9,775,639</u>	<u>7,868,715</u>
\$	<u>101,523,409</u>	<u>\$ 103,553,152</u>	<u>\$ 94,868,964</u>	<u>\$ 99,387,936</u>	<u>\$ 104,877,916</u>	<u>\$ 106,700,828</u>
	768,617	808,128	3,618,305	3,093,638	2,649,600	5,168,191
	5,163,872	5,483,634	5,695,892	5,514,402	5,916,813	5,308,528
	1,539,496	1,245,134	2,059,829	2,598,479	1,687,668	1,855,462
	234,003	232,197	194,629	228,013	126,990	356,747
	22,839,748	22,801,374	13,763,044	15,008,269	14,299,664	16,208,712
	1,465,147	1,319,559	636,155	2,090,456	3,401,884	1,355,916
\$	<u>32,010,883</u>	<u>\$ 31,890,026</u>	<u>\$ 25,967,854</u>	<u>\$ 28,533,257</u>	<u>\$ 28,082,619</u>	<u>\$ 30,253,556</u>
	426,900	393,024	478,645	522,904	602,041	624,505
	428,692	401,813	506,734	595,526	607,466	573,035
	3,850,515	4,085,267	4,095,028	4,380,431	4,387,474	4,530,160
	27,001	45,893	5,481,259	9,013	186,531	5,872,043
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>4,733,108</u>	<u>4,925,997</u>	<u>10,561,666</u>	<u>5,507,874</u>	<u>5,783,512</u>	<u>11,599,743</u>
	<u>36,743,991</u>	<u>36,816,023</u>	<u>36,529,520</u>	<u>34,041,131</u>	<u>33,866,131</u>	<u>41,853,299</u>
	(61,965,432)	(66,250,739)	(61,813,222)	(64,623,493)	(67,019,658)	(68,578,557)
	(2,813,986)	(486,390)	3,473,778	(723,312)	(3,992,127)	3,731,028
\$	<u>(64,779,418)</u>	<u>\$ (66,737,129)</u>	<u>\$ (58,339,444)</u>	<u>\$ (65,346,805)</u>	<u>\$ (71,011,785)</u>	<u>\$ (64,847,529)</u>

Table 2

# **ROCKINGHAM COUNTY, NORTH CAROLINA**

## **CHANGES IN NET POSITION LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes				
Property taxes	\$ 50,140,017	\$ 51,180,457	\$ 53,517,210	\$ 52,947,177
Sales taxes	10,579,117	10,552,460	10,406,760	11,131,026
Occupancy taxes	210,638	176,703	-	-
Other Taxes	171,697	178,308	209,564	214,082
Unrestricted intergovernmental	817,944	783,966	510,830	258,031
Miscellaneous	-	-	-	-
Gain (loss) on disposal of assets	-	-	-	-
Investment earnings	238,186	116,843	63,784	62,569
Transfers	(1,125,843)	(481,676)	(976,241)	(816,833)
Total governmental activities	<u>\$ 61,031,756</u>	<u>\$ 62,507,061</u>	<u>\$ 63,731,907</u>	<u>\$ 63,796,052</u>
Business-type activities:				
Investment earnings	64,335	57,089	36,267	35,830
Gain (loss) on disposal of assets	-	-	-	-
Sale of Timber	-	-	-	-
Miscellaneous	-	-	-	-
Transfers	1,125,843	481,676	976,241	816,833
Total business-type activities	<u>1,190,178</u>	<u>538,765</u>	<u>1,012,508</u>	<u>852,663</u>
Total primary government	<u>\$ 62,221,934</u>	<u>\$ 63,045,826</u>	<u>\$ 64,744,415</u>	<u>\$ 64,648,715</u>
<b>Change in Net Position</b>				
Governmental activities	592,979	1,252,075	6,455,805	4,910,267
Business-type activities	2,066,440	4,376,122	1,877,165	566,660
Total primary government	<u>\$ 2,659,419</u>	<u>\$ 5,628,197</u>	<u>\$ 8,332,970</u>	<u>\$ 5,476,927</u>

Information presented from the first year of GASB statement 34 implementation

Table 2

	2016	2017	2018	2019	2020	2021
\$	53,890,379	\$ 55,100,744	\$ 55,925,893	\$ 55,932,532	\$ 58,107,855	\$ 58,036,916
	11,212,015	12,962,199	13,224,463	15,562,261	16,792,667	19,561,689
	-	-	-	-	-	-
	202,055	240,332	111,121	80,619	80,806	47,445
	239,097	244,934	233,200	334,009	329,884	943,822
	-	-	-	31,267	22,530	444,689
	-	-	-	(203,096)	-	(203,200)
	163,203	242,459	69,175	795,926	834,459	5,902
	(430,419)	(776,008)	(961,238)	(424,132)	(1,232,304)	(163,413)
\$	<u>65,276,330</u>	<u>\$ 68,014,660</u>	<u>\$ 68,602,614</u>	<u>\$ 72,109,386</u>	<u>\$ 74,935,897</u>	<u>\$ 78,673,850</u>
	77,535	129,282	245,644	388,102	279,526	41,922
	-	-	-	310	-	78,320
	-	-	525,633	-	-	-
	-	-	-	-	39,175	3,440
	430,419	776,008	961,238	424,132	1,232,304	163,413
	507,954	905,290	1,732,515	812,544	1,551,005	287,095
\$	<u>65,784,284</u>	<u>\$ 68,919,950</u>	<u>\$ 70,335,129</u>	<u>\$ 72,921,930</u>	<u>\$ 76,486,902</u>	<u>\$ 78,960,945</u>
	3,310,898	1,763,921	6,789,392	7,485,893	7,916,239	10,095,293
	(2,306,032)	418,900	5,206,293	89,232	(2,441,122)	4,018,123
\$	<u>1,004,866</u>	<u>\$ 2,182,821</u>	<u>\$ 11,995,685</u>	<u>\$ 7,575,125</u>	<u>\$ 5,475,117</u>	<u>\$ 14,113,416</u>

**ROCKINGHAM COUNTY, NORTH CAROLINA****Table 3**

**GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Rental Vehicle Gross Receipt Tax</b>	<b>Occupancy Tax</b>	<b>Alcoholic Beverage Tax</b>	<b>Total</b>
2012	50,086,689	10,216,131	30,086	210,638	237,821	60,781,365
2013	51,039,345	10,135,670	22,876	176,703	221,128	61,595,722
2014	53,956,878	10,406,760	20,701	-	238,454	64,622,793
2015	53,397,052	11,066,026	25,481	-	258,031	64,746,590
2016	53,861,141	11,212,015	28,851	-	239,097	65,341,104
2017	55,210,079	12,962,199	31,064	-	244,934	68,448,276
2018	55,925,893	13,224,463	33,072	-	233,200	69,416,628
2019	56,191,552	15,562,261	36,812	-	264,052	72,054,677
2020	58,107,855	16,792,667	32,828	-	329,884	75,263,234
2021	59,751,172	19,561,689	42,259	-	225,779	79,580,899

