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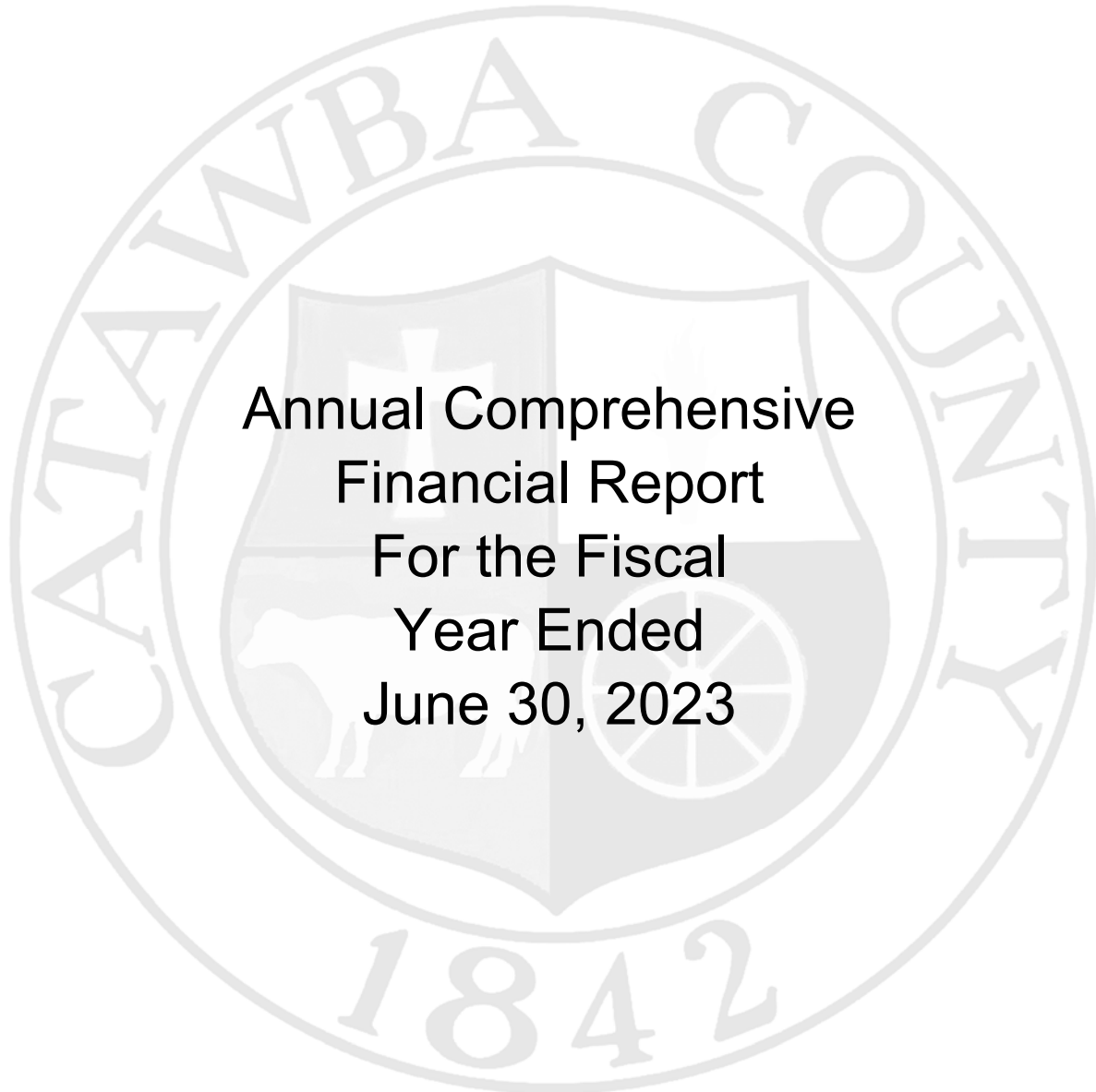
catawba county
north carolina

2023

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED - JUNE 30, 2023

Catawba County, North Carolina



Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2023

Mary Furtado, County Manager
Mary Morrison, Chief Financial Officer

Prepared by Catawba County Finance Department
Published November 30, 2023



Catawba County, North Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023

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BOARD OF COMMISSIONERS



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Austin Allran
Vice Chair



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Cole Setzer



catawba county finance

Catawba County Board of Commissioners
and Citizens of Catawba County, North Carolina

November 30, 2023

State law requires all local governments to have their financial records audited by a certified public accountant using generally accepted auditing standards as soon as possible after the close of each fiscal year. Local governments are also required to publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP). Pursuant to those requirements, we hereby issue the Annual Comprehensive Financial Report for Catawba County for the fiscal year ending June 30, 2023.

THE REPORT

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all information presented herein. To provide a reasonable basis for making these representations, County management has established a comprehensive internal controls framework designed to both protect the organization's assets from loss, theft, or misuse and to compile sufficient reliable information for 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 internal controls framework 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 Martin, Starnes, & Associates, CPAs, P.A., 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 ending June 30, 2023 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 ending June 30, 2023 are fairly presented in conformity with GAAP. Issuance of an unmodified opinion means an auditor, upon review of a county's financial statements and accompanying notes, certifies the financial statements are reliable and represent the true financial condition of the county. 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

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federally- 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 grant awards. These reports, 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 provides 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 the 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.

COUNTY PROFILE

Named for the Catawba Indians who resided in the area prior to European settlement in 1747, Catawba County (established in 1842) encompasses a 414-square mile area and is located in a peaceful valley just east of North Carolina’s Blue Ridge Mountains. The center of the Greater Hickory metropolitan statistical area (MSA), Catawba County is conveniently located within a 1-hour drive to Charlotte, Asheville, and Winston-Salem, and affords easy access to both Interstate 40 and Highway 321. The Greater Hickory MSA consists of Alexander, Burke, Caldwell and Catawba counties. The County’s mid-Atlantic location is halfway between New York and Miami and includes a land of scenic beauty and diverse cultures with a large industrial workforce.

The County has eight cities and towns within its boundaries, and is home to a population of 164,642 residents, which positions it as the 18th largest county in North Carolina and one of the 29 urban counties with population of 100,000 or more. Catawba County was one of the first of North Carolina’s 100 counties to adopt the County-Manager Form of government. It is governed by five commissioners



(Randy Isenhower-Chair, Austin Allran-Vice Chair, Barbara Beatty, Cole Setzer, and Robert Abernethy, Jr.) who are elected by countywide vote in partisan elections and serve four-year staggered terms.

The County Manager is appointed to serve as Chief Executive Officer and is responsible for the enforcement of laws and ordinances, preparation and administration of the annual budget, delivery of services, implementing policies, managing daily operations, and appointment of department heads.

Catawba County provides citizens with a broad range of services that include public safety, environmental protection, health and human services, cultural and recreational programs, community and economic development, and education. This report encompasses the County’s activities in maintaining these services and includes its financial support to outside agencies, boards and commissions to assist their efforts in serving citizens. Among these are the Catawba County, Hickory Public and Newton-Conover City Schools, Catawba Valley Community College, Catawba County Economic Development Corporation and the Greater Hickory Metro Convention and Visitors Bureau.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when considered in the context of the overarching economic environment in which the County operates.

BOND RATING

The County is rated ‘Aa1’ for its General Obligation Debt by Moody’s Investor Services. This rating highlights and confirms the financial and economic transition the County has been undergoing over the last few years. Moody’s rating overview of the County included descriptions of positive conditions/factors such as “County’s economic growth and resident wealth

and incomes, fund balance and reserve position and limited long term liability profile."

LOCAL ECONOMY

Catawba County is part of the Hickory Metropolitan Statistical Area (MSA), which includes Alexander, Burke, Caldwell, and Catawba counties.

Employment figures in the Hickory MSA have increased dramatically over the last couple of years with 4,839 jobs added to the economy between June 2021 and June 2023, a 6.7% increase. Catawba County's June 2023 unemployment rate of 3.4% remains below the North Carolina rate of 3.6% and has declined by .4% from June 2022.

Strong Retail Sales & Tourism Performance Indicate Sustained Recovery

Catawba County remains a retail magnet for the region, capturing 59% of the \$6 billion in retail sales from the four-county MSA, while accounting for only 44% of the population. Catawba County's taxable sales of \$3.5 billion showed an increase from 2021-2022 of 7%.

Statewide, the County ranks 18th in population but 14th highest in taxable sales.

These figures cement Catawba County's position as a regional retail magnet, with furniture, automotive, restaurants, and shopping options that draw visitors from surrounding communities and general taxable sales with the County.

Catawba County ranks 25th in the State for tourism revenue, with \$331 million generated in 2022. This represents a 13.5% increase from the previous year. This economic sector is buttressed by the presence of a wide range of cultural amenities that appeal to all audiences:

- Catawba Science Center
- Green Room Community Theatre
- Hickory Choral Society
- Hickory Community Theatre
- Hickory Crawdads Baseball Team
- Hickory Metro Convention Center
- Hickory Motor Speedway
- Hickory Museum of Art
- Western Piedmont Symphony

A Focus on Job Growth and Investment

Catawba County has taken a proactive approach in charting its economic future through targeted expansion. In the past few years, job gains have been made as a result of significant expansion projects – funded both privately and in partnership with the public sector - occurring in a wide range of industries from traditional manufacturing to high-tech. This mix of public-private partnership and private investment underscores the County's balanced economic health and resiliency.

To further bolster these efforts, the County continues to actively recruit and attract targeted national and international companies with a focus on higher-wage industries like Information, and Advanced Manufacturing, the latter of which leverages the County's skilled workforce and high concentration of manufacturing support systems.

In 2022-2023, over \$1 billion in industry investments and 112 new jobs were announced in the County, according to the Catawba County Economic Development Corporation. A sampling of the companies

committing to deepening investments or adding jobs in Catawba County include:

- **Microsoft Corp.** announced in November 2022 its plans to invest a minimum of \$1 billion in the phased development of four datacenters over the next 10 years. The datacenters will be located in Conover, Hickory, and Maiden and will create at least 50 new jobs.
- In November 2022, **Pregis**, a manufacturer and provider of innovative and protective packing products, announced an expansion of its Newton facility. The \$11 million expansion committed to create 10 new jobs.
- **Pasta Piccinini, Inc.**, a manufacturer of pasta products, announced the relocation of its U.S. operations to a facility in Newton. The minimum investment of \$6 million for facility renovations and production equipment includes the creation of at least 27 new jobs at wages above the County's current average wage.
- **Corning Optical Communications** announced the expansion of its U.S. manufacturing capacity with the opening of its manufacturing campus near Hickory in March 2023. Corning committed to invest \$150 million and create 200 jobs. With the campus's two new facilities, Corning will help provide U.S. network operators with the cable needed to bring high-speed fiber connectivity to underserved communities, particularly in rural America.

Deliberately Driving Workforce Development

While Catawba County's economy is built upon a large industrial base (with 30.9% of its workforce in manufacturing), deliberate and targeted growth in several key sectors has resulted in a more balanced economic composition today than what existed a decade ago. From 2012 through 2022, the following sectors have experienced over 15% employment growth collectively comprising 27% of the current total employment:

- Professional, Scientific, and Technical Services
- Transportation and Warehousing
- Construction
- Arts, Entertainment and Recreation
- Wholesale Trade
- Real Estate and Rental and Leasing

The growth in these sectors represents a 35% increase from 2012 employment levels.

Further, the County has been a leader in the manufacture and development of fiber optics and telecommunications equipment for more than a decade, producing approximately 50% of the world's supply of fiber optic cable and still providing significant employment opportunities for County residents.

In the context of Catawba County's efforts at economic diversification, manufacturing still represents a mainstay industry for the community, although to a lesser extent than in years past.

Steady growth in fiber optic telecommunications investment and employment and continued reinvestment by newer industry sectors, combined with the effects of a "re-shoring" trend that has brought furniture manufacturing jobs back to Catawba County, has brought a more balanced and sustainable economy to the County.

Building upon the core strengths of the local economy, Catawba County has made significant strides in preparing its workforce with the skills to meet current and future labor needs of local employers.

With employment continuing to rise, cross-sector partnerships between local governments, the business community, public educational institutions, and industry-specific resources have institutionalized a full-spectrum approach to aligning local talent with available jobs.

Programs have been designed to target high-school students as well as college-aged students and adult learners to ensure the County's workforce is poised to help local businesses thrive. Several key initiatives that have emerged from these partnerships are highlighted below:

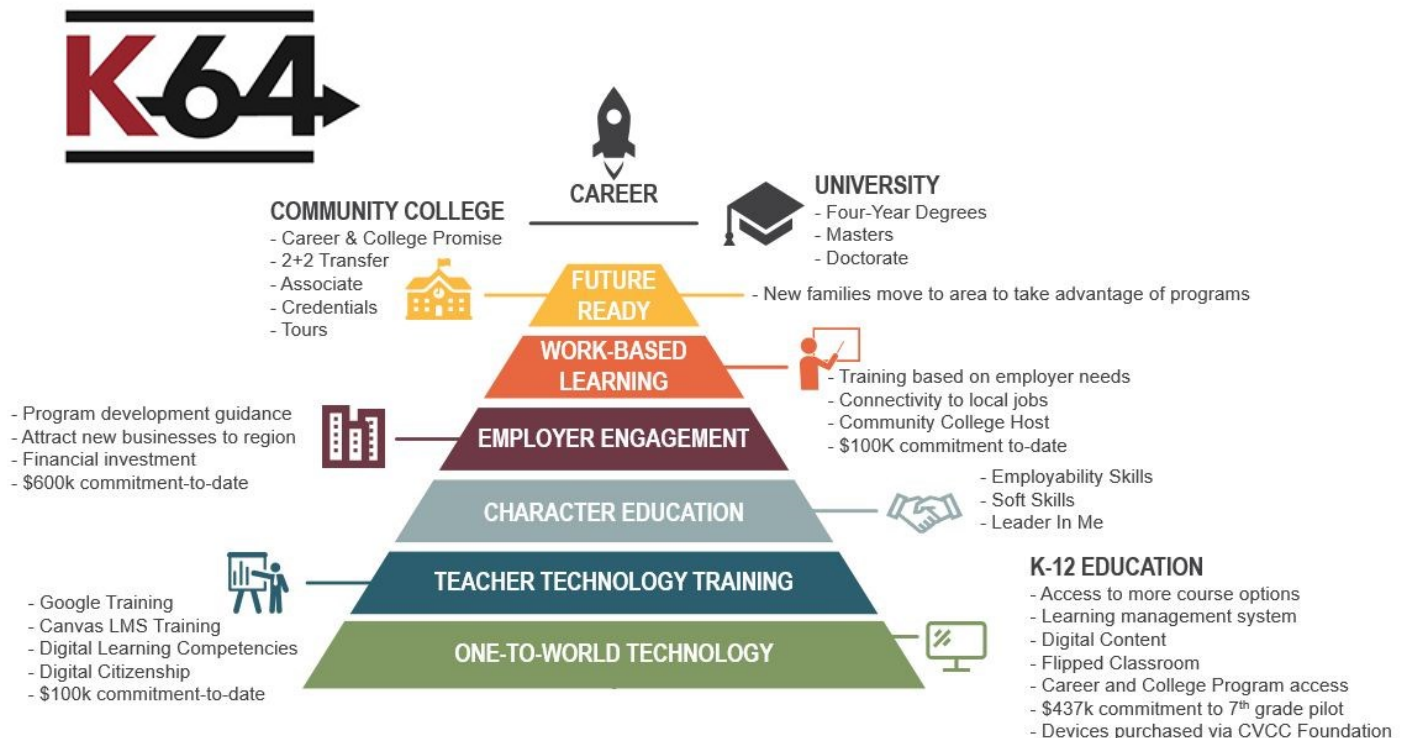
Investing in Education and Workforce Development

K-64 is a systemic approach to shaping future careers and meeting workforce demands by connecting students and employers throughout the educational curriculum. K-64 increases student and employer engagement in educational programs proven to prepare a

qualified workforce by collaborating with employers to align courses of study with workforce needs, connecting students to real-world careers and related curriculum choices from early on, and empowering adults to enhance employability in a dynamic work environment.