Information presented from the first year of GASB statement 34 implementation

# ROCKINGHAM COUNTY, NORTH CAROLINA

## FUND BALANCES OF GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS

#### (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund				
Reserved	\$ 3,542,040	\$ 3,242,919	\$ 4,915,843	\$ 5,341,158
Committed	-	-	-	-
Assigned	2,975,000	3,087,000	3,547,442	6,485,744
Unreserved / Unassigned	<u>14,361,206</u>	<u>15,777,811</u>	<u>16,756,986</u>	<u>14,787,963</u>
Total General Fund	<u>\$ 20,878,246</u>	<u>\$ 22,107,730</u>	<u>\$ 25,220,271</u>	<u>\$ 26,614,865</u>
All other governmental funds				
Reserved/Restricted/Committed/Assigned	\$ 10,808,140	\$ 9,719,686	\$ 5,650,988	\$ 5,293,580
Unreserved/Unassigned, reported in:				
School Capital projects funds	-	-	-	-
Special revenue	(80,322)	(87,464)	(73,704)	(152,044)
Debt Service	-	-	899,285	23,715
Capital projects	<u>(235,886)</u>	<u>(502,557)</u>	<u>(941,378)</u>	<u>(366,641)</u>
Total all other governmental funds	<u>\$ 10,491,932</u>	<u>\$ 9,129,665</u>	<u>\$ 5,535,191</u>	<u>\$ 4,798,610</u>

GASB 54 was applied effective FY 2012 and was not retroactively applied to the prior years.



**Table 4**

<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
\$ 5,792,232	\$ 6,592,300	\$ 6,821,127	\$ 10,563,553	\$ 9,770,969	\$ 10,912,954
433,095	437,247	210,000	-	-	-
6,313,099	5,147,592	5,117,831	6,231,696	7,615,686	7,572,498
15,199,719	17,658,214	19,902,250	20,468,367	24,249,113	26,118,509
<u>\$ 27,738,145</u>	<u>\$ 29,835,353</u>	<u>\$ 32,051,208</u>	<u>\$ 37,263,616</u>	<u>\$ 41,635,768</u>	<u>\$ 44,603,961</u>
\$ 5,404,730	\$ 4,774,538	\$ 4,158,375	\$ 3,967,933	\$ 6,519,421	\$ 11,722,308
-	-	-	-	-	-
(1,704)	(1,704)	(14,997)	3	-	25,272
24,842	-	-	22,333	-	-
(27,605)	-	(185,594)	3,528	(813,237)	273,244
<u>\$ 5,400,263</u>	<u>\$ 4,772,834</u>	<u>\$ 3,957,784</u>	<u>\$ 3,993,797</u>	<u>\$ 5,706,184</u>	<u>\$ 12,020,824</u>

# ROCKINGHAM COUNTY, NORTH CAROLINA

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Revenues	2012	2013	2014	2015
Taxes	\$ 50,086,689	\$ 51,039,345	\$ 53,956,878	\$ 53,397,052
Other Taxes and Licenses	10,961,452	10,907,471	10,616,324	11,345,108
Unrestricted Intergovernmental	817,944	783,966	510,830	258,031
Restricted Intergovernmental	24,043,982	23,307,903	24,496,302	24,733,147
Permits and Fees	800,237	903,180	941,556	877,158
Sales and Services	5,859,689	6,303,318	6,343,138	5,948,280
Investment Earnings	232,141	107,403	55,686	53,300
Miscellaneous	1,574,245	2,166,773	1,936,009	2,206,670
Total revenues	<u>94,376,379</u>	<u>95,519,359</u>	<u>98,856,723</u>	<u>98,818,746</u>
<b>Expenditures</b>				
General government	10,572,406	10,036,642	9,885,118	10,366,808
Public safety	23,144,671	23,725,181	27,721,928	27,887,624
Economic and physical development	2,761,244	2,996,237	3,321,697	2,673,201
Human Services	25,650,534	26,188,986	25,827,211	26,473,482
Culture and recreation	1,785,342	2,582,058	2,943,633	2,048,290
Capital Outlay	2,251,537	2,107,404	12,104	1,062,061
Debt Service				
Principal	5,796,448	6,266,581	5,796,015	5,741,173
Interest	4,350,583	3,882,349	3,691,605	3,921,739
Education	<u>19,312,795</u>	<u>19,362,713</u>	<u>19,375,838</u>	<u>19,146,551</u>
Total expenditures	<u>95,625,560</u>	<u>97,148,151</u>	<u>98,575,149</u>	<u>99,320,929</u>
Excess of revenues over (under) expenditures	(1,249,181)	(1,628,792)	281,574	(502,183)
<b>Other financing sources (uses)</b>				
Long-term debt issued	25,870,063	1,677,685	290,000	42,880,000
Premium on long-term debt issued	2,032,142	-	-	3,438,842
Payments to refunding escrow agent	(23,980,663)	-	-	(44,641,813)
Transfers in	15,512,490	16,471,647	13,687,782	12,552,852
Transfers out	<u>(16,338,333)</u>	<u>(16,653,323)</u>	<u>(14,514,023)</u>	<u>(13,069,685)</u>
Total other financing sources (uses)	<u>3,095,699</u>	<u>1,496,009</u>	<u>(536,241)</u>	<u>1,160,196</u>
Net change in fund balances	<u>\$ 1,846,518</u>	<u>\$ (132,783)</u>	<u>\$ (254,667)</u>	<u>\$ 658,013</u>
Debt service as a percentage of noncapital expenditures	11.01%	10.74%	9.63%	10.32%