Lenoir-Rhyne University offers a program called the Catawba County Promise to provide a minimum of 50 percent off tuition for any first-year undergraduate student with a 3.5 or higher high school GPA who is a resident of North Carolina or to a transfer undergraduate student with more than 30 attempted hours from an accredited North Carolina community college and a 3.5 GPA.

Appalachian State University opened a new campus in Hickory in August 2023 with an inaugural enrollment of 363. The new 15.7 acre campus offers more than 100 undergraduate majors along with a host of on-site student services. To ensure its Hickory campus programs align with the MSA's higher education and future workforce needs, Catawba County is among 39 public and private sector leaders collaborating with the university through the Hickory Campus Advisory Council.



The recently expanded Manufacturing Solutions Center (MSC) MSC is a branch of CVCC focused on helping manufacturers increase sales and improve product quality and production efficiency. MSC connects the dots for entrepreneurs by bringing all of the resources needed to successfully launch a product together under one umbrella.

This combination of expertise and equipment has enabled the development of innovative products such as wearable technology that measure and regulates blood circulation, delivers active ingredients to the skin through fabric, and integrates QR codes into the material so it can be scanned and tracked through the production process. Future product possibilities are staggering, with the potential for everything from caffeine-infused driving gloves to sleeves that deliver heart medicine in the prescribed amount on the horizon.

MSC has established itself as a regional expert in prototype development using 3D printing. The MSC has helped over 1,000 entrepreneurs and worked with companies in all 50 states and 32 countries to conduct product testing or prototyping, or to find domestically-produced production inputs.

Through strategic partnerships, the facility is expanding into the space of prototyping and testing reusable personal protective equipment products for entrepreneurs and existing manufacturers, a need both heightened and highlighted by the global pandemic.

Catawba Valley Furniture Academy

The Catawba Valley Furniture Academy, housed within CVCC, is an industry-driven training program designed in partnership with local furniture manufacturers to prepare students for high-demand skilled positions in the area. Depending on specialization, graduates of the Academy can secure jobs earning wages above the County's average. Program graduates have earned furniture manufacturing certificates and many have secured jobs at participating companies – Century Furniture, LEE Industries, Lexington Home Brands, Sherrill Furniture, and Vanguard Furniture.

Catawba Valley Maintenance Tech Bootcamp The CVCC Maintenance Tech Bootcamp

provides instruction lab experience and training in maintenance tech fundamentals, mechanical systems, fluid power, and electrical systems. The CVCC Maintenance Tech Bootcamp is connected with the Manufacturing Skill Standards Council (MSCC), an industry-approved third-party credential. Upon successful completion of each module and/or the entire course, students will be awarded a certificate.

Catawba County is committed to working with the private sector, municipalities, and the Catawba County Economic Development corporation to attract new businesses, development, and jobs and to support existing business and industry through the delivery of high quality government services supported by a low and stable property tax rate.

Recognizing the need to be proactive and take actions to stimulate economic growth, Catawba County invests in the following partnerships and strategies:

Trivium Corporate Center

Trivium Corporate Center is a 378-acre Class A Business Park being developed jointly by Catawba County and the City of Hickory. The Park is being developed incrementally over time in an effort to create job opportunities in advanced light manufacturing facilities, technical operations, and corporate headquarters. The vision is to foster an up-scale corporate environment where light manufacturing, engineering, and innovation co-exist and augment the greater community.

There have been five companies locating within the park so far – for a total of \$369 million private investment supporting the creation of 772 jobs. Project announcements include Corning (2 projects), ITM, Cataler North America, American Fuji Seal, and Gusmer Enterprises.

Based on the success of the Trivium Corporate Center, in June 2021, Catawba County and the City of Hickory acquired 108 acres directly across from Trivium Corporate Center to develop Trivium Corporate East. The new site's conceptual plan has allotted six

more lots for manufacturing or flex building development.

Southeast Catawba County Business Park

In April 2022, Catawba County purchased 54 acres in the southeastern part of the county. The land, just northeast of N.C. 16 at N.C. 150, is planned for development as a business park aimed at growing jobs and the tax base in the area. The county has received a grant from the Golden Leaf Foundation to help fund a sewer line extension to serve the future business park.

Strong Medical & Healthcare Presence

Well-positioned to meet the future medical and health care needs of its citizens, the County is home to a prospering medical and healthcare community and two large medical centers. Catawba Valley Medical Center (CVMC) is the largest not-for-profit community hospital in the region and the County's second largest employer. While owned by Catawba County, CVMC is completely self-supporting from a financial standpoint. Based on the quality and consistency of medical care provided by the facility, CVMC has received numerous awards in recent years, including:

- Women's Choice Awards for Best Hospital in patient experience and various medical specialties.
- American Nurses Credentialing Center – Magnet Designation
- The Joint Commission Top Performer Quality Measures in Heart Attack, Pneumonia, Surgical Care, Stroke and Perinatal Care

LONG TERM FINANCIAL PLANNING Catawba County's economy continues to grow as reflected in strong retail sales activity, increasing building permit activity, business investment, and the County's low unemployment rate. The County is taking deliberate steps to accelerate and reinforce this economic growth.

Over the course of the past couple of years, the Board of Commissioners led a strategic planning process aimed at enhancing and promoting the County's quality of life in order to attract working-age families and to grow the economy. In the coming years, the County will continue to focus on anticipating future service pressures and delivering responsive services to the community.

In looking towards the future, the strategic plan invests in services and infrastructure related to many of the plan's 10 major focus areas as well as general service needs. Some of the highlights of these investments include:

Education

\$1.3 million dedicated to the K-64 initiative, 5 percent per pupil current expense increase for the three public school systems, and a 5 percent increase in funding to CVCC. Additionally, the budget funds \$11.3 million in schools and community college annual capital needs and plans for up to \$15.9 million in projects for school construction approved in Fiscal Year 2023/2024.

Infrastructure

The budget includes \$1.3 million locally funded water and sewer projects and \$1.5 million in waterline construction funded by American Rescue Plan dollars. The budget also includes \$2 million in solid waste capital projects including improvements at the Sherrills Ford convenient center and cell construction and closure.

The County is able to make these investments within available revenues and established in Fiscal Year 2023/24 a new property tax rate of \$0.3985 for every \$100 of valuation, thanks to a strong tradition of fiscal stewardship and conservative budgeting. Comprehensive long-range plans have been developed for critical service areas such as school construction, water and sewer infrastructure, and solid waste.

AWARDS AND ACKNOWLEDGEMENTS

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Catawba County for its annual comprehensive financial report (ACFR) for the fiscal year ending June 30, 2022, the 41th year in a row that the County has secured this recognition. The Certificate of Achievement is a prestigious national annual award that recognizes conformance with the highest standards for preparation of state and government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish an easy to understand ACFR that is well-organized and conforms to program standards. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. This report continues to conform to the Certificate of Achievement program requirements and will be submitted to GFOA for consideration thereof.

In addition, the County has prepared and will be submitting a Popular Annual Financial Report (PAFR) to GFOA for Fiscal Year 2022-2023. The PAFR is designed to provide citizens with easily understandable information about a government's finances and economic conditions in a more condensed fashion. PAFRs are supplements to – not replacements for – ACFRs, and are reviewed by a GFOA-appointed task force. The County has received an award for its PAFR for the past fifteen years and hopes to continue with the Fiscal Year 2022-2023 entry.

Finally, the County has also received the GFOA's Award for Distinguished Budget Presentation for its Fiscal Year 2022-2023 Adopted Budget effective July 1, 2022. This is the 34th consecutive year

the County has received this award. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was determined to be proficient in several categories including policy documentation, financial planning, and organization.

ACKNOWLEDGEMENTS

Each County department's strong commitment to the goals, vision, and mission of Catawba County is reflected in the services provided to the citizens of Catawba County. We appreciate


the cooperation of all County departments in carrying out the financial activities encompassed in this report. The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the entire Finance Department staff and independent auditors, Martin Starnes and Associates, CPAs. Each has our sincere appreciation for the contributions made in preparation of this report.

In closing, we thank the Catawba County Board of Commissioners for its leadership and support in positioning Catawba County as a fiscally sound, well-governed community.

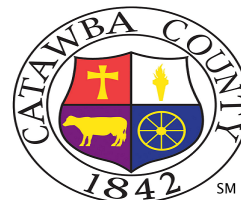
Respectfully submitted,



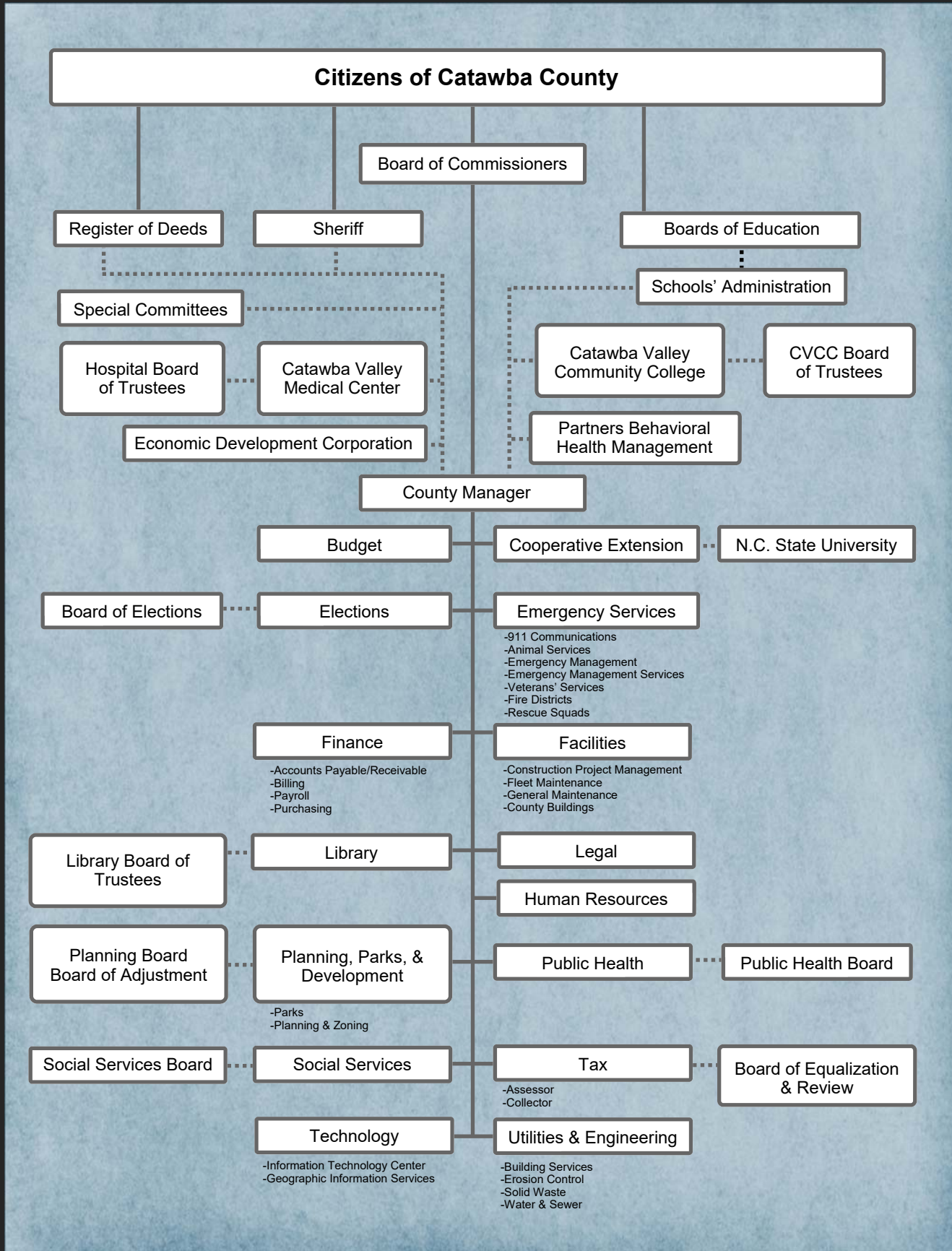
Mary Furtado
County Manager



Mary Morrison
Chief Financial Officer



ORGANIZATIONAL STRUCTURE



MARTIN STARNES & ASSOCIATES, CPAs, P.A.

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

Independent Auditor's Report

Board of County Commissioners
Catawba County
Newton, North Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited 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 Catawba County, North Carolina, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Catawba County, North Carolina, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Opioid Settlement Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Catawba Valley Medical Center, which represents 96.8%, 95.8%, and 93.1%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. We did not audit the financial statements of the Catawba County ABC Board, which represents 3.2%, 4.2%, and 6.9%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Catawba Valley Medical Center and Catawba County ABC Board, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Catawba Valley Medical Center and Catawba County ABC Board were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Catawba County's basic financial statements. The combining and individual fund financial statements, budget and actual schedules, supplemental ad valorem tax schedules, and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on our audit and the reports of the other auditors, the combining and individual fund financial statements, budget and actual schedules, supplemental ad valorem tax schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2023 on our consideration of Catawba County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of Catawba County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Catawba County's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 30, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Catawba County, we offer readers of our financial statements this narrative overview and analysis of the financial activities of Catawba County for the fiscal year ended June 30, 2023. 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

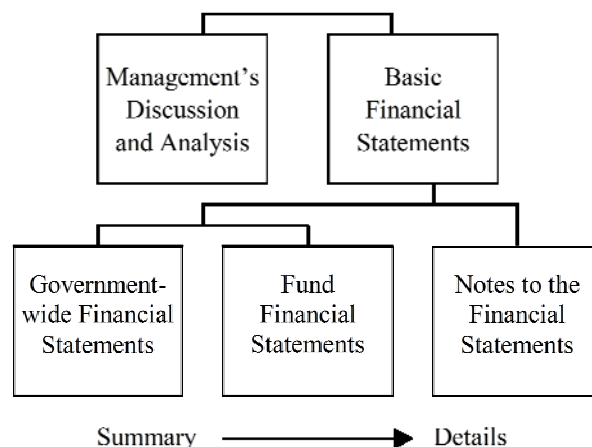
- ▶ The assets and deferred outflows of resources of Catawba County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$326,160,643 (*net position*). Of this figure, approximately \$210 million represents the County's investment in capital assets, which is not available for future spending.
- ▶ The government's total net position increased by \$30,576,216 resulting from an increase of \$25,838,879 in governmental activities and an increase of \$4,737,337 in business-type activities. In addition, governmental activities had an increase of \$10,284,006 due to a prior period adjustment for guidance changes in Opioid Settlement receivable and allowance recognition. Current year net increase is primarily due to management's focus on prudent spending while maximizing revenue collection.
- ▶ As of the close of the current fiscal year, Catawba County's governmental funds reported combined ending fund balances of \$246,945,425 an increase of \$55,098,343 in comparison with the prior year. Approximately 41.66 percent of this total amount, or \$102,885,531 is restricted and non-spendable. [See Exhibits 3 and 4]
- ▶ At the end of the current fiscal year, unassigned fund balance for the General Fund was \$70,740,956 or 34 percent of total general fund expenditures for the fiscal year.
- ▶ Catawba County's total long-term debt increased by \$28,354,527 during the current fiscal year due to new financing and payments on outstanding debt. Outstanding debt principal is \$177,944,614 and equates

to \$1,081 per capita at the end of the fiscal year.

- ▶ In FY2023, Moody's Investors Service maintained Catawba County's issuer bond rating of Aa1 for the twelfth consecutive year. During FY2023 Standard and Poor's maintained Catawba County's issue bond rating of AA for the fourth consecutive year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Catawba 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 A). 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 Catawba County.

Figure A - Required Components of Annual Financial Report

BASIC FINANCIAL STATEMENTS

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

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

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's non-major governmental funds, 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 other post employment 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 outflows of resources and total liabilities and deferred inflows of resources. Deferred outflows of resources are a consumption of net position that are applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position that are applicable to a future reporting period. 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 human services, education, public safety, parks and recreation, and administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water and sewer and landfill services offered by Catawba County. The final category is the component units. Catawba Valley Medical Center is a public hospital that was organized in 1962 by resolution of the Board of County Commissioners. The County appoints the board of trustees for the Medical Center and has issued debt on its behalf. Although legally separate from the County, the Alcohol Beverage Control (ABC) board is important to the County because the County is financially responsible for the Board by appointing its members, and because the Board is required to distribute its profits to the County.

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

FUND FINANCIAL STATEMENTS

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

Governmental Funds - Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual*

accounting. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

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

The governmental funds financial statements can be found on Exhibit 3 through 6 of the report.

Proprietary Funds - Catawba County maintains one type of proprietary fund which includes two enterprise funds.

Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for both its solid-waste and water and sewer 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.

The proprietary funds financial statements can be found on Exhibit 7 through Exhibit 9 of this report.

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

The fiduciary funds financial statements can be found on Exhibit 10 and Exhibit 11 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 can be found beginning on page 41 of this report.

SUPPLEMENTARY INFORMATION

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

Required supplementary information can be found beginning on Schedule 12 through 17 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position - As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. Catawba County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$326,160,643 as of June 30, 2023. The County's net position increased by \$30,576,216 for the fiscal year ended June 30, 2023 and the prior period adjustment of \$10,284,006. Additional information can be found in the notes to the financial statements.

The largest portion of net position, 64.45%, reflects the County's investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt outstanding that was issued

Government-Wide Financial Analysis Catawba County's Net Position

	Governmental Activities		Business-type Activities		Total		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Current and other assets	\$ 294,755,857	\$ 224,238,528	\$ 47,616,819	\$ 43,939,368	\$ 342,372,676	\$ 268,177,896	\$ 74,194,780	27.67%
Capital assets	173,561,427	173,804,237	77,176,838	76,463,383	\$ 250,738,265	250,267,620	470,645	0.19%
Total assets	468,317,284	398,042,765	124,793,657	120,402,751	593,110,941	518,445,516	74,665,425	14.40%
Deferred outflows of resources	46,409,724	30,225,821	1,108,171	735,943	47,517,895	30,961,764	16,556,131	53.47%
Long-term liabilities	269,748,900	203,964,700	13,980,408	13,531,668	283,729,308	217,496,368	66,232,940	30.45%
Other liabilities	23,770,724	27,915,901	338,677	412,903	24,109,401	28,328,804	(4,219,403)	-14.89%
Total liabilities	293,519,624	231,880,601	14,319,085	13,944,571	307,838,709	245,825,172	62,013,537	25.23%
Deferred inflows of resources	6,336,175	17,639,661	293,309	642,026	6,629,484	18,281,687	(11,652,203)	-63.74%
Net position:								
Net investment in capital assets	134,654,820	131,737,711	75,539,961	74,283,661	210,194,781	206,021,372	4,173,409	2.03%
Restricted	77,672,252	36,821,265	-	-	77,672,252	36,821,265	40,850,987	110.94%
Unrestricted	2,544,137	10,189,348	35,749,473	32,268,436	38,293,610	42,457,784	(4,164,174)	-9.81%
Total net position	\$ 214,871,209	\$ 178,748,324	\$ 111,289,434	\$ 106,552,097	\$ 326,160,643	\$ 285,300,421	\$ 40,860,222	14.32%

to acquire those items. Capital assets increased by \$470,647 during the current year. Catawba County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Catawba County's investment in its capital assets is reported net of the outstanding related debt, the resources 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 Catawba County's net position, 23.81%, represents resources that are subject to external restrictions on how they may be used.

The final component of net position is unrestricted, which is 11.74% of the total net position.

In order to provide a complete picture of the changes in net position of the County, information is provided separately for the net positions of governmental and business-type activities.

Governmental Activities - Governmental activities increased the County's net position by \$25,838,879. Several particular aspects of the County's financial operations influenced the unrestricted governmental net position.

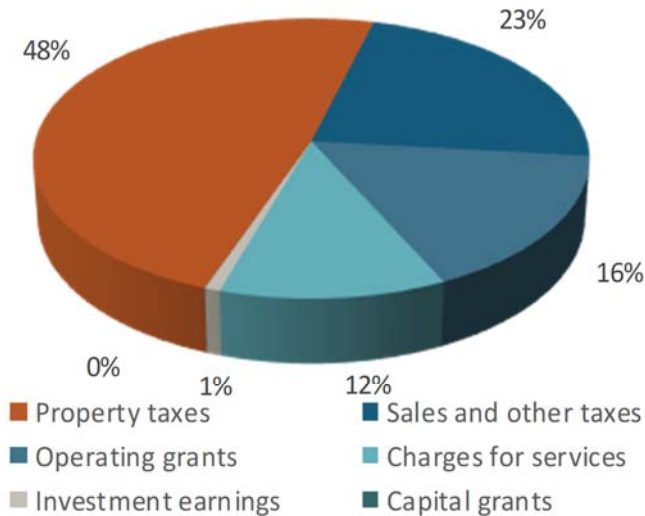
- ▶ Property, sales and other taxes are approximately 70.59% of all revenues and increased by \$8.5 million from the prior year.
- ▶ Investment earnings increased \$2.1 million primarily due to investments in higher yield short-term securities.

Business-type Activities - Business-type activities increased Catawba County's net position by \$4,737,337. Key elements of this change are as follows:

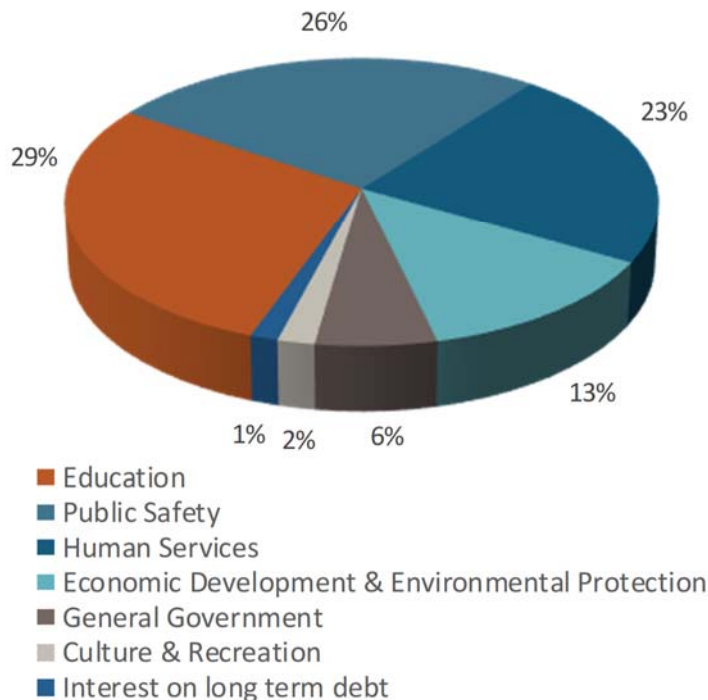
- ▶ Increase in solid waste revenues of \$1.6 million due to increase in fees.
- ▶ Increase of \$1 million in revenue for water system development fees due to economic growth and \$1.8 million in

recognized revenue based on the completion of the Balls Creek waterline project in collaboration with the City of Newton.

Revenues by Source - Governmental Activities



Expenditures by Function - Governmental Activities



The graphs above represent the major sources of revenues and the major functions of expenditures for governmental activities. Interest on long-term

debt has been allocated to functional categories.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the County's financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year. Information is presented separately in the governmental funds balance sheets and statement of revenues, expenditures and changes in fund balance for the General Fund, the American Rescue Plan Act Fund, Opioid Settlement Fund, School Construction Fund and the General Capital Projects Fund, which are considered major funds. Data from other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules elsewhere in the report.

At June 30, 2023, the governmental funds of the County reported a combined fund balance of \$246,945,425 a 28.7 percent increase from the previous year. The primary reasons for this change are the increased revenues from property and sales taxes and proceeds from new financing of public schools. Property tax revenue increased by 2.7%, primarily due to an overall increase in assessed valuation. Sales taxes have increased by 8% due to increases in retail activities.

Additional information may be found in the notes to the financial statements.

General Fund - The General Fund is the chief operating fund of Catawba County. At the end of the current fiscal year, fund balance available for appropriation in the General Fund was \$115,392,674 while total fund balance was \$142,333,214. The governing body of Catawba County has determined that the county should maintain an available fund balance of at least 16%

Catawba County Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues						
Program revenues:						
Charges for services	\$ 31,398,386	\$ 21,319,718	\$ 11,939,366	\$ 9,772,558	\$ 43,337,752	\$ 31,092,276
Operating grants and contributions	43,644,291	47,486,254	3,309,523	1,340,993	46,953,814	48,827,247
Capital grants and contributions	63,712	14,472	-	-	63,712	14,472
General revenues:						
Property taxes	129,669,568	125,402,460	-	-	129,669,568	125,402,460
Sales and other taxes	60,350,815	56,158,266	477,064	439,249	60,827,879	56,597,515
Investment earnings, unrestricted	2,107,593	(5,676,338)	401,863	(1,804,268)	2,509,456	(7,480,606)
Gain on sale of capital assets	1,936,418	-	154,958	429,000	2,091,376	429,000
Total revenues	<u>269,170,783</u>	<u>244,704,832</u>	<u>16,282,774</u>	<u>10,177,532</u>	<u>285,453,557</u>	<u>254,882,364</u>
Expenses						
General government	14,546,056	12,447,523	-	-	14,546,056	12,447,523
Public safety	62,766,431	56,626,431	-	-	62,766,431	56,626,431
Environmental protection	919,966	707,228	-	-	919,966	707,228
Economic and physical development	30,298,998	23,117,588	-	-	30,298,998	23,117,588
Human services	54,721,694	48,364,606	-	-	54,721,694	48,364,606
Cultural and recreation	4,457,230	3,974,978	-	-	4,457,230	3,974,978
Education	69,572,807	61,203,839	-	-	69,572,807	61,203,839
Interest on long-term debt	3,353,695	2,562,883	-	-	3,353,695	2,562,883
Solid waste management	-	-	7,277,256	6,944,338	7,277,256	6,944,338
Water and sewer	-	-	6,963,208	2,786,959	6,963,208	2,786,959
Total expenses	<u>240,636,877</u>	<u>209,005,076</u>	<u>14,240,464</u>	<u>9,731,297</u>	<u>254,877,341</u>	<u>218,736,373</u>
Increase (decrease) in net position before transfers	28,533,906	39,669,756	2,042,310	446,235	30,576,216	40,115,991
Transfers	(2,695,027)	8,674,500	2,695,027	(8,674,500)	-	-
Increase (decrease) in net position after transfers	25,838,879	48,374,256	4,737,337	(8,228,265)	30,576,216	40,145,991
Net position - beginning of year, Restatement	178,748,324 10,284,006	130,374,068 -	106,552,097 -	114,780,362 -	285,300,421 10,284,006	245,154,430 -
Net position- beginning of year	<u>189,032,330</u>	<u>130,374,068</u>	<u>106,552,097</u>	<u>114,780,362</u>	<u>295,584,427</u>	<u>245,154,430</u>
Net position - end of year	<u>\$ 214,871,209</u>	<u>\$ 178,748,324</u>	<u>\$ 111,289,434</u>	<u>\$ 106,552,097</u>	<u>\$ 326,160,643</u>	<u>\$ 285,300,421</u>

of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the County. The County currently has available fund balance of 55.35% of total general fund expenditures, while the total fund balance represents 68% of that same amount.

The overall fund balance increased by \$11,105,031 due, in part, to the increase in property and sales taxes.

Additional information is provided in the notes to the financial statements and discussion on General Fund budgetary highlights on the next page.

Other Major Funds

The American Rescue Plan Act Fund is a special revenue fund that accounts for County funding from the Coronavirus State and Fiscal Recovery Funds. The County received an awarded of \$30.9 million for the purposes of funding ARPA eligible projects to address the impact of the

COVID-19 pandemic. The change in fund balance consists of multiple ARPA eligible projects as well as interest revenue recognized and adjusted for negative change in fair market value in the amount of (\$66,918).

The **General Capital Projects Funds** is a major governmental fund. This fund accounts for the financing and construction of all general government multi-year capital projects. Its fund balance increased by \$3,634,171. The net change in fund balance is the result of new capital expenditures and funding allocated for future capital projects.

The **Opioid Settlement Fund** is a major government fund. The fund accounts for expenditures to address opioid abatement funds received by the national opioid settlement. The net change in fund balance totaled \$1,744,883.

The **School Construction Fund** is a major government fund. The fund accounts for financing and construction of major public school and community college capital projects. The net change in fund balance of \$33.6M is the result of issuing new debt financing of \$43M for school construction and renovations projects.

Non-Major Funds - Fund balances for non-major funds decreased by \$4.7 million to \$25 million overall. The primary reason for this decrease was related to an adjustment for negative change in fair market value.

Proprietary Funds - The County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. The County has two enterprise funds, the Solid Waste Management and the Water and Sewer Fund. Total net position of the Enterprise Funds at the end of the fiscal year amounted to \$111 million with \$35.7 million of this amount being unrestricted. The increase in net position in these funds was \$4.7 million. Other factors concerning the finances of these funds have been addressed in the discussion of the 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:

- ▶ Amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available.
- ▶ Amendments made to recognize new funding amounts from external sources, such as Federal and State grants.
- ▶ Increases in appropriations that become necessary to maintain services.

Total amendments to the General Fund increased revenues by \$13 million. This increase was due mainly to anticipation of additional federal and state grants available for County services.

Actual expenditures were less than final budgeted amounts by \$30 million. These cost savings resulted mainly from unspent appropriations of

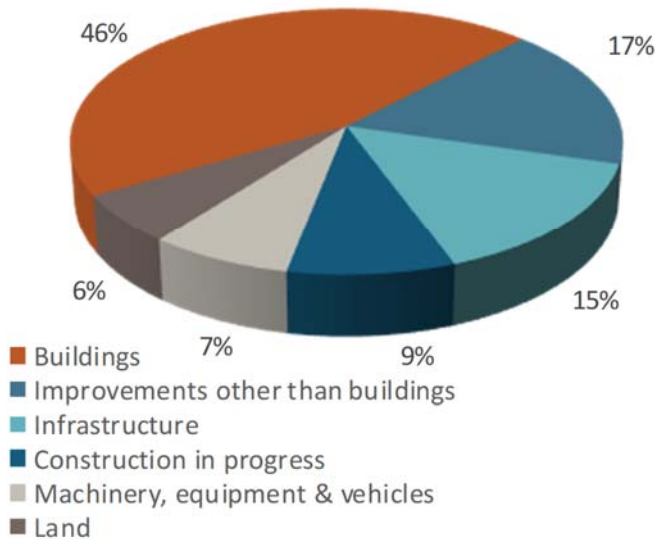
Catawba County's Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 6,057,081	\$ 6,204,843	\$ 9,053,554	\$ 8,718,721	\$ 15,110,635	\$ 14,923,564
Construction in progress	18,963,426	16,586,389	2,869,199	4,382,882	21,832,625	20,969,271
Buildings	110,401,817	112,825,350	2,970,006	3,073,770	113,371,823	115,899,120
Improvements other than buildings	20,143,167	20,675,911	22,802,160	23,299,015	42,945,327	43,974,926
Plant and distribution systems and water lines	-	-	36,786,614	33,746,311	36,786,614	33,746,311
Machinery, equipment and vehicles	15,968,046	16,220,837	2,690,324	3,230,554	18,658,370	19,451,391
Right to use leased assets	2,027,890	1,290,906	4,981	12,129	2,032,871	1,303,035
Total	173,561,427	173,804,236	77,176,838	76,463,382	250,738,265	250,267,618

\$14.8 million from changes in federal and state grants for human services operation. Further savings are lapsed salaries and benefits from vacant positions in various departments.