Table 5

2016	2017	2018	2019	2020	2021
\$ 53,861,141	\$ 55,210,079	\$ 55,652,531	\$ 56,191,552	\$ 58,127,472	\$ 59,751,172
11,414,070	13,202,531	13,517,959	15,828,170	17,127,115	19,994,552
239,097	244,934	233,200	264,052	261,154	250,654
20,976,237	22,744,473	14,903,894	17,747,357	18,489,878	18,227,893
946,523	1,064,925	998,816	1,054,641	1,085,773	1,739,670
6,628,040	6,189,277	6,702,603	7,569,583	7,071,280	7,084,322
140,025	205,620	376,942	689,532	736,764	(9,762)
3,361,817	1,401,326	2,818,014	2,153,250	1,126,358	1,442,298
<u>97,566,950</u>	<u>100,263,165</u>	<u>95,203,959</u>	<u>101,498,137</u>	<u>104,025,794</u>	<u>108,480,799</u>
13,360,878	10,567,272	9,881,888	10,227,677	10,123,314	12,071,659
24,511,663	25,858,983	25,491,935	25,836,152	26,963,123	28,546,951
3,634,861	4,201,090	2,524,200	3,960,355	3,951,184	2,579,881
26,689,794	27,375,423	22,491,687	21,716,446	21,478,521	21,702,509
1,895,018	2,050,119	1,960,536	2,008,494	1,962,397	1,920,010
87,767	57,088	2,619,790	2,681,515	2,072,538	2,049,635
6,024,535	6,154,584	6,075,275	5,847,692	5,499,909	8,523,657
2,955,527	2,832,117	2,745,676	2,444,760	2,231,257	2,027,546
<u>19,587,552</u>	<u>19,418,702</u>	<u>19,050,929</u>	<u>21,018,058</u>	<u>22,419,637</u>	<u>23,185,171</u>
<u>98,747,595</u>	<u>98,515,378</u>	<u>92,841,916</u>	<u>95,741,149</u>	<u>96,701,880</u>	<u>102,607,019</u>
(1,180,645)	1,747,787	2,362,043	5,756,988	7,323,914	5,873,780
2,837,214	498,000	-	-	-	3,368,000
-	-	-	-	-	-
-	-	-	-	-	-
12,575,186	12,311,134	12,221,894	13,483,667	12,771,686	17,079,746
<u>(13,005,605)</u>	<u>(13,087,142)</u>	<u>(13,183,132)</u>	<u>(13,992,234)</u>	<u>(14,011,061)</u>	<u>(17,311,149)</u>
<u>2,406,795</u>	<u>(278,008)</u>	<u>(961,238)</u>	<u>(508,567)</u>	<u>(1,239,375)</u>	<u>3,136,597</u>
<u>\$ 1,226,150</u>	<u>\$ 1,469,779</u>	<u>\$ 1,400,805</u>	<u>\$ 5,248,421</u>	<u>\$ 6,084,539</u>	<u>\$ 9,010,377</u>
9.56%	9.07%	9.78%	8.91%	8.17%	10.49%

**ROCKINGHAM COUNTY, NORTH CAROLINA****Table 6****GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Rental Vehicle Gross Receipt Tax</b>	<b>Alcoholic Beverage Tax</b>	<b>Total</b>
2012	46,193,854	7,274,907	30,086	237,821	53,736,668
2013	47,186,101	7,464,147	22,876	221,128	54,894,252
2014	49,701,892	6,797,696	20,701	238,454	56,758,743
2015	49,205,184	7,689,658	25,481	258,031	57,178,354
2016	49,658,749	7,632,128	28,851	239,097	57,558,825
2017	50,806,798	9,272,756	31,064	244,934	60,355,552
2018	51,207,552	9,405,417	33,072	233,200	60,879,241
2019	51,490,962	11,527,436	36,812	264,052	63,319,262
2020	53,290,975	12,701,616	32,828	232,415	66,257,834
2021	54,771,903	14,820,102	42,259	225,779	69,860,043

## ROCKINGHAM COUNTY, NORTH CAROLINA

### ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS (AMOUNTS EXPRESSED IN THOUSANDS)

Year Ended December 31	Real Property		Personal Property		Less: Tax Exempt Real Property
	Residential Property	Commercial Property	Motor Vehicles	Other	
2011	4,233,767	880,787	604,852	1,239,276	(321,871)
2012	4,257,049	884,133	634,782	1,368,058	(327,541)
2013	4,277,566	888,480	369,751	1,412,525	(334,928)
2014	4,300,032	892,311	675,540	1,070,420	(218,974)
2015	4,324,057	892,266	706,665	1,528,073	(340,599)
2016	4,350,438	906,755	757,756	1,603,305	(343,976)
2017	4,386,043	914,608	774,864	1,628,828	(346,027)
2018	4,427,004	929,357	802,455	1,607,310	(351,443)
2019	4,610,220	1,001,946	838,548	1,596,754	(389,354)
2020	4,679,717	1,016,651	865,442	1,645,605	(392,631)

Source: Rockingham County Tax Department

**Table 7**

<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
6,636,811	6.98	6,636,811	100.00%
6,816,481	6.96	6,816,481	100.00%
6,613,394	6.96	6,613,394	100.00%
6,719,329	6.96	6,043,789	100.00%
7,110,462	6.96	6,403,797	100.00%
7,274,278	6.96	7,274,278	100.00%
7,358,316	6.96	7,358,316	100.00%
7,414,683	6.96	7,414,683	100.00%
7,658,114	6.95	7,658,114	100.00%
7,814,784	6.95	7,814,785	100.00%

## ROCKINGHAM COUNTY, NORTH CAROLINA

### PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN YEARS

<b>Fiscal Year End June 30</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Property Taxes:					
Rockingham County	0.6473	0.6473	0.6483	0.6483	0.6483
Rockingham County-CIP	<u>0.0477</u>	<u>0.0477</u>	<u>0.0477</u>	<u>0.0477</u>	<u>0.0477</u>
Total Direct Rate	0.695	0.695	0.696	0.696	0.696
City of Reidsville	0.739	0.739	0.74	0.74	0.74
City of Eden	0.609	0.609	0.609	0.609	0.609
Town of Madison	0.73	0.73	0.73	0.73	0.73
Town of Mayodan	0.63	0.63	0.63	0.63	0.63
Town of Stoneville	0.69	0.69	0.69	0.69	0.67
Property Fire District Taxes:					
Wentworth	0.09	0.09	0.09	0.09	0.09
Stokesdale	0.1	0.1	0.1	0.1	0.1
Bethany	0.11	0.11	0.11	0.11	0.11
Northwest	0.115	0.115	0.115	0.115	0.115
Huntsville	0.085	0.085	0.085	0.085	0.085
Oregon Hill	0.07	0.07	0.07	0.07	0.07
Shiloh	0.1	0.1	0.1	0.1	0.1
Monroeton	0.1	0.1	0.1	0.1	0.1
Williamsburg	0.11	0.11	0.11	0.11	0.11
Summerfield	0.0915	0.0915	0.0915	0.0915	0.0915
Yanceyville	0.09	0.09	0.09	0.07	0.07
Stoneyview	0.105	0.105	0.105	0.105	0.105
Casville	0.1	0.07	0.07	0.07	0.07
Jacobs Creek	0.095	0.095	0.095	0.095	0.095
Madison-Mayodan	0.105	0.105	0.105	0.105	0.105
Stokes-Rockingham	0.0804	0.0804	0.0804	0.0804	0.0804
Ruffin	0.13	0.13	0.13	0.13	0.13
Draper Rural	0.07	0.07	0.07	0.05	0.05
Leaksville Rural	0.1	0.1	0.1	0.1	0.1
Spray-Draper	-	-	-	-	-
Spray-Leaksville	-	-	-	-	-
Pelham	0.0614	0.0614	0.0614	-	-