- Increase in buildings for construction of a new Emergency Medical Services base in Newton become operational as well as business development sites, and public safety equipment. Decreases included the retirement of assets and depreciation.

Catawba County's Total Capital Assets (net of depreciation)



More detailed information on capital assets can be found under Note 2.5 of this report.

Long-term Debt - As of June 30, 2022, Catawba County had outstanding debt of \$177,944,614. The overall change in long-term debt was a net increase of \$28.3 million due additional financings for school projects, leases, and subscription-based IT agreements and \$15.7 million in annual debt service payments.

As mentioned in the financial highlights section of this document, Catawba County has maintained a Moodys Investors Service issuer bond rating of Aa1 and Standard and Poor's AA issue bond rating. This stable bond rating is a clear indication of the sound financial condition of the County. This achievement is a primary factor in keeping interest costs low on the County's outstanding debt.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets - Catawba County's investment in capital assets for its governmental and business-type activities as of June 30, 2023, totals \$250 million (net of accumulated depreciation). These assets include land, buildings, other improvements, infrastructure, machinery and equipment, and vehicles.

Major capital asset transactions during the year include the following:

North Carolina general statutes limit the amount of debt that a unit of local government can issue. The County's debt limit is \$1,631,289,948. Total applicable debt of \$153,017,789 is 9% of that limit and results in a legal debt margin of \$1,478,272,159. Additional information regarding Catawba County's long-term debt can be found in note 4.B of this report.

Catawba County's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Certificates of Participation	\$ 1,890,000	\$ 2,880,000	\$ -	\$ -	\$ 1,890,000	\$ 2,880,000
Installment Purchases	56,134,456	66,675,408	1,111,877	1,567,592	57,246,333	68,243,000
Qualified Zone Academy Bonds	-	-	-	-	-	-
Qualified School Const. Bonds	27,808,553	27,808,553	-	-	27,808,553	27,808,553
Limited Obligation Bonds	79,175,000	43,845,000	-	-	79,175,000	43,845,000
Federal Revolving Loan	-	-	525,000	600,000	525,000	600,000
Leases/SBITAs	1,940,973	1,229,837	5,153	12,214	1,946,126	1,242,051
Premium on long-term debt	9,353,602	4,971,483	-	-	9,353,602	4,971,483
Total	\$ 176,302,584	\$ 147,410,281	\$ 1,642,030	\$ 2,179,806	\$ 177,944,614	\$ 149,590,087

FISCAL YEAR 2022-23 ECONOMIC FACTORS

The following factors reflect economic activity of the County.

- ▶ Low debt burden and property tax rate. The County's existing debt obligations are only 9% of its statutory limit. The property tax rate of \$0.575/\$100 was below the State average of \$0.676/\$100 and the 24th lowest of all 100 counties in North Carolina.
- ▶ The County is part of the Hickory Metropolitan Statistical Area (MSA) including the counties of Catawba, Alexander, Burke, and Caldwell. The County remains a retail magnet for the region, capturing 59% of the \$6 billion in retail sales from the four-county MSA despite having only 44% of the population. Taxable retail sales increased over 7% from the prior year.
- ▶ The County's unemployment rate continues to improve. As of June 2023, the unemployment rate was 3.4% compared to 3.6% from June 2022.

IMPACT OF CORONAVIRUS AND AMERICAN RESCUE ACT

As previously stated, the County received \$30.9 million in American Rescue Plan Act funding to mitigate the impact of the COVID-19 pandemic. The County utilized the funding for eligible capital expenditures and services to address the impact to public health. The County elected the Revenue Replacement option to utilize funds for general government activities. The County continued to realize increases in the collection of property and sales taxes greater than anticipated.

BUDGET HIGHLIGHTS FOR NEXT FISCAL YEAR ENDING JUNE 30, 2024

Governmental Activities - The local economy continues to thrive. Based on the results of the 2024 property tax reevaluation, the property tax rate was reduced from \$0.575/100 to \$0.3985/100 for fiscal year 2024. Revenue projections for the General Fund include a 6 percent increase in property tax revenue and a 12.4 percent increase in sales tax revenue. Sales tax is budgeted at a higher level due to growth in both the base and

sales activity. The County is budgeting a net increase of 6.1 percent in operating expenses for all government activities. The increase is primarily driven by increases in employee compensation to remain competitive and to address retention. The total approved budget is \$299,776,474 for fiscal year 2023-2024.

Education continues to represent the largest portion of the local budget, with 41.6 cents of every property and sales tax dollar allocated for the instructional costs and capital needs of the three public school systems and Catawba Valley Community College. Included in this budget is a 5 percent increase in per pupil funding.

The budget commits \$1.3 million toward the K-64 initiative, a joint partnership of the three public school systems, community college, and business community to prepare students of all ages with the skills needed to compete in the global economy.

The County places public safety as a high priority and accordingly, additional expenditures are planned in this area. The second largest portion of local funds—26 cents of every property tax and sales tax dollar—is spent on public safety.

As a commitment to public safety, in fiscal year 2023-2024 the County budgets additional funds for new positions in the Sheriff Office including four school resource officers for elementary schools and two new positions in Emergency Services. The budget also includes replacement of Emergency Services equipment.

The budget continues to set aside revenue for future economic development projects.

The County continues to review staffing needs annually, rightsizing in some areas while investing in others. The fiscal year 2023-2024 budget results in a net decrease of 3 positions. The decrease was due to the elimination of 15 school health assistants hired during the height of the pandemic. Positions were added in public health, technology, tax, sheriff's office, and emergency services, and solid waste operations. In order to address staff retention and to ensure competitive compensation, the budget includes a 4% annual salary increase for all employees. In addition, the budget includes an annual salary increase based on employee performance with a 2.5% increase

for effective performance and an additional .5% for top performance.

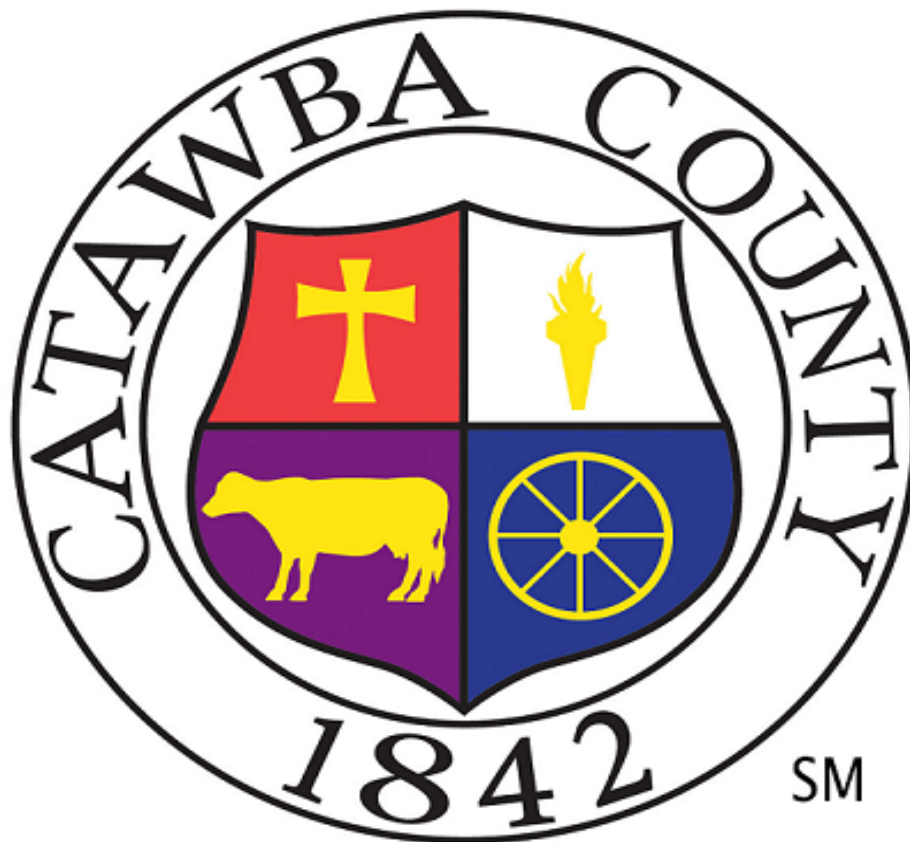
Business – type Activities - The 2024 budget includes \$10,871,565 for solid waste operations and \$2,475,000 for capital projects. The budget includes \$3,422,000 for water and sewer operations and \$2,878,750 for capital projects.

As the County grows, there is a greater demand for clean drinking water, sewage disposal, and landfill operations. To address these needs, the budget includes \$9,023,735 in related permits and fees to fund strategic operational and capital

needs. Additional funding for capital projects comes from reallocation of unspent funds from previously approved projects.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Chief Financial Officer, Catawba County, PO Box 389, Newton, NC 28658. Online information may be found at the County's website at www.catawbacountync.gov.



Basic Financial Statements

CATAWBA COUNTY, NORTH CAROLINA

Exhibit 1
Page 1 of 2

Statement of Net Position
June 30, 2023

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
Assets			
Current assets:			
Cash and investments	\$ 172,300,833	\$ 42,412,593	\$ 214,713,426
Taxes receivable - net	2,197,688	-	2,197,688
Due from other governments	23,569,561	744,150	24,313,711
Current portion of notes receivable	494,175	192,833	687,008
Current portion of other receivables - net	2,642,139	1,280,270	3,922,409
Current portion of lease receivable	48,415	16,827	65,242
Interest receivable	365,479	79,506	444,985
Lease interest receivable	-	337	337
Inventories	258,729	-	258,729
Prepaid items	234,868	286	235,154
Restricted cash and investments	<u>72,141,926</u>	<u>-</u>	<u>72,141,926</u>
Total current assets	<u>274,253,813</u>	<u>44,726,802</u>	<u>318,980,615</u>
Noncurrent assets:			
Noncurrent portion of notes receivable	1,544,925	2,722,791	4,267,716
Noncurrent portion of other receivables - net	18,472,944	-	18,472,944
Noncurrent portion of lease receivable	269,826	167,226	437,052
Net pension asset - RODSPF	214,349	-	214,349
Other assets	-	-	-
Capital assets:			
Land and construction in progress	25,020,507	11,922,753	36,943,260
Other capital assets, net of depreciation	146,513,030	65,249,104	211,762,134
Right to use leases assets, net of amortization	<u>2,027,890</u>	<u>4,981</u>	<u>2,032,871</u>
Total capital assets	<u>173,561,427</u>	<u>77,176,838</u>	<u>250,738,265</u>
Total noncurrent assets	<u>194,063,471</u>	<u>80,066,855</u>	<u>274,130,326</u>
Total assets	<u>468,317,284</u>	<u>124,793,657</u>	<u>593,110,941</u>
Deferred outflows of resources	<u>46,409,724</u>	<u>1,108,171</u>	<u>47,517,895</u>
Liabilities			
Accounts payable and accrued liabilities	10,079,238	338,677	10,417,915
Liabilities paid from restricted assets	13,691,486	-	13,691,486
Long-term liabilities:			
Due within one year	21,024,361	698,947	21,723,308
Due in more than one year	<u>248,724,539</u>	<u>13,281,461</u>	<u>262,006,000</u>
Total long-term liabilities	<u>269,748,900</u>	<u>13,980,408</u>	<u>283,729,308</u>
Total liabilities	<u>293,519,624</u>	<u>14,319,085</u>	<u>307,838,709</u>
Deferred inflows of resources	<u>6,336,175</u>	<u>293,309</u>	<u>6,629,484</u>
Net Position			
Net investment in capital assets	134,654,820	75,539,961	210,194,781
Restricted			
Stabilization by State statute	34,441,300	-	34,441,300
Register of Deeds	142,308	-	142,308
Register of Deeds pension plan	318,227	-	318,227
Public safety	2,691,485	-	2,691,485
Fire Protection	2,119,912	-	2,119,912
Social services	236,000	-	236,000
Library Endowment	199,671	-	199,671
Social services scholarships	55,751	-	55,751
Parks preservation	89,905	-	89,905
Community development	531	-	531
General capital	89,891	-	89,891
School capital and construction	33,392,468	-	33,392,468
Public Health	1,726,217	-	1,726,217
Representative Payee	87,084	-	87,084
Hospital capital projects	2,081,502	-	2,081,502
Working Capital	-	-	-
Other	-	-	-
Unrestricted (deficit)	<u>2,544,137</u>	<u>35,749,473</u>	<u>38,293,610</u>
Total net position	<u>\$ 214,871,209</u>	<u>\$ 111,289,434</u>	<u>\$ 326,160,643</u>

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

Statement of Net Position
June 30, 2023

	Component Units	
	Catawba Valley	Catawba County
	Medical Center	ABC Board
Assets		
Cash and investments	\$ 253,065,428	\$ 1,988,476
Taxes receivable - net	-	-
Due from other governments	1,905,679	-
Current portion of notes receivable	-	-
Current portion of other receivables - net	24,260,335	-
Current portion of lease receivable	-	-
Interest receivable	115,956	-
Lease interest receivable	-	-
Inventories	7,463,484	6,756,294
Prepaid items	-	14,470
Restricted cash and investments	2,168,702	-
Total current assets	<u>288,979,584</u>	<u>8,759,240</u>
Noncurrent portion of notes receivable	4,750,879	-
Noncurrent portion of other receivables - net	-	-
Noncurrent portion of lease receivable	2,224,178	-
Net pension asset	-	-
Other assets	27,149,856	-
Capital assets:		
Land and construction in progress	15,429,778	2,078,714
Other capital assets, net of depreciation	110,340,453	4,001,949
Right to use leases assets, net of amortization	<u>15,613,696</u>	<u>385,703</u>
Total capital assets	<u>141,383,927</u>	<u>6,466,366</u>
Total noncurrent assets	<u>175,508,840</u>	<u>6,466,366</u>
Total assets	<u>464,488,424</u>	<u>15,225,606</u>
Deferred outflows of resources	<u>33,576,796</u>	<u>900,458</u>
Liabilities		
Accounts payable and accrued liabilities	62,954,780	2,278,447
Liabilities paid from restricted assets	-	-
Long-term liabilities:		
Due within one year	11,163,166	-
Due in more than one year	<u>127,558,181</u>	<u>1,274,976</u>
Total long-term liabilities	<u>138,721,347</u>	<u>1,274,976</u>
Total liabilities	<u>201,676,127</u>	<u>3,553,423</u>
Deferred inflows of resources	<u>8,306,646</u>	<u>4,409</u>
Net Position		
Net investment in capital assets	73,242,284	6,080,663
Restricted		
Stabilization by State statute	-	-
Register of Deeds	-	-
Register of Deeds pension plan	-	-
Public safety	-	-
Fire Protection	-	-
Social services	-	-
Library Endowment	-	-
Social services scholarships	-	-
Parks preservation	-	-
Community development	-	-
General capital	-	-
School capital and construction	-	-
American Rescue Plan Act	-	-
Representative Payee	-	-
Hospital capital projects	2,081,502	-
Working Capital	-	924,985
Other	87,200	-
Unrestricted (deficit)	<u>212,671,461</u>	<u>5,562,584</u>
Total net position	<u>\$ 288,082,447</u>	<u>\$ 12,568,232</u>