Source: Rockingham County Tax Department

**Table 8**

<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
0.6483	0.6483	0.6483	0.6483	0.6503
<u>0.0477</u>	<u>0.0477</u>	<u>0.0477</u>	<u>0.0477</u>	<u>0.0477</u>
0.696	0.696	0.696	0.696	0.698
0.74	0.74	0.74	0.71	0.71
0.609	0.609	0.609	0.609	0.609
0.73	0.73	0.73	0.73	0.75
0.63	0.63	0.63	0.58	0.58
0.67	0.67	0.67	0.67	0.67
0.09	0.09	0.09	0.09	0.09
0.1	0.1	0.1	0.08	0.08
0.11	0.11	0.11	0.11	0.11
0.115	0.115	0.115	0.115	0.115
0.085	0.085	0.085	0.055	0.055
0.07	0.07	0.07	0.07	0.07
0.1	0.1	0.1	0.1	0.1
0.1	0.1	0.1	0.1	0.1
0.11	0.11	0.11	0.11	0.11
0.0915	0.0915	0.0915	0.0915	0.0915
0.07	0.07	0.07	0.07	0.07
0.105	0.105	0.105	0.105	0.105
0.07	0.07	0.07	0.035	0.035
0.095	0.095	0.095	0.0832	0.0832
0.105	0.105	0.105	0.105	0.105
0.0804	0.0804	0.0804	0.0804	0.0804
0.1	0.1	0.1	0.1	0.1
0.05	0.05	0.05	0.05	0.05
0.1	0.1	0.1	0.1	0.1
-	-	-	0.05	0.05
-	-	-	0.1	0.1
-	-	-	-	-



**ROCKINGHAM COUNTY, NORTH CAROLINA**
**Table 9**
**PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

<b>Taxpayer</b>	<b>2021</b>			<b>2012</b>		
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total Taxable Assessed Value</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total Taxable Assessed Value</b>
Duke Energy Corporation	\$ 706,056,959	1	10.17%	\$ 421,141,000	1	6.30%
Gildan	79,113,834	2	1.14%	42,890,000	6	0.70%
Transcontinental Pipeline Co	53,079,142	3	0.76%	28,236,000	8	0.50%
Commonwealth Brands Inc.	47,937,413	4	0.69%	75,443,000	3	1.10%
Unifi Manufacturing Inc.	46,835,661	5	0.67%	48,355,000	4	0.80%
Sturm Ruger & Company Inc	45,582,152	6	0.66%			
Frontier Spinning	40,486,284	7	0.58%	47,731,000	5	0.70%
Piedmont Natural Gas	37,888,725	8	0.55%	24,517,000	9	0.40%
Walmart	37,680,660	9	0.54%	40,399,000	7	0.60%
Henniges	<u>37,244,695</u>	10	<u>0.54%</u>			
Miller Brewing				158,895,000	2	2.50%
Ball Metal Beverage Corporation				24,410,000	10	0.40%
General Tobacco						
Pine Hall Brick						
Totals	<u>\$ 1,131,905,525</u>		<u>16.30%</u>	<u>\$ 912,017,000</u>		<u>14.00%</u>

Source: Rockingham County Tax Department

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**Table 10**

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended <u>December 31</u></b>	<b>Total Levy for <u>Fiscal Year</u></b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in <u>Subsequent Years</u></b>	<b>Total Collections to Date</b>	
		<b><u>Amount</u></b>	<b><u>Percentage of Levy</u></b>		<b><u>Amount</u></b>	<b><u>Percentage of Levy</u></b>
2011	46,593,254	45,244,371	97.1%	1,224,576	46,468,947	99.7%
2012	51,019,969	49,625,221	97.3%	1,238,765	50,579,034	99.1%
2013	49,767,521	48,443,329	97.3%	1,119,303	49,562,632	99.6%
2014	49,249,221	48,464,476	98.4%	521,612	48,986,088	99.5%
2015	49,829,441	49,069,184	98.5%	369,612	49,438,796	99.2%
2016	50,885,217	50,093,915	98.4%	852,302	50,946,217	98.5%
2017	51,480,019	50,594,345	98.3%	618,555	51,212,900	99.4%
2018	51,741,336	50,975,779	98.5%	895,608	51,871,387	99.5%
2019	53,258,334	52,463,995	98.5%	938,919	53,402,914	99.7%
2020	54,826,250	54,029,760	98.55%	806,764	54,836,524	99.7%

## ROCKINGHAM COUNTY, NORTH CAROLINA

### RATIO OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			
	General Obligation Bonds	Limited Obligation Bonds	Installment Purchase Contracts	Certificates of Participation
2012	-	20,302,034	21,286,307	47,515,000
2013	-	18,579,838	20,729,608	45,205,000
2014	-	17,200,562	19,217,669	44,322,500
2015	-	61,474,297	18,690,841	-
2016	-	56,900,746	19,692,865	-
2017	-	52,229,016	18,323,803	-
2018	-	44,345,474	16,287,604	-
2019	-	40,525,860	14,259,526	-
2020	-	36,715,709	12,569,768	-
2021	-	35,222,659	11,214,800	-

\* Information not yet available

#### Notes:

- 1) Details regarding the county's outstanding debt can be found in the notes to the financial statements.
- 2) Rockingham County has no pledged revenue debt.
- 3) Landfill closure, long term accrued vacation, pension and other post-employment benefits not included

Table 11

<b>Business-type Activities</b>							
<b>Installment Purchase Contracts</b>	<b>Limited Obligation Bonds</b>	<b>Certificates of Participation</b>	<b>Revolving Loan</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Population</b>	
3,649,738	1,256,832	-	1,317,609	95,327,520	3.38%	1,018.91	
3,270,970	1,055,162	-	1,129,379	89,969,957	3.64%	970.34	
3,365,760	990,472	-	941,149	86,038,112	3.29%	974.80	
2,722,236	932,826	-	752,919	84,573,119	3.66%	990.53	
2,453,013	825,630	-	564,689	80,436,943	2.56%	976.39	
3,640,078	706,613	-	376,460	75,275,970	2.28%	931.24	
3,303,429	564,526	-	188,230	64,689,263	1.92%	711.27	
2,971,067	469,140	-	-	58,225,593	1.67%	642.03	
2,639,992	374,291	-	-	52,299,760	*	574.66	
2,328,204	279,979	-	-	49,045,642	*	533.87	

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**Table 12**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2020**

<b>Governmental Unit</b>	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable</b>	<b>Share of Overlapping Debt</b>
Rockingham County	\$ 46,437,459	100.00%	46,437,459
Direct Debt Total	46,437,459		46,437,459
City of Reidsville	6,884,616	100.00%	6,884,616
City of Eden	6,122,003	100.00%	6,122,003
City of Madison	<u>88,523</u>	100.00%	<u>88,523</u>
Overlapping Debt Total	<u>13,095,142</u>		<u>13,095,142</u>
Total direct and overlapping debt	<u>\$ 59,532,601</u>		<u>\$ 59,532,601</u>

Sources: Assessed value data used to estimate applicable percentages provided by the County Tax Department. Debt outstanding data provided by the cities.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Rockingham County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