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

CATAWBA COUNTY, NORTH CAROLINA

Exhibit 2
Page 1 of 2

Statement of Activities
For the Year Ended June 30, 2023

Functions/Programs	Program Revenues			
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 14,546,056	\$ 2,418,527	\$ 2,376,072	\$ -
Public safety	62,766,431	11,163,077	12,397,035	-
Environmental protection	919,966	42,037	109,886	-
Economic and physical development	30,298,998	6,156,230	365,995	63,712
Human services	54,721,694	11,158,175	28,014,162	-
Culture and recreation	4,457,230	43,559	381,141	-
Education	69,572,807	416,781	-	-
Interest on long-term debt	3,353,695	-	-	-
Total governmental activities	<u>240,636,877</u>	<u>31,398,386</u>	<u>43,644,291</u>	<u>63,712</u>
Business-type activities				
Solid waste management	7,277,256	10,228,866	43,730	-
Water and sewer	6,963,208	1,710,500	3,265,793	-
Total business-type activities	<u>14,240,464</u>	<u>11,939,366</u>	<u>3,309,523</u>	<u>-</u>
Total primary government	<u>\$ 254,877,341</u>	<u>\$ 43,337,752</u>	<u>\$ 46,953,814</u>	<u>\$ 63,712</u>
Component units				
Catawba Valley Medical Center	\$ 398,458,585	\$ 410,722,692	\$ 8,315,009	\$ 80,733
Catawba County ABC Board	29,901,714	31,302,460	-	-
Total Component Units	<u>\$ 428,360,299</u>	<u>\$ 442,025,152</u>	<u>\$ 8,315,009</u>	<u>\$ 80,733</u>

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

CATAWBA COUNTY, NORTH CAROLINA

 Exhibit 2
 Page 2 of 2

**Statement of Activities
 For the Year Ended June 30, 2023**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position				
	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Catawba Valley Medical Center	Catawba County ABC Board
Primary Government					
Governmental Activities					
General government	\$ (9,751,457)	\$ -	\$ (9,751,457)		
Public safety	(39,206,319)	-	(39,206,319)		
Environmental protection	(768,043)	-	(768,043)		
Economic and physical development	(23,713,061)	-	(23,713,061)		
Human services	(15,549,357)	-	(15,549,357)		
Culture and recreation	(4,032,530)	-	(4,032,530)		
Education	(69,156,026)	-	(69,156,026)		
Interest on long-term debt	(3,353,695)	-	(3,353,695)		
Total governmental activities	<u>(165,530,488)</u>	<u>-</u>	<u>(165,530,488)</u>		
Business-type activities					
Solid waste management	-	2,995,340	2,995,340		
Water and sewer	-	(1,986,915)	(1,986,915)		
Total business-type activities	<u>-</u>	<u>1,008,425</u>	<u>1,008,425</u>		
Total primary government	<u>\$ (165,530,488)</u>	<u>\$ 1,008,425</u>	<u>\$ (164,522,063)</u>		
Component units					
Catawba Valley Medical Center				\$ 20,659,849	\$ -
Catawba County ABC Board				-	1,400,746
Total Component Units				<u>\$ 20,659,849</u>	<u>\$ 1,400,746</u>
General Revenues:					
Taxes					
Property taxes, levied for general purposes	129,669,568	-	129,669,568	-	-
Local option sales taxes	57,784,060	-	57,784,060	-	-
Other taxes	2,566,755	477,064	3,043,819	-	-
Investment earnings, unrestricted	2,107,593	401,863	2,509,456	2,855,180	21,323
Gain on sale of capital assets	1,936,418	154,958	2,091,376	875,029	42,375
Total general revenues	<u>194,064,394</u>	<u>1,033,885</u>	<u>195,098,279</u>	<u>3,730,209</u>	<u>63,698</u>
Transfers	<u>(2,695,027)</u>	<u>2,695,027</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers	<u>191,369,367</u>	<u>3,728,912</u>	<u>195,098,279</u>	<u>3,730,209</u>	<u>63,698</u>
Change in net position	25,838,879	4,737,337	30,576,216	24,390,058	1,464,444
Net position, beginning	<u>178,748,324</u>	<u>106,552,097</u>	<u>285,300,421</u>	<u>263,452,801</u>	<u>11,103,788</u>
Restatement	<u>10,284,006</u>	<u>-</u>	<u>10,284,006</u>	<u>239,588</u>	<u>-</u>
Net position, beginning, restated	<u>189,032,330</u>	<u>106,552,097</u>	<u>295,584,427</u>	<u>263,692,389</u>	<u>11,103,788</u>
Net position, ending	<u>\$ 214,871,209</u>	<u>\$ 111,289,434</u>	<u>\$ 326,160,643</u>	<u>\$ 288,082,447</u>	<u>\$ 12,568,232</u>

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

CATAWBA COUNTY, NORTH CAROLINA

Exhibit 3
Page 1 of 2

Balance Sheet
Governmental Funds
June 30, 2023

	Major Funds			
	General Fund	American Rescue Plan Act Fund	Opioid Settlement Fund	School Construction Fund
Assets				
Cash and investments	\$ 106,436,833	\$ -	\$ -	\$ 11,123,685
Taxes receivable - net	1,805,307	-	-	-
Due from other funds	82,967	-	-	-
Due from other governments	18,307,535	17,695	-	\$ 358,263
Lease receivable	318,241	-	-	-
Notes receivable	2,039,100	-	-	-
Tax assessment receivable	-	-	-	-
Other receivables - net	3,202,863	-	17,912,220	-
Interest receivable	219,057	29,314	3,231	13,725
Inventories	258,729	-	-	-
Prepaid items	234,868	-	-	-
Restricted cash and investments	23,299,821	13,636,760	1,722,986	33,392,468
Total assets	156,205,321	13,683,769	19,638,437	44,888,141
Liabilities				
Accounts payable and accrued liabilities	8,360,686	106,272	-	1,219,954
Due to General Fund	-	-	-	-
Advance from grantor payable from restricted assets	-	13,644,415	-	-
Total liabilities	8,360,686	13,750,687	-	1,219,954
Deferred Inflows of Resources	5,511,421	-	17,912,220	-
Fund Balances				
Nonspendable	2,546,793	-	-	-
Restricted	47,756,768	1,298,182	1,726,217	33,764,457
Committed	57,931	-	-	9,903,730
Assigned	21,230,766	-	-	-
Unassigned	70,740,956	(1,365,100)	-	-
Total fund balances	142,333,214	(66,918)	1,726,217	43,668,187
Total liabilities, deferred inflows of resources, and fund balances	\$ 156,205,321	\$ 13,683,769	\$ 19,638,437	\$ 44,888,141

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

CATAWBA COUNTY, NORTH CAROLINA

Exhibit 3
Page 2 of 2

Balance Sheet
Governmental Funds
June 30, 2023

	<u>Major Funds</u>	<u>Non Major Funds</u>	
	General Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 33,537,338	\$ 21,202,977	\$ 172,300,833
Taxes receivable - net	-	143,758	1,949,065
Due from other funds	-	-	82,967
Due from other governments	558,367	4,327,701	23,569,561
Lease receivable	-	-	318,241
Notes receivable	-	-	2,039,100
Tax assessment receivable	-	248,623	248,623
Other receivables - net	-	-	21,115,083
Interest receivable	59,503	40,646	365,476
Inventories	-	-	258,729
Prepaid items	-	-	234,868
Restricted cash and investments	89,891	-	72,141,926
Total assets	<u>34,245,099</u>	<u>25,963,705</u>	<u>294,624,472</u>
Liabilities			
Accounts payable and accrued liabilities	17,703	374,623	10,079,238
Due to General Fund	-	82,967	82,967
Advance from grantor payable from restricted assets	-	47,071	13,691,486
Total liabilities	<u>17,703</u>	<u>504,661</u>	<u>23,853,691</u>
Deferred Inflows of Resources	<u>-</u>	<u>401,715</u>	<u>23,825,356</u>
Fund Balances			
Nonspendable	-	-	2,546,793
Restricted	3,657,444	12,135,670	100,338,738
Committed	30,569,952	12,580,531	53,112,144
Assigned	-	-	21,230,766
Unassigned	-	341,128	69,716,984
Total fund balances	<u>34,227,396</u>	<u>25,057,329</u>	<u>246,945,425</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 34,245,099</u>	<u>\$ 25,963,705</u>	<u>\$ 294,624,472</u>

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

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2023**

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

Total <i>fund balances</i> for governmental funds (Exhibit 3)	\$ 246,945,425
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	171,533,537
Right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds.	2,027,890
Charges related to refunding bond issues	213,352
Net pension asset RODSPF	214,349
Net pension liability LGERS	(42,749,027)
Total pension liability LEOSSA	(6,116,355)
Total pension liability OPEB	(38,368,152)
Pension related deferrals LGERS and ROD	28,240,159
Law enforcement separation (LEOSSA) deferrals	529,473
OPEB related deferrals	11,965,025
Liabilities for earned revenues considered deferred inflows of resources in fund statements	22,950,896
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (Note 4)	<u>(182,515,363)</u>
Net position of governmental activities (Exhibit 1)	<u>\$ 214,871,209</u>

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



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CATAWBA COUNTY, NORTH CAROLINA

 Exhibit 4
 Page 1 of 2

**Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ended June 30, 2023**

	Major Funds			
	General Fund	American Rescue Plan Act Fund	Opioid Settlement Fund	School Construction Fund
Revenues				
Ad valorem taxes	\$ 117,300,382	\$ -	\$ -	\$ -
Other taxes	48,364,214	-	-	1,170,000
Unrestricted intergovernmental revenues	2,328,801	-	-	-
Tax assessment road improvement	-	-	-	-
Restricted intergovernmental revenues	38,308,242	6,392,406	1,730,558	-
Permits and fees	5,875,478	-	-	-
Sales and services	11,289,538	-	-	-
Investment earnings	1,123,677	203,708	14,325	276,948
Miscellaneous	3,865,048	-	-	-
Total revenues	<u>228,455,380</u>	<u>6,596,114</u>	<u>1,744,883</u>	<u>1,446,948</u>
Expenditures				
Current				
General government	15,511,173	-	-	-
Public safety	45,738,222	287,455	-	-
Environmental protection	801,979	-	-	-
Economic and physical development	25,621,498	-	-	-
Human services	50,272,527	-	-	-
Culture and recreation	4,111,485	-	-	-
Education	47,547,916	-	-	-
Capital outlay	-	-	-	14,333,077
Debt service				
Principal	15,202,850	-	-	-
Interest	3,264,944	-	-	-
Bond issuance costs	411,276	-	-	-
Total expenditures	<u>208,483,870</u>	<u>287,455</u>	<u>-</u>	<u>14,333,077</u>
Excess of revenues over (under) expenditures	<u>19,971,510</u>	<u>6,308,659</u>	<u>1,744,883</u>	<u>(12,886,129)</u>
Other Financing Sources (Uses)				
Transfers from other funds	3,734,183	-	-	3,678,730
Transfers to other funds	(14,305,547)	(6,104,951)	-	-
Sales of capital assets	60,577	-	-	-
Lease liabilities issued	119,987	-	-	-
SBITA liabilities issued	1,113,045	-	-	-
Bonds issued	309,966	-	-	38,170,034
Premium on bonds issued	101,310	-	-	4,690,121
Proceeds for Sale of Properties	-	-	-	-
Total other financing sources (uses)	<u>(8,866,479)</u>	<u>(6,104,951)</u>	<u>-</u>	<u>46,538,885</u>
Net change in fund balance	11,105,031	203,708	1,744,883	33,652,756
Fund Balances - Beginning of Year	<u>131,228,183</u>	<u>(270,626)</u>	<u>(18,666)</u>	<u>10,015,431</u>
Fund Balances - End of Year	<u>\$ 142,333,214</u>	<u>\$ (66,918)</u>	<u>\$ 1,726,217</u>	<u>\$ 43,668,187</u>

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

CATAWBA COUNTY, NORTH CAROLINAExhibit 4
Page 2 of 2**Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2023**

	Major Funds	Non Major Funds	
	General Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Ad valorem taxes	\$ -	\$ 11,464,589	\$ 128,764,971
Other taxes	738,084	9,210,718	59,483,016
Unrestricted intergovernmental revenues	-	-	2,328,801
Tax assessment road improvement	-	13,586	13,586
Restricted intergovernmental revenues	63,712	1,621,774	48,116,692
Permits and fees	-	540,935	6,416,413
Sales and services	-	-	11,289,538
Investment earnings	288,189	200,746	2,107,593
Miscellaneous	176,700	500	4,042,248
Total revenues	<u>1,266,685</u>	<u>23,052,848</u>	<u>262,562,858</u>
Expenditures			
Current			
General government	-	111,154	15,622,327
Public safety	-	12,016,418	58,042,095
Environmental protection	-	82,967	884,946
Economic and physical development	-	160,317	25,781,815
Human services	-	248,548	50,521,075
Culture and recreation	-	6,335	4,117,820
Education	-	421,876	47,969,792
Capital outlay	6,955,119	8,103,233	29,391,429
Debt service			
Principal	-	-	15,202,850
Interest	-	-	3,264,944
Bond issuance costs	-	-	411,276
Total expenditures	<u>6,955,119</u>	<u>21,150,848</u>	<u>251,210,369</u>
Excess of revenues over (under) expenditures	<u>(5,688,434)</u>	<u>1,902,000</u>	<u>11,352,489</u>
Other Financing Sources (Uses)			
Transfers from other funds	\$ 7,605,333	3,022,093	18,040,339
Transfers to other funds	\$ (158,569)	(166,299)	(20,735,366)
Sales of capital assets	-	-	60,577
Lease liabilities issued	-	-	119,987
SBITA liabilities issued	-	-	1,113,045
Bonds issued	-	-	38,480,000
Premium on bonds issued	-	-	4,791,431
Proceeds for Sale of Properties	1,875,841	-	1,875,841
Total other financing sources (uses)	<u>9,322,605</u>	<u>2,855,794</u>	<u>43,745,854</u>
Net change in fund balance	3,634,171	4,757,794	55,098,343
Fund Balances - Beginning of Year	<u>30,593,225</u>	<u>20,299,535</u>	<u>191,847,082</u>
Fund Balances - End of Year	<u>\$ 34,227,396</u>	<u>\$ 25,057,329</u>	<u>\$ 246,945,425</u>

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

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2023**

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

Net change in <i>fund balances</i> - total governmental funds (Exhibit 4)	\$ 55,098,343
Governmental funds report capital outlays as expenditures. However, in the Statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which net capital outlays exceeded depreciation in the current period.	229,648
Net capital assets disposed during the year	(472,457)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has 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 items.	(28,892,304)
A portion of expense activity related to retirement and other post employment benefits are not reported in the Governmental funds and are included in the Statement of Activities	
Local Government Employee Retirement (LGERS and ROD)	8,008,030
Law Enforcement Separation Allowance (LEOSSA)	113,539
Other Post Employment Benefits (OPEB)	
Revenues in the statement of activities that do not provide current financial resources are not recorded as revenues in the funds.	(86,787)
Deferral of revenue from receivables that do not provide current financial resources	8,763,198
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(16,922,331)</u>
Total changes in net position of governmental activities (Exhibit 2)	<u>25,838,879</u>

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



CATAWBA COUNTY, NORTH CAROLINA

Exhibit 5
Page 1 of 2

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actuals
For the Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over/Under</u>
Revenues				
Ad Valorem taxes	\$ 108,699,000	\$ 111,361,000	\$ 117,300,382	\$ 5,939,382
Other taxes	34,491,681	43,827,723	48,364,214	4,536,491
Unrestricted intergovernmental revenues	1,868,000	1,948,000	2,328,801	380,801
Restricted intergovernmental revenues	32,358,212	41,974,345	38,353,167	(3,621,178)
Permits and fees	4,001,839	5,328,503	5,875,478	546,975
Sales and services	9,056,625	9,413,030	11,289,538	1,876,508
Investment earnings	650,730	650,730	1,118,073	467,343
Miscellaneous	3,742,933	3,858,537	3,865,048	6,511
Total revenues	<u>194,869,020</u>	<u>218,361,868</u>	<u>228,494,701</u>	<u>10,132,833</u>
Expenditures				
Current				
General government	17,589,667	17,707,210	14,706,558	3,000,652
Public safety	42,193,059	55,794,876	47,238,222	8,556,654
Environmental protection	727,476	878,595	801,979	76,616
Economic and physical development	22,306,205	28,692,479	25,621,498	3,070,981
Human services	55,600,360	65,101,757	50,272,527	14,829,230
Culture and recreation	4,467,045	5,039,365	4,111,485	927,880
Education	47,029,774	47,547,916	47,547,916	-
Debt service				
Principal	14,600,690	15,167,377	15,167,360	17
Sinking fund payments	1,853,905	1,859,453	1,859,450	3
Interest	4,019,460	3,272,724	3,264,907	7,817
Bond issuance costs	-	411,276	411,276	-
Total expenditures	<u>210,387,641</u>	<u>241,473,028</u>	<u>211,003,178</u>	<u>30,469,850</u>
Excess of revenues over (under) expenditures	<u>(15,518,621)</u>	<u>(23,111,160)</u>	<u>17,491,523</u>	<u>40,602,683</u>
Other Financing Sources (Uses)				
Transfers from other funds	2,912,165	4,089,265	3,734,183	(355,082)
Transfers to other funds	(6,736,311)	(14,985,409)	(14,985,409)	-
Sale of capital assets	-	-	60,577	60,577
Bonds issued	-	411,276	309,966	(101,310)
Premium on bonds issued	-	-	101,310	101,310
Lease liabilities issued	-	119,987	119,987	-
SBITA liabilities issued	-	1,014,678	1,014,678	-
Fund balance appropriated	19,342,767	32,461,363	-	(32,461,363)
Total other financing sources (uses)	<u>15,518,621</u>	<u>23,111,160</u>	<u>(9,644,708)</u>	<u>(32,755,868)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>7,846,815</u>	<u>\$ 7,846,815</u>
Fund Balances - Beginning of Year			<u>131,228,183</u>	
Fund Balances - End of Year			<u>\$ 139,074,998</u>	

General Fund**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actuals
For the Fiscal Year Ended June 30, 2023**

A legally budgeted Tax Reappraisal Fund is consolidated into the General Fund for reporting purposes:

Investment earnings	5,604
Expenditures	(840,142)
Transfer from other funds	778,229
Fund Balance, Beginning	<u>121,613</u>
Fund Balance, Ending - Budget and Actual	139,018,689
Budget and actual reconciliation	<u>3,314,525</u>
Fund Balance, Ending (Exhibit 4)	<u>142,333,214</u>

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual to the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

Net change in fund balances - budget and actual	
General Fund	\$ 7,846,815
Tax Reappraisal Fund	(56,309)
Contra revenue notes receivable payments	(44,925)
Contra expense for issuance of notes receivable	1,500,000
Payments to sinking funds for future debt service are shown in the budget and actual statements but do not reduce outstanding debt and are excluded from the governmental funds statement of revenues, expenditures, and changes in fund balance	<u>1,859,450</u>
Net change in fund balances - general fund (Exhibit 4)	<u>\$ 11,105,031</u>
Fund Balance Beginning (Exhibit 4)	<u>131,228,183</u>
Fund Balance Ending (Exhibit 4)	<u>\$ 142,333,214</u>

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

Opioid Settlement Fund

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Actual Prior Year</u>
Revenues					
Opioid Settlement Funds	\$ -	\$ -	\$ 1,730,558	\$ 1,730,558	\$ (18,666)
Investment earnings	-	-	14,325	14,325	-
Total revenues	-	-	1,744,883	1,744,883	(18,666)
Expenditures					
Human Services					
Other operating	-	-	-	-	-
Total expenditures	-	-	-	-	-
Excess of revenues over (under) expenditures	-	-	1,744,883	1,744,883	(18,666)
Other Financing Sources (Uses)					
Fund balance appropriated	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	1,744,883	1,744,883	\$ (18,666)
Fund Balances - Beginning of Year			(18,666)		
Fund Balances - End of Year			<u>\$ 1,726,217</u>		

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



CATAWBA COUNTY, NORTH CAROLINA

Exhibit 7
Page 1 of 2

Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Solid Waste Management Fund	Water and Sewer Fund	Total
Assets			
Current assets			
Cash and investments	\$ 23,924,945	\$ 18,487,648	\$ 42,412,593
Due from other governments	215,510	528,640	744,150
Current portion of notes receivable	-	192,833	192,833
Accounts receivables (net of allowance)	1,248,769	31,501	1,280,270
Current portion of lease receivable	16,827	-	16,827
Accrued interest receivable on leases	337	-	337
Interest receivables	44,860	34,646	79,506
Prepaid items	166	120	286
Total current assets	<u>25,451,414</u>	<u>19,275,388</u>	<u>44,726,802</u>
Noncurrent assets			
Noncurrent portion of lease receivable	167,226	-	167,226
Noncurrent portion of notes receivable	-	2,722,791	2,722,791
Capital assets			
Land and other assets not being depreciated	10,905,868	1,016,885	11,922,753
Buildings, equipment and infrastructure, net of depreciator	28,462,490	36,786,614	65,249,104
Right to use leased asset, net of amortization	4,981	-	4,981
Total capital assets	<u>39,373,339</u>	<u>37,803,499</u>	<u>77,176,838</u>
Total noncurrent assets	<u>39,540,565</u>	<u>40,526,290</u>	<u>80,066,855</u>
Total assets	<u>64,991,979</u>	<u>59,801,678</u>	<u>124,793,657</u>
Deferred outflows of resources			
Pension - LGERS	639,520	53,049	692,569
OPEB deferrals	401,932	13,670	415,602
Total deferred outflows of resources	<u>1,041,452</u>	<u>66,719</u>	<u>1,108,171</u>
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	287,579	51,098	338,677
Current portion of lease liability	3,243	-	3,243
Current portion accrued landfill closure and postclosure care costs	100,000	-	100,000
Current portion of installment loan payable	-	495,356	495,356
Current portion of compensated absences	90,279	10,069	100,348
Total current liabilities	<u>481,101</u>	<u>556,523</u>	<u>1,037,624</u>

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

Statement of Net Position
Proprietary Funds
June 30, 2023

Business-Type Activities - Enterprise Funds

	Solid Waste Management Fund	Water and Sewer Fund	Total
Noncurrent liabilities			
Noncurrent portion of accrued landfill closure and postclosure care costs	10,029,316	-	10,029,316
Net pension liability, LGERS	963,222	79,900	1,043,122
Total OPEB liability	985,828	33,636	1,019,464
Noncurrent portion of lease liability	1,910	-	1,910
Noncurrent portion of installment loan payable	-	1,141,521	1,141,521
Noncurrent portion of compensated absences	33,463	12,665	46,128
Total noncurrent liabilities	12,013,739	1,267,722	13,281,461
Total liabilities	12,494,840	1,824,245	14,319,085
Deferred inflows of resources			
Pension - LGERS	5,553	461	6,014
OPEB deferrals	99,004	3,415	102,419
Lease deferred revenue	184,876	-	184,876
Total deferred inflows of resources	289,433	3,876	293,309
Net Position			
Net investment in capital assets	39,373,339	36,166,622	75,539,961
Unrestricted	13,875,819	21,873,654	35,749,473
Total net position	\$ 53,249,158	\$ 58,040,276	\$ 111,289,434

The accompanying notes are an integral part of the financial statements

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Solid Waste Management Fund	Water and Sewer Fund	Total
Operating Revenues			
Charges for services	\$ 10,092,450	\$ -	\$ 10,092,450
Lease revenue	16,633	-	16,633
Other operating revenues	107,706	-	107,706
Total operating revenues	<u>10,216,789</u>	<u>-</u>	<u>10,216,789</u>
Operating Expenses			
Administration	773,057	175,409	948,466
Recycling	159,044	-	159,044
Solid waste management improvements	59,326	-	59,326
Solid waste code enforcement	97,607	-	97,607
Sanitary landfill	4,583,747	-	4,583,747
Water and sewer	-	5,878,967	5,878,967
Landfill closure and postclosure care costs	100,000	-	100,000
Lease amortization expense	3,913	-	3,913
Depreciation and amortization	1,500,497	890,076	2,390,573
Total operating expenses	<u>7,277,191</u>	<u>6,944,452</u>	<u>14,221,643</u>
Operating income (loss)	<u>2,939,598</u>	<u>(6,944,452)</u>	<u>(4,004,854)</u>
Nonoperating Revenues (Expenses)			
Solid waste disposal tax	91,846	-	91,846
Scrap tire disposal tax	305,174	-	305,174
White goods disposal tax	80,044	-	80,044
Scrap tire grant	43,730	-	43,730
Electronics management distribution	6,494	-	6,494
Gain on sale of capital asset	154,958	-	154,958
Court fees	533	-	533
Investment earnings	209,760	192,103	401,863
Engineering fees	-	1,710,500	1,710,500
Lease interest income	5,050	-	5,050
Lease interest expense	(65)	-	(65)
Interest on long term debt	-	(18,756)	(18,756)
Municipal revenue sharing	-	1,379,300	1,379,300
City of Newton - Balls Creek DOT water	-	1,886,493	1,886,493
Total nonoperating revenues (expenses)	<u>897,524</u>	<u>5,149,640</u>	<u>6,047,164</u>
Income (loss) before transfers	<u>3,837,122</u>	<u>(1,794,812)</u>	<u>2,042,310</u>
Transfer from other funds	<u>-</u>	<u>2,695,027</u>	<u>2,695,027</u>
Change in net position	3,837,122	900,215	4,737,337
Net Position - Beginning of Year	<u>49,412,036</u>	<u>57,140,061</u>	<u>106,552,097</u>
Net Position - End of Year	<u>\$ 53,249,158</u>	<u>\$ 58,040,276</u>	<u>\$ 111,289,434</u>

The accompanying notes are an integral part of the financial statements



CATAWBA COUNTY, NORTH CAROLINA**Exhibit 9
Page 1 of 2****Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2023****Business-Type Activities - Enterprise Funds**

	Solid Waste Management Fund	Water and Sewer Fund	Total
Cash Flows from Operating Activities			
Cash received from customers	\$ 10,054,552	-	\$ 10,054,552
Cash paid for goods and services	(3,494,614)	(7,543,313)	(11,037,927)
Cash paid to employees	(2,118,146)	(161,915)	(2,280,061)
Other operating revenues	107,706	-	107,706
Net cash provided (used) by operating activities	<u>4,549,498</u>	<u>(7,705,228)</u>	<u>(3,155,730)</u>
Cash Flows from Noncapital Financing Activities			
Solid waste disposal tax	91,846	-	91,846
Scrap tire disposal tax	305,174	-	305,174
White goods disposal tax	80,044	-	80,044
Scrap tire grant	43,730	-	43,730
Electronics management distribution	6,494	-	6,494
Court Fees	533	-	533
Domestic haulers and capital fees	-	1,710,500	1,710,500
Change in due to due from customers	-	(171,652)	(171,652)
Transfer from American Rescue Plan Act Fund	-	2,695,027	2,695,027
City of Newton - Balls Creek DOT water	-	1,886,493	1,886,493
Municipal revenue sharing	-	1,379,300	1,379,300
Total cash provided by noncapital financing activities	<u>527,821</u>	<u>7,499,668</u>	<u>8,027,489</u>
Cash Flows from Capital and Related Financing Activities			
Principal paid on installment notes payable	-	(530,715)	(530,715)
Interest paid on installment notes payable	-	(18,756)	(18,756)
Acquisition and construction of capital assets	(925,060)	(2,186,117)	(3,111,177)
Proceeds from sale of assets	154,958	-	154,958
Net cash provided (used) by capital and related financing activities	<u>(770,102)</u>	<u>(2,735,588)</u>	<u>(3,505,690)</u>
Cash Flows from Investing Activities			
Investment earnings	<u>192,507</u>	<u>203,259</u>	<u>395,766</u>
Net increase (decrease) in cash and cash equivalents	4,499,724	(2,737,889)	1,761,835
Cash and cash equivalents - beginning of year	<u>19,425,221</u>	<u>21,225,537</u>	<u>40,650,758</u>
Cash and cash equivalents - end of year	<u>\$ 23,924,945</u>	<u>18,487,648</u>	<u>\$ 42,412,593</u>

The accompanying notes are an integral part of the financial statements

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Solid Waste Management Fund	Water and Sewer Fund	Total
Reconciliation of operating income to net cash provided by operating activities			
Operating income (loss)	\$ 2,939,598	\$ (6,944,452)	\$ (4,004,854)
Adjustments to reconcile operating income to net cash provided (used) by operating activities			
Depreciation and amortization	1,500,497	890,076	2,390,573
Lease amortization expense	3,913	-	3,913
Increase (decrease) in landfill closure and postclosure care costs	100,000	-	100,000
Changes in assets and liabilities, and deferred outflows and inflows of resources:			
(Increase) decrease in refundable sales tax	46,565	(30,251)	16,314
(Increase) decrease in other receivables	(100,930)	(141,281)	(242,211)
(Increase) decrease in notes receivables	-	(1,693,659)	(1,693,659)
(Increase) decrease in customer receivables	-	171,652	171,652
(Increase) decrease in prepaid	(166)	(120)	(286)
(Increase) decrease in deferred outflows of resources - pensions	(211,373)	(22,896)	(234,269)
(Increase) decrease in deferred outflows of resources - OPEB	(133,361)	(4,599)	(137,960)
Increase (decrease) in accounts payable and other liabilities	(106,820)	29,313	(77,507)
Increase (decrease) in compensated absences	(81)	1,729	1,648
Increase (decrease) in accrued salaries and other benefits	4,018	(737)	3,281
Increase (decrease) in pension liability	684,636	60,280	744,916
Increase (decrease) in OPEB liability	135,318	4,666	139,984
Increase (decrease) in deferred inflows of resources - pensions	(396,462)	(27,851)	(424,313)
Increase (decrease) in deferred inflows of resources - OPEB	84,146	2,902	87,048
Total adjustments	1,609,900	(760,776)	849,124
Net cash provided (used) by operating activities	\$ 4,549,498	\$ (7,705,228)	\$ (3,155,730)

The accompanying notes are an integral part of the financial statements

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2023

	<u>Custodial Funds</u>
Assets	
Cash and investments	\$ 133,988
Taxes receivable for other governments, net	<u>3,251,891</u>
Total assets	<u>3,385,879</u>
Liabilities	
Due to other governments	<u>7,403</u>
Total liabilities	<u>7,403</u>
Net Position	
Individuals, organizations, and other governments	<u>3,378,476</u>
Total fiduciary net position	<u>\$ 3,378,476</u>

The accompanying notes are an integral part of the financial statements

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2023

	<u>Custodial Funds</u>
Additions	
Ad valorem taxes collected for other governments	\$ 55,188,536
Collections on behalf of inmates	<u>664,678</u>
Total additions	<u>55,853,214</u>
Deductions	
Tax distributions to other governments	55,126,051
Payments on behalf of inmates	<u>609,867</u>
Total deductions	<u>55,735,918</u>
Net increase (decrease) in fiduciary net position	117,296
Net Position	
Net position - beginning	<u>3,261,180</u>
Net position - ending	<u>\$ 3,378,476</u>

The accompanying notes are an integral part of the financial statements



CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Catawba County (government) and its discretely presented component units conform to generally accepted accounting principles (GAAP) as applied to governmental units. 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 generally accepted accounting principles, these financial statements present the financial activities of the County and its component units, legally-separate entities for which the County is financially accountable.