ROCKINGHAM COUNTY, NORTH CAROLINA

Table 13

COMPUTATION OF LEGAL DEBT LIMIT  
LAST TEN FISCAL YEARS  
(AMOUNTS EXPRESSED IN THOUSANDS)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$ 532,504,922	\$ 545,705,638	\$ 573,387,685	\$ 564,561,729	\$ 583,825,948	\$ 585,320,685	\$ 588,665,305	\$ 594,935,337	\$ 611,522,226	\$ 629,846,490
Total net debt applicable to limit	91,365,989	86,511,920	80,740,731	80,165,138	76,593,610	70,552,819	64,689,263	58,248,678	52,311,306	49,045,642
Legal debt margin	\$ 441,138,933	\$ 459,193,718	\$ 492,646,954	\$ 484,396,591	\$ 507,232,338	\$ 514,767,866	\$ 523,976,042	\$ 536,686,659	\$ 559,210,920	\$ 580,800,848
Total net debt applicable to the limit as a percentage of debt limit	17.16%	15.85%	14.08%	14.20%	13.12%	12.05%	10.99%	9.79%	8.55%	7.79%

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed value	\$ 7,873,081,123
Add back: exempt real property	-
Total assessed value	\$ 7,873,081,123
Debt Limit (8% of total assessed value)	629,846,490
Debt applicable to limit:	
General obligation debt	49,045,642
Less: Amount set aside for repayment of general obligation debt	-
Legal debt margin	\$ 580,800,848

Note: Under state finance law, Rockingham County's outstanding general obligation debt should not exceed 8 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

**ROCKINGHAM COUNTY, NORTH CAROLINA**
**Table 14**
**DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income (amounts in thousands)</b>	<b>Per Capita Personal Income</b>	<b>Average Annual Labor Force</b>	<b>Number of Building Inspections Performed</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
2012	93,558	2,995,548	32,307	44,327	2,369	13,596	12.2%
2013	92,720	3,012,455	32,788	43,721	2,330	13,388	10.3%
2014	93,217	2,992,809	32,638	41,863	2,556	13,159	7.1%
2015	91,696	3,112,071	33,916	41,171	2,515	13,006	7.8%
2016	91,758	3,148,049	34,445	41,548	5,136	12,732	7.2%
2017	91,393	3,303,511	36,323	41,399	2,813	12,466	4.8%
2018	90,949	3,367,943	37,137	41,589	2,895	13,363	4.8%
2019	90,690	3,496,504	38,419	40,944	2,147	13,337	4.0%
2020	91,010	*	*	36,495	1,724	13,262	15.8%
2021	91,868	*	*	38,983	1,664	12,678	8.4%

\* Information not yet available

Note: Population is based on survey conducted during the last quarter of the calendar year. Personal income and average annual labor force information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year. Inspections performed by Rockingham County Inspections Department. It does not include the municipalities inspections.

# ROCKINGHAM COUNTY, NORTH CAROLINA

Table 15

## PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	2021			2012		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Rockingham County School System	1,482	1	4.00%	2,071	1	5.21%
Wal-Mart Associates, Inc.	821	2	2.20%	807	3	2.03%
Unifi, Inc.	714	3	1.90%	798	4	2.01%
Rockingham County	698	4	1.90%	650	5	1.64%
UNC Rockingham Health Care	645	5	1.70%	1,000	2	2.52%
Annie Penn Hospital	611	6	1.70%	600	7	1.51%
Sturm, Ruger & Co., Inc	490	7	1.30%			
Gildan	427	8	1.20%			
Frontier Spinning Mills	420	9	1.10%	515	8	1.30%
Dorada Foods	404	10	1.10%	423	9	1.06%
Rockingham Community College				420	10	1.06%
Miller Coors				660	6	1.51%
Total	6,712			7,944		

Source: Rockingham County Partnership for Economic and Tourism Development



**ROCKINGHAM COUNTY, NORTH CAROLINA****Table 16****FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Function</b>										
General government	92	84	84	84	79	79	79	80	81	81
Public safety	234	246	254	260	263	263	263	263	269	271
Economic Development	12	11	12	16	16	15	15	15	15	15
Human Services	275	263	262	262	265	269	269	269	238	241
Cultural	31	31	31	33	33	28	28	28	28	28
Landfill	11	12	13	16	16	15	15	15	15	15
Water & Sewer	<u>3</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>3</u>	<u>3</u>
Total	658	651	660	675	676	673	673	674	649	653

Source: Rockingham County Budget Documents

## ROCKINGHAM COUNTY, NORTH CAROLINA

### OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

	2012	2013	2014	2015	2016	2017
<b>Function</b>						
Sheriff & Jail						
Physical arrests	2,151	1,995	1,846	2,348	1,714	2,278
Average daily inmates	159	168	159	153	162.6	172
Fire						
Number of calls answered	112	117	103	109	68	72
Inspections	305	230	392	386	160	204
Inspections & Planning						
Building permits issued	2,369	2,330	2,556	2,515	5,136	2,813
Environmental Health permits	905	900	752	530	1,356	1,131
Sanitation						
Refuse collected (tons/day)	306	282	269	264	315	353
Recyclables collected (tons/day)	5	6	8.8	8.9	16.2	42.6
Culture and recreation						
Books checked out	531,367	513,000	471,518	513,000	495,294	512,391
Library cards issued	3,751	3,567	3,134	3,567	5,419	2,929
Water						
Water mains breaks	-	-	-	-	-	-
Average daily consumption (thousands of gallons)	74	66	89	66	75	75
Wastewater						
Average daily sewage treatment (thousands of gallons)	64	65	74	62	58	58

Sources: Various government departments.

Note: Indicators are not available for the general government function.

**Table 17**

<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
1,541	1,562	1,958	1,761
173	190	189	171
136	186	225	162
700	791	874	654
2,895	2,147	1,724	1,664
1,375	1,052	1,295	1,275
349	437	355	382
66.1	124	86	106
446,136	482,433	361,150	204,167
3,027	2,701	1,552	837
-	-	-	-
109	118	105	169
69	73	73	73

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**Table 18**

**CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Function</b>										
Public safety										
Sheriff:										
Detention Centers	1	1	1	1	1	1	1	1	1	1
Vehicles	100	100	100	100	100	100	100	135	120	120
EMS Ambulances	891,678	891,678	1,493,380	1,535,669	n/a	n/a	n/a	n/a	17	15
Landfill										
Inland mobile equipment	4,297,000	4,297,000	4,774,667	4,908,966	5,112,349	4,560,311	5,310,634	6,120,553	6,758,757	6,728,967
Culture and recreation										
Libraries	5	5	5	4	4	4	4	4	4	4
Water										
Water mains (miles)	20.3	20.3	20.3	20.3	20.3	20.3	20.3	23.2	25.4	26.5
Maximum daily capacity (thousands of gallons)	628,000	628,000	628,000	628,000	628,000	628,000	628,000	628,000	628,000	750,000
Sewer										
Sanitary sewers (miles)	28.2	28.2	28.2	28.2	28.2	28.2	28.2	28.2	28.2	28.2
Maximum daily treatment capacity (thousands of gallons)	540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000	750,000
Education										
Number of schools	26	26	26	25	25	25	25	22	22	22
Number of teachers	1042	1026	1029	938	930	884	735	709	716	744

Sources: Various county departments and school system.

Note: No capital asset indicators are available for the general government function.



**Independent Auditor's Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with  
*Government Auditing Standards***

The Board of County Commissioners  
Rockingham County  
Wentworth, North Carolina

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Rockingham County, North Carolina (the "County") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated October 29, 2021. Our report includes a reference to other auditors who audited the financial statements of the Rockingham County Airport Authority, as described in our report on the Rockingham County's financial statements. This report does not include the results of other auditors' testing of internal controls over financial reporting or compliance and other matters that are reported separately by those auditors.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

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

## **Purpose of This Report**

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

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

Raleigh, North Carolina  
October 29, 2021

**Independent Auditor's Report on Compliance for Each Major Federal Program;  
Report on Internal Control over Compliance; In Accordance  
With OMB Uniform Guidance and the State Single Audit Implementation Act**

The Board of County Commissioners  
Rockingham County  
Wentworth, North Carolina

**Report on Compliance for Each Major Federal Program**

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

**Management's Responsibility**

Management is responsible for compliance with the requirements of Federal and State Statutes and the terms and conditions of its federal awards.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Those standards, 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 the County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

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



## Opinion on Each Major Federal Program

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

## Report on Internal Control over Compliance

Management of Rockingham 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 Rockingham County's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Rockingham 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Raleigh, North Carolina  
October 29, 2021

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

The Board of County Commissioners  
Rockingham County  
Wentworth, North Carolina

**Report on Compliance for Each Major State Program**

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

**Management's Responsibility**

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

**Auditor's Responsibility**

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

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

## Opinion on Each Major State Program

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

## Report on Internal Control over Compliance

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

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

Raleigh, North Carolina  
October 29, 2021

# Rockingham County, North Carolina

## Schedule of Findings and Questioned Costs

For the year ended June 30, 2021

### I. SUMMARY OF AUDITOR'S RESULTS

#### Financial Statements

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

Internal control over financial reporting:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Noncompliance material to the financial statements noted? ☐ Yes ☒ No

#### Federal Awards

Internal control over major programs:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a): ☐ Yes ☒ No

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
21.019	Coronavirus Aid Relief and Economic Security Act
93.558	Temporary Assistance for Needy Families Cluster
93.778	Medicaid Assistance Cluster

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? No

#### State Awards

Internal control over major programs:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

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

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act: ☐ Yes ☒ No

Identification of major state programs:

Regional Water Grant  
Rural Economic Development Grant  
Golden Leaf Grant

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**Rockingham County, North Carolina*****Schedule of Findings and Questioned Costs******For the year ended June 30, 2021***

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Other major state program includes Medical Assistance Program (Medicaid) and Temporary Assistance for Needy Families Cluster (TANF) which has a state match on the federal program. Therefore, this program has been included in the list of major federal programs above.

**II. FINANCIAL STATEMENT FINDINGS****NONE****III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS****NONE****IV. STATE AWARD FINDINGS AND QUESTIONED COSTS****NONE**



# ROCKINGHAM COUNTY

## GOVERNMENTAL CENTER

### Finance Office

#### ***Summary Schedule of Prior Audit Findings For the year ended June 30, 2020***

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##### **Finding 2020-001, Material Weakness over Landfill Receivables**

Condition: June landfill payments were recorded in “other landfill receivables” and “landfill fees receivables” at June 30, 2020.

Current status: Management corrected the error in fiscal year 2020. The finding is not repeated in the current year.

##### **Finding 2020-002, Significant Deficiency over Eligibility**

Conditions: We noted that in two instances, the case record did not contain an appropriate income conversion and computation in accordance with policy manuals. In four instances, we noted that SOLQ OVS/ OLV, Bendex OVS/OLV, SDX OVS, ESC OVS, and ACTS OVS were not completed to verify the individual’s unearned income. In three instances, we noted that household and relationship information on the image documents was incorrectly entered into NC FAST. In two instances, we noted that the Employment Security Commission (ESC) OVS was not completed to verify the individual’s earned income. In two instances, we noted the total countable income was not recorded accurately into NC FAST based upon documentation in the case record.

Current status: Management provided additional training to all new staff and to existing staff, one-on-one and on an as needed basis. Supervisors, Lead Workers and Quality Assurance Specialists monitored employees on the eligibility determination process. Management reviewed current procedures in place to ensure that all eligibility determination documentation is completed and retained in the case file or in the NCFast Case Management System. Training included income conversion and computation in accordance with policy manuals, consistent OVS completion to verify individuals earned and/or unearned income, correctly entering household and relationship information into NCFast, and ensuring that total countable income information in the case file matched information entered into NCFast. Second-party reviews were conducted to monitor the employees’ compliance with policy requirements. The above conditions were noted as internal/technical errors as, subsequent to being notified that the required documentation could not be located in the case file, the County was able to obtain documentation to substantiate that the applicants tested were still eligible to receive benefits. It should also be noted that it beyond the control of local staff when NCFast/OVS does not run as designed.

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

<b>Grantor/Pass-Through Grantor / Program Title</b>	<b>Federal AL# / CFDA Number</b>	<b>State/ Pass-through Grantor's Number</b>	<b>Federal (Direct &amp; Pass-through) Expenditures</b>	<b>State Expenditures</b>	<b>Passed-through to Subrecipients</b>
<b>Federal Awards:</b>					
<b>U.S. Department of Agriculture:</b>					
<b>Food and Nutrition Service:</b>					
Passed-Through N.C. Department of Health and Human Services					
<b>Division of Social Services:</b>					
Administration:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	215NC406S2514	\$ 829,025		\$ -
<b>Division of Public Health:</b>					
Administration:					
		13A2 5403(GA, GB, 4V)			
		13A2 5404 (GA,GB,4V)			
		13A2 5405 (GA,GB,4V)			
		13A2 5405(GA,GB,4V)			
		13A2 570C JQ			
Special Supplemental Nutrition Program for Women, Infant, & Children	10.557	13A2 570E JQ	441,647	-	-
<b>Total U.S. Department of Agriculture</b>			1,270,672	-	-
<b>U.S. Department of Health and Human Services:</b>					
Coronavirus Cares Act Provider Relief Fund	93.498		88,655	-	-
<b>Food and Drug Administration</b>					
Food and Drug Administration Research	93.103	G-SP-1909-07552 1U18FD007029-01	53,830	-	-
<b>Total Food and Drug Administration</b>			53,830	-	-
Passed-Through the N.C. Department of Health and Human Services					
<b>Division of Social Services:</b>					
Child Support Enforcement IV-D	93.563	2104NC4005	680,993	-	-
<u>Temporary Assistance for Needy Families Cluster:</u>					
TANF-WorkFirst	93.558	2101NCTANF	985,764		
Temporary Assistance for Needy Families State Program Special Children Adoption	93.558	21701NCTANF	-	24,953	-
<b>Total Temporary Assistance for Needy Families Cluster</b>			985,764	24,953	-
<u>Foster Care and Adoption Cluster (Note 3 &amp; 4):</u>					
Foster Care - Title IV-E:					
Administration	93.658	2101NCFOST	545,612	56,769	-
Foster Care	n/a		48,167	-	-
Adoption Assistance:					
Administration	93.659	2101NCADPT	36,695	-	-
<b>Total Foster Care and Adoption Cluster (Note 3)</b>			630,474	56,769	-
<u>Low-Income Home Energy Assistance:</u>					
Administration	93.568	G21B1NCLIEA	69,759	-	-
Direct Benefit Payments-Energy Assistance Payments	93.568	G21B1NCLIEA	548,076	-	-
Direct Benefit Payments-Crisis Intervention Program	93.568	G21B1NCLIEA	38,426	-	-
<b>Total Low-Income Home Energy Assistance Block Grant</b>			656,261	-	-
Low-Income Home Energy Assistance (COVID19)					
Administration	93.568		360		
Direct Benefit Payment-Energy Assistance Payments (COVID19)	93.568		257,084	-	-
<b>Total Low-Income Home Energy Assistance (COVID19)</b>			257,444	-	-
<b>Total Low-Income Home Energy Assistance</b>			913,705	-	-
Chafee Foster Care Independence Program - Administration	93.674	2101NCC1LP	19,379	4,845	-
Chafee Foster Care Independence Program - Direct Benefit Payments	93.674	2101NCC1LP	2,880		-
Promoting Safe and Stable Families	93.556	2101NCFPSS	49,031		-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G2101NCCWSS	22,743	-	-
<b>Subtotal</b>			94,033	4,845	-
<u>Child Care Development Fund Cluster:</u>					
<b>Division of Social Services:</b>					
Child Care Mandatory and Matching Funds of the					
Child Care Development Fund - Administration	93.596	G2101NCCCDF	121,760	-	-
<b>Total Child Care Development Fund Cluster</b>			121,760	-	-
Passed-Through the N.C. Department of Health and Human Services					
Division of Health Benefits					
<b>Division of Social Services:</b>					
Administration:					
Medical Assistance Program (Note 4)	93.778	XIX-MAP21	2,081,914	24,066	-
<b>Total Medical Assistance Cluster</b>			2,081,914	24,066	-