The Catawba County Industrial Facility and Pollution Control Financing Authority (the *Authority*) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements.

Catawba Valley Medical Center (the *Medical Center*) and the Catawba County ABC Board (the *Board*) have a June 30 year end and are presented as if they are separate proprietary funds of the County (discrete presentation).

The Catawba County Public Facilities Corporation (the *Corporation*) exists to plan, finance, construct, acquire, lease, sell and convey real property, improve real property, facilities, equipment and other property for the use of Catawba County. The Corporation's transactions are reported within the General Capital Project Fund. The Corporation does not issue separate financial statements.

The Southeastern Catawba County (SECC) Water and Sewer District (the *District*) was established by the Board of Commissioners in accordance with Chapter 162A of the North Carolina General Statutes. The district is a separate legal entity that operates as an enterprise fund, with a separate governing body comprised of the Board of Commissioners. As such, the district is accounted for as a blended component of the County. The District does not issue separate financial statements.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Catawba County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven-member board that is appointed by the Board of County Commissioners. The County can remove any member of the Authority with or without cause.	None Issued
Catawba Valley Medical Center	Discrete	The Medical Center is a public hospital that was organized in 1962 by resolution of the Board of Commissioners of Catawba County. The County appoints the board of trustees for the Medical Center. The County has issued revenue bonds for improvement of the Medical Center facilities, which are paid from Medical Center revenues.	Catawba Valley Medical Center 810 Fairgrove Church Road S.E. Hickory, NC 28602

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Catawba County ABC Board	Discrete	The members of the ABC Board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County.	Catawba County ABC Board 1910 Fairgrove Church Road Newton, NC 28658
Catawba County Public Facilities Financing Corporation	Blended	The corporation is governed by a three to five-member board appointed by the Board of Commissioners. The Board can remove any member of the Corporation with or without cause.	None Issued
Southeastern Catawba County Water District	Blended	The corporation is governed by a three to five-member board appointed by the Board of Commissioners. The Board can remove any member of the Corporation with or without cause.	None Issued

B. Basis of Presentation

Government-wide Statements - The government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities except for interfund services provided and used which are not eliminated in the consolidation process. 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 for services provided to them.

The statement of activities presents a comparison between direct expenses and program revenues for the 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 specific function. *Indirect expense allocations* that have been made in the funds have been reversed for the statement of activities. *Program revenues* include 1) fees and charges by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as *general revenues*.

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

Proprietary fund operating revenues, such as charges for services, result in 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 services.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

The County reports the following major governmental funds:

General Fund - The *General Fund* is the primary operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, sales taxes, Federal and State grants, and other various taxes and licenses. The primary expenditures are for education, human services, public safety, economic and physical development, environmental protection, cultural and recreational projects, and general government services. The Tax Reappraisal Fund is a legally budgeted fund under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 it is consolidated in the General Fund.

American Rescue Plan Act Fund - The *American Rescue Plan Act Fund* accounts for the transactions related to the American Rescue Plan Funds.

Opioid Settlement Fund - The *Opioid Settlement Fund* accounts for transactions related to funds received through the national Opioid Settlement.

General Capital Project Fund - The *General Capital Projects Fund* accounts for the financing and construction of all major general capital projects.

School Construction Fund - The *School Construction Fund* accounts for the financing and construction of all major school construction.

The County reports the following major proprietary funds, which are both enterprise funds:

Solid Waste Management Fund - The *Solid Waste Management Fund* accounts for the operation, maintenance and development of various landfills and disposal sites and other solid waste activities.

Water and Sewer Fund - The *Water and Sewer Fund* accounts for the capital development and maintenance of water and sewer lines and pump stations.

The County reports the following fund types:

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

Non-major Funds - The County maintains thirty-two legally budgeted funds. The Emergency Telephone System Fund, Narcotics Seized Funds and Property Fund, State Unauthorized Substance Abuse Fund, Narcotics Seized Justice Fund, Narcotics Seized Treasury Fund, Rescue Squads Fund, Library Endowment Fund, Gretchen Peed Scholarship Fund, Parks/Historic Preservation Fund, Community Development Fund, Stream Debris Removal Fund, Office of State Budget and Management Direct Grants Fund, Fines and Forfeitures Fund, Representative Payee Fund, Deed of Trust Fund and the fourteen individual Fire District Funds are reported as non-major special revenue funds. The Subdivision Road Improvement Projects Fund, School Capital Projects Fund, N.C. Railroad Projects Fund, and the Hospital Capital Reserve Fund are reported as capital projects funds.

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*. The

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

government-wide, proprietary and fiduciary fund financial statements are reported using the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recording when a liability is 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's enterprise funds, the Solid Waste Management Fund and the Water and Sewer Fund, are charges to customers for services. Operating expenses for the enterprise funds include the cost of services, administrative expenses, and depreciation/amortization 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. Revenues are recognized when measurable and available.

Expenditures are recorded when the related liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated balances, which are recognized 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 leases and IT subscriptions are reported as other financing sources.

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

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

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

D. Budgetary Data

The County's budgets are adopted as required by North Carolina General Statutes. An annual budget is adopted for the General, Special Revenue (except Community Development Fund and American Rescue Plan Act Fund), and Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances that may span more than one year are adopted for the Capital Projects Funds except for the Hospital Capital Reserve Fund, and the Enterprise Capital Projects Funds. The Enterprise Capital Projects Funds are consolidated with the enterprise operating funds for reporting purposes. Grant ordinances that span more than one year are adopted for the Community Development Fund and ARPA Special Revenue Fund. These appropriations are carried over until the projects and grants are completed.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the fund and departmental level for all annually budgeted and multi-year funds. Transfers of appropriations between funds may be made only by the Board, with the exception of merit, reclassification funds, and special contingency which the County Manager has the authority to transfer. Transfers of appropriations between departments in a fund or from contingency shall be approved by the Board, but may be approved by the County Manager if he finds they are consistent with operational needs and any Board approved goals and do not exceed \$50,000 for department transfers or \$50,000 for transfers from contingency. Transfers from contingency approved by the Manager can exceed \$50,000 if he determines an emergency exists. All such transfers approved by the Manager 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 governing board must adopt an interim budget that covers the 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 are made in board-designated official depositories and are secured as required by G.S. 159-31. The County may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

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

The County's investments are carried at fair value as determined by quoted market prices. The North Carolina Capital Management Trust (NCCMT), which consists of an SEC-registered fund, is authorized by G.S. 159-30 (c)(8). The Government Portfolio, is a 2a7 fund that invests in treasuries and government agencies and is rated AAAM by S&P and AAA-mf by Moody Investor Services. The Government Portfolio is reported at fair value.

2. Cash and Cash Equivalents

A cash and investment pool is maintained by the County to facilitate disbursement and investment and to maximize investment income. The pool is used by all funds except the Representative Payee Fund and the Jail Inmate Pay Fund. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The Representative Payee Fund and the Jail Inmate Pay Fund are maintained in noninterest bearing demand deposit accounts as reflected on Schedule G-1.

3. Restricted Assets

The debt service reserve in the General Fund includes funds in sinking and other funds to accumulate resources

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

for future debt maturities. The amount restricted for Social Services includes funds donated for specific social services programs. Money in the Tax Reappraisal Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. The unexpended grant proceeds are classified as restricted assets within the American Rescue Plan Act Fund because their use is completely restricted to the uses as specified by current federal guidance. The unexpended debt proceeds are classified as restricted assets within the General Capital Projects and School Construction Funds because their use is completely restricted to the purpose for which the funds were borrowed. The unexpended Opioid Settlement Fund proceeds are classified as restricted for the purpose for which the funds were awarded.

Catawba County Restricted Cash		
Governmental Activities		
General Fund	Debt service reserve	\$ 22,982,312
General Fund	Unexpended debt proceeds	2,641
General Fund	Social services	236,000
General Fund	Tax reappraisal	78,868
American Rescue Plan Act Fund	Unexpended grant funds	13,636,760
Opioid Settlement Fund	Unexpended settlement funds	1,722,986
General Capital Projects Fund	Unexpended debt proceeds	89,891
School Construction Fund	Unexpended debt proceeds	33,392,468
Total Governmental Activities		<u>\$ 72,141,926</u>

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2022.

5. Lease Receivable

The County's lease receivable is measured at the present value of lease payments expected to be received during the lease term. There are no variable components under the lease agreements. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

6. 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.

7. Inventories and Prepaid Items

Inventories of the County are valued at cost (first-in, first-out), which approximates market. The County's General Fund inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure when consumed rather than when purchased.

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

8. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to July 1, 2015 are recorded at their estimated fair value at the date of the donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000, and an estimated useful life in excess of two years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

life are not capitalized.

The County holds title to certain Catawba County Board of Education and Hickory Public Schools Board of Education and Newton-Conover City Schools Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit financing of acquisition and construction costs. Agreements between the County and the Boards of Education give the Boards full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the properties back to the Boards of Education, once all restrictions of the financing agreements have been met. The properties are reflected as capital assets in the financial statements of the Catawba County Board of Education, the Hickory Public Schools Board of Education, and the Newton-Conover City Schools Board of Education. Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

Building and improvements	50 years
Furniture and office equipment	10 years
Maintenance and construction equipment	8 years
Medium and heavy motor trucks	6 years
Automobiles and light trucks	4 years
Computer equipment	5 years
Computer software	5 years

9. Right to Use Assets

The County has recorded right to use lease assets as a result of implementing GASB 87 and 96. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

The right to use IT subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any subscription payments made at the start of the subscription term, if applicable, plus capitalizable initial implementation costs at the start of the subscription term, less any incentives received from the IT subscription vendor at the start of the subscription term. Subscription payments, as well as payments for capitalizable implementation costs made before the start of the subscription term should be reported as a prepayment (asset). Such prepayments should be reduced by any incentives received from the same vendor before the start of the subscription term if a right of offset exists. The net amount of the prepayments and incentives should be reported as an asset or liability, as appropriate, before the start of the subscription term at which time the amount should be included in the initial measurement of the subscription asset. The right to use subscription assets should be amortized on a straight-line basis over the subscription term.

10. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net assets that applies to future periods and so will not be recognized as an expense or expenditure until then. The County has several items that meet this criterion—a charge on refunding, OPEB and pension related deferrals, and contributions made to OPEB and pension plans in the current fiscal year. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net assets that applies to a future periods and so will not be recognized as revenue until then. The County items that meet the criterion for this category are prepaid taxes, ambulance, taxes receivable, human resource receivables, leases, other unearned revenue, unavailable revenue and other OPEB or pension related deferrals. Detailed information regarding deferred outflows/inflows of resources can be found under Note 2 in the notes to the financial statements.

11. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statements of net position. In the fund financial statements for governmental fund types, the face amount of debt issued is reported as another financing source.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

12. Compensated Absences

It is the policy of the County to permit employees to accumulate up to thirty (30) days earned but unused vacation leave with such leave being fully vested when earned. The County's liability for accumulated earned vacation and salary-related payments as of June 30, 2023, is recorded in the government-wide financial statements. For the County's proprietary fund, an expense and liability for compensated absences and the salary-related payments are recorded within those funds as the leave is earned, if the amount is considered to be material.

The sick leave policy of the County provides for an unlimited accumulation of earned but unused 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 neither employee nor the County has any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County.

13. Opioid Settlement Funds

In April 2022, drug manufacturer, Johnson & Johnson, and three drug distributors, McKesson, AmerisourceBergen, and Cardinal Health, finalized a \$26 billion-dollar nationwide settlement related to multiple opioid lawsuits. These funds will be disbursed to each participating state over an 18-year period according to an allocation agreement reach with all participating states. The majority of these funds are intended for opioid abatement and the distribution of the funds will be front loaded.

North Carolina's Memorandum of Agreement (MOA) between the state and local governments for the settlement funds allocates the funds as follows:

- 15% directly to the State ("State Abatement Fund")
- 80% to abatement funds established by the Local Governments ("Local Abatement Funds")
- 5% to a County Incentive Fund.

The County received \$1,730,558 as a part of this settlement as of Fiscal Year 2023. Per the terms of the MOA, the County created a special revenue fund, the Opioid Settlement Fund, to account for these funds. All funds are to be used for opioid abatement and remediation activities. Fund are restricted until expended. No funds have been expended as of June 30, 2023.

14. Reimbursements for Pandemic-Related Expenditures

The County was allocated \$30,990,911 of fiscal recovery funds to be paid in two equal installments. The first installment of \$15,495,455.50 was received in June 2021. The second installment of \$15,495,455.50 was received June 2022. The County expended \$10,954,091 in ARPA funding during fiscal year 2022 and \$6,392,406 in fiscal year 2023. The County plans on using the remaining funds for ARPA eligible infrastructure projects and governmental provisions.

15. Net Position/Fund Balances

Net Position

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

Fund Balances

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

The governmental fund types classify fund balance as follows:

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

Inventories - portion of fund balance that is not an available resource because it represents the year-end

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

balance of ending inventories, which are not spendable resources.

Prepaid - portion of fund balance that is not an available resource because it represents the asset amount of prepaid expenditures, which are not spendable resources.

Notes Receivable – portion of fund balance that is not an available resource because it represents the long-term portion of notes receivable, which are not spendable resources.

Leases - portion of fund balance that is not available resource because it represents the year-end balance of the lease receivable in excess of the deferred inflow of resources for the lease receivable, which is not a spendable resource.

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

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

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

Public Safety - portion of fund balance that is restricted by revenue source for public safety expenditures.

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

Public Health - portion of fund balance that is restricted by revenue source for public health expenditures including expenditures related to Opioid Settlement Funds.

Debt Service - portion of fund balance that is restricted for sinking funds and by revenue source for other debt service expenditures.

Social Services - - portion of fund balance that is restricted by revenue source for client services.

Library Endowment - portion of fund balance that is restricted by revenue source for library expenditures.

Scholarship - portion of fund balance that is restricted by revenue source for scholarship expenditures.

Parks Preservation - portion of fund balance that is restricted by revenue source for parks preservation expenditures.

Community Development – portion of fund balance that is restricted by revenue source for community grant expenditures.

Representative Payee - - portion of fund balance that can only be used to benefit beneficiaries under the

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Social Security's Representative Payee Program.

General Capital - portion of fund balance that is restricted by revenue source for specified capital projects.

School Capital and Construction – portion of fund balance that is restricted by revenue source and debt financing that can only be used for specified school and community college capital projects.

Hospital Capital - portion of fund balance that is restricted by revenue source for hospital capital expenditures.

Restricted net position on Exhibit 1 differs from restricted fund balance on Exhibit 3 due to sinking fund debt payments and unspent debt proceeds to date of (\$22,984,713) and the Register of Deeds pension plan of \$318,227.

Committed Fund Balance - Portion of fund balance that can only be used for specific purpose imposed by majority vote of Catawba County's governing body. The Board of Commissioners is the highest level of decision-making authority 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.

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

General Capital - portion of fund balance that can only be used for specified capital projects.

Subdivision Road Improvement - portion of fund balance that can only be used for specified capital projects.

School Capital - portion of fund balance that can only be used for specified school capital projects.

School Construction – portion of fund balance that can only be used for specified school construction projects.

Assigned Fund Balance - Portion of fund balance that Catawba County governing board has budgeted.

Public Health – portion of fund balance that has been budgeted by the board for future public health expenditures.

Social Services – portion of fund balance that has been budgeted by the board for future social service expenditures.

County Manager – portion of fund balance that has been budgeted by the board for future administrative expenditures.