**ROCKINGHAM COUNTY, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

<b>Grantor/Pass-Through Grantor / Program Title</b>	<b>Federal AL# / CFDA Number</b>	<b>State/ Pass-through Grantor's Number</b>	<b>Federal (Direct &amp; Pass-through) Expenditures</b>	<b>State Expenditures</b>	<b>Passed-through to Subrecipients</b>
Administration					
Children's Health Insurance Program - N.C. Health Choice (Note 4)	93.767	CHIP21	43,882	555	-
Total State Children's Insurance Program			43,882	555	-
Passed-Through N.C. Department of Health and Human Services					
<b>Division of Public Health:</b>					
Public Health Emergency Preparedness	93.069	1264 2680 (EN, EQ)	38,082	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	1460 2720 NF, 1460 272A NF	50	-	-
Family Planning Services	93.217	13A1 592C FP 1331 631B EJ 1331 629B 4Q, 1331 639B P7	44,656	-	-
Immunization Cooperation Agreements	93.268	1331 628B E2	350,519	-	-
Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)	93.323	1175 870A WT, 1175 878A HH	235,679	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal	93.898	1320 310D D7	17,550	-	-
Maternal and Child Health Services Block Grant	93.994	1271-5318-AR, 1271-5745AR, 13A1-5700-AR, 13A1-5735-AP	109,481	27,367	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.997	1311 462B NC, 1311 4631 NB	100	-	-
Preventive Health and Health Services Block Grant	93.991	1261 5503 PH	10,118	-	-
Division of Aging and Adult Services:					
Division of Social Services:					
SSBG-Adult Day Care			4,746	810	-
SSBG-Adult Protective Service			29,533	-	-
SSBG-CPS TANF			78,613	-	-
SSBG-In Home Services			76,965	-	-
SSBG-Other Services & Training			402,454	-	-
Passed-through Piedmont Triad Regional Council					
SSBG-In Home Services			20,800	594	21,394
Total Social Services Block Grant	93.667		613,111	1,404	21,394
<b>Administration of Aging:</b>					
Passed-Through Piedmont Triad Regional Council					
<b>Division of Aging:</b>					
<u>Aging Cluster:</u>					
In-Home Services:					
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044		40,332	2,372	42,704
Special Programs for the Aging Title III, Part C Nutrition Services (Home-Delivered Meals)	93.045		182,311	10,724	193,035
Nutrition Services Incentive Program	93.053		43,689	-	43,689
Total Aging Cluster			266,332	13,096	279,428
<b>Total U.S. Department of Health and Human Services</b>			7,380,688	153,055	300,822
<b>U.S. Department of Justice:</b>					
Equitable Sharing Program	16.922	NC0790000	23,233	-	-
Bulletproof Vest Partnership Program	16.607		2,354	-	-
Passed-Through NC Department of Crime Control and Public Safety:					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	201DJ-BX-0067	30,605	-	-
<b>Total U.S. Department of Justice</b>			56,192	-	-
<b>Department of Homeland Security</b>					
Passed-Through NC Department of Crime Control and Public Safety:					
Division of Emergency Management					
Hazard Mitigation Grant	97.039	PF-5161-0001-F	29,790	9,930	-
Emergency Management Performance Grants	97.042	EMPG-2020-2020078	35,000	-	-
Emergency Management Performance Grant Supplemental	97.042	EMA-2020-EP-00016	12,696	-	-
Homeland Security Grant Program (HSGP)	97.067	EMW-2020-SS-00023-2040022	14,980	-	-
<b>Total Department of Homeland Security</b>			92,466	9,930	-
<b>Institute of Museum and Library Services:</b>					
Grants to States - Library Services and Technology Act	45.310	NC-20-65 NC-20-123	13,472	-	-
<b>Total Institute of Museum and Library Services</b>			13,472	-	-
<b>U.S. Department of Housing and Urban Development:</b>					
Passed-Through N.C. Department of Commerce:					
<b>Rural Economic Development Division</b>					
Community Development Block Grants/ State's Program and Non-Entitlement Grants in Hawaii	14.228	CDBG 19-E-3122	1,278,495	-	-



**ROCKINGHAM COUNTY, NORTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

<b>Grantor/Pass-Through Grantor / Program Title</b>	<b>Federal AL# / CFDA Number</b>	<b>State/ Pass-through Grantor's Number</b>	<b>Federal (Direct &amp; Pass-through) Expenditures</b>	<b>State Expenditures</b>	<b>Passed-through to Subrecipients</b>
<b>Total U.S. Department of Housing and Urban Development</b>			1,278,495	-	-
<b>Election Assistance Commission</b>					
HAVA Grant	90.401	NC20101001-79	121,053	-	-
<b>Total Election Assistance Commission</b>			121,053	-	-
<b>Federal Aviation Administration:</b>					
Passed through the N.C. Department of Transportation					
Airport Improvement Program -Rehab Runway	20.106	36237.6.14.1	87,773	35,658	-
Airport Improvement Program -Hanger Replacement	20.106	36237.6.16.1	111,581	-	-
Airport Improvement Program-Runway Signs	20.106	36237.6.16.2	28,900	-	-
Aviation Block Grant (CARES Act Grant)	20.106	36237.6.15.1	30,000	-	30,000
<b>Total Federal Aviation Administration</b>			258,254	35,658	30,000
<b>U.S. Department of Treasury</b>					
Passed through the N.C. Office of State Budget & Management					
NC Pandemic Recovery Office					
Coronavirus Aid, Relief, and Economic Security Act (CARES Act)	21.019	02-77	1,766,317	-	811,060
passed-Through N.C. Department of Health and Human Services					
Division of Public Health:					
Coronavirus Aid, Relief Fund 4	21.019	1175 4026 (HN, P5)	120,125	-	-
Passed-Through N.C. State Board of Elections					
Coronavirus Aid, Relief, and Economic Security Act (CARES Act)	21.019	03-25-79	111,280	-	-
Passed-Through Economic Development Partnership of NC	21.019	60-00-69	18,000	-	-
<b>Total U.S. Department of Treasury</b>			2,015,722	-	811,060
<b>Total Federal Awards</b>			12,487,014	198,643	1,141,882
<b>State Awards:</b>					
<b>Division of Social Services:</b>					
ST Child Welfare/CPS/ CS LD		RPT WC302	-	66,121	-
APS/CPS Care Covid 19		RPT WC302	-	100,274	-
Energy Assistance - private grants		RPT WC302	-	130	-
DCD Smart Start		RPT WC302	-	16,734	-
Extended FC/MAX Non IV-E - Direct Benefit Payment		RPT WC302	-	4,100	-
Foster Care Stipend-Direct Benefit Payment		RPT WC302	-	62,300	-
F/C At Risk Maximization - Direct Benefit Payment		RPT WC302	-	415	-
SFHF Maximization - Direct Benefit Payment		RPT WC302	-	184,471	-
Independent Living Transitional-Direct Benefit Payment		RPT WC302	-	1,539	-
SAA/SAD HB 1043 - Direct Benefit Payment		RPT WC302	-	454,090	-
State Foster Home - Direct Benefit Payment		RPT WC302	-	108,713	-
Total Division of Social Services			-	998,887	-
<b>Division of Public Health:</b>					
Aid-to-Counties		1161 4110 00	-	116,040	-
Family Planning-State		13A1 5735 00	-	80,632	-
Maternal Health		13A1 5740 00	-	10,525	-
Women's Health Service Fund		13A1 6021 FR	-	9,343	-
Tuberculosis		1460 4551 00, 1460 4554 00	-	15,228	-
Breast and Cervical Cancer		1320 5599 00	-	17,550	-
HIV/STD State		1311 4536 BN	-	400	-
STD Drugs		1311 4601 BN	-	583	-
School Nurse Funding Initiative		1332 5358 00	-	200,000	-
General Communicable Disease Control		1175 4510 00	-	4,098	-
Healthy Community Activities		1261 5503 00	-	3,746	-
Child Health		1271 5745 00	-	7,742	-
Food and Lodging Fees			-	19,617	-
Total Division of Public Health			-	485,504	-
<b>Division of Aging:</b>					
In-Home Services:					
State Funds			-	208,471	208,471
Home Delivered Meals:					
State Funds			-	113,173	113,173
Total Division of Aging			-	321,644	321,644

**ROCKINGHAM COUNTY, NORTH CAROLINA**
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

<b>Grantor/Pass-Through Grantor / Program Title</b>	<b>Federal AL# / CFDA Number</b>	<b>State/ Pass-through Grantor's Number</b>	<b>Federal (Direct &amp; Pass-through) Expenditures</b>	<b>State Expenditures</b>	<b>Passed-through to Subrecipients</b>
<b>Pass Through Alamance County Public Health Department</b> Minority Diabetes Prevention Program		RFA# A-473	-	4,671	-
<b>Total N.C. Department of Health and Human Services</b>			-	1,810,706	321,644
<b>N.C. Department of Environmental Quality:</b>					
<b>Division of Waste Management:</b>					
Soil & Water - Agricultural Cost Share		21-035-4019	-	3,600	-
Soil and Water Conservation-Technical Assistance		21-035-4019	-	26,880	-
Waste Management - Scrap Tire Fund		XXXX	-	6,804	-
<b>Total N.C. Department of Environmental Quality</b>			-	37,284	-
<b>N.C. Department of Administration:</b>					
Veterans Service Officer		XXXX	-	2,084	-
<b>N.C. Department of Public Safety:</b>					
Juvenile Crime Prevention Program		379-11147	-	326,726	-
Fresh Start		379-22723	-	88,400	-
<b>Total N.C. Department of Public Safety</b>			-	415,126	-
<b>N.C. Department of Cultural and Natural Resources:</b>					
Parks and Recreation Trust Fund (PARTF) -Planters Road Dan River Park & Access		2017-845		9,000	
State Aid - Library		2600	-	138,011	-
<b>Total N.C. Department of Cultural and Natural Resources</b>			-	147,011	-
<b>N.C. Department of Education:</b>					
Public School Building Capital Fund-Lottery Proceeds			-	756,583	-
<b>N.C Department of Agriculture and Consumer Services</b>					
Structural Pest Control and Pesticides Division		19-016-4016	-	3,445	-
<b>N.C Department of Commerce</b>					
Rural Economic Development Division					
Building Reuse Grant (Pella Corporation)		2019-150-3201-2587	-	500,000	-
<b>Total N.C. Department of Commerce</b>			-	500,000	-
<b>N.C. Office of State Budget and Management</b>					
Regional Water and Sewer Funding		2017.SL2017-17RC	-	3,440,041	-
<b>Golden Leaf Foundation:</b>					
Economic Catalyst Grant Program		FY2020-326	-	1,227,720	-
<b>Total State Awards</b>			-	8,340,000	321,644
<b>Total Federal and State Awards</b>			<u>\$ 12,487,014</u>	<u>\$ 8,538,643</u>	<u>\$ 1,463,526</u>

# ROCKINGHAM COUNTY, NORTH CAROLINA

## SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Grantor/Pass-Through Grantor / Program Title	Federal AL# / CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Passed-through to Subrecipients
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### 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 Rockingham 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 Rockingham County, it is not intended to and does not present the financial position, changes in net position or cash flows of Rockingham 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**

Rockingham 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 Number	Federal	State
Special Supplemental Nutrition Program for Women Infant and Children	10.557	1,491,890	
Supplemental Nutrition Assistance Program	10.551	40,474,896	
Temporary Assistance for Needy Families	93.558	455,825	
Adoption Assistance	93.659	1,049,497	195,504
Foster Care - Title IV-E	93.658	655,044	186,680
Medical Assistance Program	93.778	136,373,980	53,111,496
Children's Health Insurance Program	93.767	1,334,145	240,933
Child Welfare Services Adoption			492,002
State / County Special Assistance program			618,408