Human Resources – portion of fund balance that has been budgeted by the board for future human resource expenditures.

Library – portion of fund balance that has been budgeted by the board for future library expenditures.

Subsequent year's expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however, the budget ordinance authorizes the manager to modify the appropriations by resource or appropriation within funds up to \$50,000.

Unassigned Fund Balance - Portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

amounts already classified as nonspendable, restricted and committed would exceed the funds' assets and deferred outflows of resources.

For programs with multiple revenue sources, it is the County's practice to use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-County funds, and county funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. The Board of Commissioners have developed a goal for the County to maintain an Unassigned General Fund balance of 16 percent, the equivalent of two months of operating expenses. These funds will be used to avoid cash flow interruptions, generate investment income, eliminate the need for short-term borrowing, and for use in the case of unanticipated emergencies.

16. Defined Benefit Cost-Sharing Plans

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

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CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

F. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position. The governmental fund balance sheet includes a reconciliation between *fund balance* – *total governmental funds* and *net position—governmental activities* as reported in the government-wide statement of net position. The net adjustment of (\$32,074,216) consists of several elements as follows:

Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 262,819,129
Less accumulated depreciation	(91,285,592)
Net capital assets	<u>171,533,537</u>
Right to use assets used in government activities are not financial resources and are therefore not reported in the funds	3,016,943
Less accumulated amortization	<u>(989,053)</u>
Net right to use assets	<u>2,027,890</u>
Charges related to debt refunding issued - included on government-wide statement of net position but are not current financial resources	213,353
Net pension asset RODSPF	214,349
LGERS and ROD pension related deferrals	28,240,159
LEOSSA related deferrals	529,473
OPEB related deferrals	11,965,025
Deferred inflows of resources reported in the fund statements but not the government-wide	22,950,897
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:	
Certificates of participation	(1,890,000)
Installment purchase	(56,134,456)
Qualified zone academy bonds	
Qualified school construction bonds	(27,808,553)
Build America bonds	
Limited obligation bonds	(79,175,000)
NC Department of Commerce	-
Premium on long-term debt	(9,353,602)
Long-Term Leases	(1,027,732)
Long-Term Subscription-Based IT Agreements	(913,241)
Compensated absences	(6,212,781)
Net pension liability LGERS	(42,749,027)
Total pension liability LEOSSA	(6,116,355)
Total other post employment liability	<u>(38,368,152)</u>
	<u>(269,748,899)</u>
Total adjustment	<u>\$ (32,074,216)</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position in governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$(18,975,458) as follows:

Governmental funds report capital outlays as expenditures. In the statement of activities the cost of those assets is allocated over their estimated useful lives	\$ 7,661,881
Depreciation and amortization expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements	(7,411,146)
Net capital assets disposed during the year	(472,457)
Proceeds from issuance of long term debt not recorded in statement of activities	(38,480,000)
Lease Liabilities Issued	(119,987)
Subscription-Baed IT Liabilities Issued	(1,113,045)
Premium on issuance of long term debt not recorded in statement of activities	(4,791,431)
Principal payments on debt owed are recorded as a use of funds on the fund statements but affects only the statement of net position in the government-wide statements	
Certificates of participation	990,000
Installment purchases	10,540,952
Limited obligation bonds	3,150,000
Leases	322,092
Subscription-Based IT Agreements	199,804
A portion of activity related to retirement and other post employment benefits are not reported in the Governmental funds and are included in the Statement of Activities	
Local Government Employee Retirement (LGERS and ROD)	8,008,030
Law Enforcement Separation Allowance (LEOSSA)	113,539
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements	
Pension expense	(12,884,128)
OPEB expense	(3,640,079)
Amortization of deferred interest	(86,787)
Net (increase) decrease in compensated absences	(419,212)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements	
Amortization of premium on debt issuance	409,312
Net increase (decrease) in receivables and deferred revenue	19,047,204
Total adjustment	<u>\$ (18,975,458)</u>

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Balance/Net Position

North Carolina General Statutes prohibits the County from having a deficit fund balance/net position in any fund. The American Rescue Plan Fund had a deficit fund balance/net position in the amount of \$66,918. Due to a NC statutory requirement, the proportional share of the mark to market loss must be allocated to the special revenue

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

fund causing a deficit fund balance. This loss will be offset in future years by future market gains. If the fund balance remains negative at the end of grant period or when funds are fully expended, the County will transfer funds from the general fund to make the fund whole.

B. Significant Violations of Finance-Related Legal and Contractual Provisions

Excess of Expenditures over Appropriations

The expenditures for the mental health services function of the General Fund were \$683,164, which exceeded appropriation of \$650,000. This \$33,164 difference is the result of additional revenue collected from the ABC Board profits which are then used to fund mental health services. A better estimate of anticipated revenue collections are included in next year's budget.

The expenditures for the Medicaid administration function of the General Fund were \$1,792,773, which exceeded appropriation of \$1,785,469. This \$7,304 difference is the result of additional salaries and benefits for overtime. Appropriations for overtime salaries are included in next year's budget.

NOTE 3 – DETAIL NOTES ON ALL FUNDS

A. Assets

1. Deposits

All of the County's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's agents in the name of the County. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, these deposits are considered held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or 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 relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County has no formal policy regarding custodial credit risk for deposits.

At June 30, 2023, the County's deposits had a carrying amount of \$72,000,632 and a bank balance of \$72,458,022. Of the bank balance, \$1,240,000 was covered by federal depository insurance and \$213,669 in non-interest bearing deposits and \$71,004,353 in interest bearing deposits was covered by collateral held under the Pooling Method.

At June 30, 2023, Catawba County had \$9,993 cash on hand.

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CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

2. Investments

As of June 30, 2023 the County had the following investments and maturities.

Investment Type	Valuation	Fair Value	Less than 6		
	Measurement Method		months	6-12 months	1-5 years
U.S. Government Agencies*	Fair Value-Level 2	\$ 140,657,092	\$ -	\$ -	\$ 140,657,092
U.S. Treasury	Fair Value-Level 2	5,098,464	-	-	5,098,464
NC Capital Trust Management Trust					
Government Portfolio	Fair Value-Level 1	69,223,161	69,223,161	-	-
Total:		<u>\$ 214,978,717</u>	<u>\$ 69,223,161</u>	<u>\$ -</u>	<u>\$ 145,755,556</u>

*\$80,145,513 of these securities have call options. It is the intention of the County to hold these to final maturity and this time frame is reflected in the table.

** As of June 30, 2023, the North Carolina Capital Management Trust (NCCMT), which consists of an SEC registered fund, is authorized by G.S. 159-30(c)(8). The Government Portfolio, is a 2a7 fund which invests in treasuries and government agencies and is rated AAAM by S&P and AAA-mf by Moody's Investor Services. The Government Portfolio is reported at fair value.

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

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

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy is to stagger portfolio maturities to avoid undue concentration of assets in a specific maturity sector. A portion of the portfolio is continuously invested in maturities of less than 12 months.

The investment policy limits all securities to a final maturity of not more than five years. The County does not have a board approved policy on interest rate risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

Credit Risk

The County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). The County's investment in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's and AAA-mf by Moody's Investor Service as of June 30, 2023. The County's investment in U.S. Treasury, U.S. Agencies includes Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (FreddieMac), Federal National Mortgage Association (FannieMae), and is rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The County does not have a board approved policy on credit risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Custodial Credit Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Proceeds from the issuance of certificates of participation and other installment financing are held in escrow in bank trust departments. These escrow agents purchase and hold the securities in the County's name. The County does not have a board approved policy on custodial credit risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

Concentration of Credit Risk

The County places no limit on the amount that the County may invest in any one issuer. Approximately 65% of the County's investments are in United States government-sponsored enterprises while 2% are in United States Treasuries. Investments in Federal Farm Credit are 11%, Federal Home Loan Bank are 40%, Federal Home Loan Mortgage Corporation are 9%, and Federal National Mortgage Agency are 5% of the County's total investments. The County does not have a board approved policy on concentration of credit risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

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

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

Fiscal Year			
Levied	Tax	Interest	Total
2020	1,433,507	469,474	1,902,981
2021	1,424,891	338,412	1,763,303
2022	1,429,512	210,853	1,640,365
2023	1,432,331	82,359	1,514,690
Total	<u>\$ 5,720,241</u>	<u>\$ 1,101,098</u>	<u>\$ 6,821,339</u>

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CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

4. Receivables

Receivables at the government-wide level at June 30, 2023 were as follows:

	Governmental activities			
	General	American Rescue Plan Act Fund	Opioid Settlement Fund	General Capital Projects Fund
Receivables				
Accounts	\$ 3,870,711	\$ -	\$ -	\$ -
Taxes	2,611,568	-	-	-
Tax assessment	-	-	-	-
Due from other governments	18,307,535	17,695	-	558,367
Notes	2,039,100	-	-	-
Other	28,188	-	22,390,275	-
Leases	318,241	-	-	-
Interest	219,057	29,314	3,231	59,503
Gross Receivables	27,394,400	47,009	22,393,506	617,870
Allowance for uncollectibles	(1,502,297)	-	(4,478,055)	-
Net total receivables	<u>\$ 25,892,103</u>	<u>\$ 47,009</u>	<u>\$ 17,915,451</u>	<u>\$ 617,870</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ 1,994,175</u>	<u>\$ -</u>	<u>\$ 15,273,312</u>	<u>\$ -</u>

	Governmental activities		
	School Construction Fund	Non-major Funds	Total Governmental Activities
Receivables			
Accounts	\$ -	\$ -	\$ 3,870,711
Taxes	-	215,149	2,826,717
Tax assessment	-	248,623	248,623
Due from other governments	358,263	4,327,701	23,569,561
Notes	-	-	2,039,100
Other	-	-	22,418,463
Leases	-	-	318,241
Interest	13,725	40,647	365,477
Gross Receivables	371,988	4,832,120	55,656,893
Allowance for uncollectibles	-	(71,391)	(6,051,743)
Net total receivables	<u>\$ 371,988</u>	<u>\$ 4,760,729</u>	<u>\$ 49,605,150</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,267,487</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	Business-type activities		
	Solid Waste Management Fund	Water and Sewer Fund	Total Business-type Activities
Receivables			
Accounts	\$ 1,248,769	\$ 1,320,361	\$ 2,569,130
Taxes	-	-	-
Notes	-	2,915,624	2,915,624
Due from other governments	215,510	528,640	744,150
Leases	184,053	-	184,053
Leases interest	337	-	337
Interest	44,860	34,646	79,506
Gross Receivables	1,693,529	4,799,271	6,492,800
Allowance for uncollectibles	-	(1,288,860)	(1,288,860)
Net total receivables	<u>\$ 1,693,529</u>	<u>\$ 3,510,411</u>	<u>\$ 5,203,940</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ 167,226</u>	<u>\$ 2,722,791</u>	<u>\$ 2,890,017</u>

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

	Governmental Activities	Business-type Activities
Local option sales tax	\$ 14,099,775	\$ -
White goods disposal tax	-	22,817
Scrap tire tax	-	77,715
Solid waste disposal tax	-	18,962
Federal and state grants	8,326,169	553,066
Refundable sales tax	1,143,617	71,590
	<u>\$ 23,569,561</u>	<u>\$ 744,150</u>

5. Lease Receivables

Catawba County's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the County receives predetermined lease payments. These payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

In December 2015, the County entered into a lease with Celco Partnership dba Verizon Wireless in exchange for use of the Communications Center tower. The agreement had a commencement date of July 1, 2016 for a 5-year term with an automatic extension of an additional 5-year term. Per the agreement, annual lease payments increase annually by 3% on the anniversary of the commencement date. For fiscal year 2023, Verizon Wireless paid the

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

County \$28,657. There are no variable components in the lease. The lease received is measured as the present value of the future minimum rent payments expected to be received during the remaining lease term at a discount rate of 3%, which is the determined incremental borrowing rate.

In fiscal year 2023, the County recognized \$32,986.80 of lease revenue and \$1,335.25 of interest revenue under the lease.

In September 2020, the County entered into a lease with Spectrum Southeast, LLC in exchange for use of county-owned land located at 1085 Radio Station Road in the City of Newton. The agreement had a commencement date of March 1, 2021 for a 9-year term. Under the lease, Spectrum pays the County on a step-up payment basis. In fiscal year 2023, the annual payment was \$1,916. For years 2024-2029, the annual payment will increase by 3%. The lease received is measured as the present value of the future minimum rent payments expected to be received during the remaining lease term at a discount rate of 1.527%, which is the determined incremental borrowing rate.

In fiscal year 2023, the County recognized \$1,790.65 of lease revenue and \$210.70 of interest revenue under the lease.

In April 2022, the County entered into a lease with Russell E. Hedrick. Under the lease, Hedrick pays the County \$3,005.76 annually for 5 years in exchange for use of land at the Landfill for the purpose of farming activities. There are no variable components in the lease. The lease received is measured as the present value of the future minimum rent payments expected to be received during the remaining lease term at a discount rate of 2.56%, which is the determined incremental borrowing rate.

In fiscal year 2023, the County recognized \$2,856.35 of lease revenue and \$282.01 of interest revenue under the lease.

In April 2022, the County entered into a lease with Daniel Isenhour. Under the lease, Isenhour pays the County \$2,586.61 annually for 5 years in exchange for use of land at the Landfill for the purpose of farming activities. There are no variable components in the lease. The lease received is measured as the present value of the future minimum rent payments expected to be received during the remaining lease term at a discount rate of 2.56%, which is the determined incremental borrowing rate.

In fiscal year 2023, the County recognized \$2,458.41 of lease revenue and \$210.19 of interest revenue under the lease.

In October 2014, the County entered into a lease with Blue Ridge Biofuels, LLC in exchange for use of the EcoComplex facility located at the County Landfill. The agreement had a commencement date of January 1, 2015 for a 20-year term. Blue Ridge Biofuels, LLC pays the County a monthly lease payment based on the annual Consumer Price Index Report. For fiscal year 2023 the lease payments received totaled \$7,236. The lease received is measured as the present value of the future minimum rent payments expected to be received during the remaining lease term at a discount rate of 1.913%, which is the determined incremental borrowing rate.

In fiscal year 2023, the County recognized \$6,556.97 of lease revenue and \$1,544.93 of interest revenue under the lease.

In April 2022, the County entered into a lease with MAS Catawba RNG, LLC. Under the lease, MAS Catawba RNG, LLC pays the County \$500.00 per month for 264 months in exchange for use of the land located at the County Landfill. The lease received is measured as the present value of the future minimum rent payments expected to be received during the remaining lease term at a discount rate of 3.236%, which is the determined incremental borrowing rate.

In fiscal year 2023, the County recognized \$4,295.64 of lease revenue and \$2,981.49 of interest revenue under the lease.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

In September 2022, the County entered into a lease with ICare, Inc. Under the lease, ICare, pays the County \$2,000.00 per month through August 2027 in exchange for rental of a building located in the City of Newton. The lease received is measured as the present value of the future minimum rent payments expected to be received during the remaining lease term at a discount rate of 2.678%, which is the determined incremental borrowing rate.

In fiscal year 2023, the County recognized \$17,567.94 of lease revenue and \$4,070.17 of interest revenue under the lease.

	Governmental Activities		Business-Type Activities	
	Lease	Interest	Lease	Interest
	Receivable	Income	Receivable	Income
2024	48,415	6,216	14,292	4,723
2025	55,582	5,360	14,743	4,373
2026	71,495	4,370	15,105	4,011
2027	22,668	3,497	9,883	3,640
2028	23,314	2,907	10,120	3,403
2029-2033	96,767	5,520	54,379	13,238
2034-2038	-	-	34,089	7,196
2039-2043	-	-	27,002	2,998
2044	-	-	4,440	60
Total lease receivable	<u>\$ 318,241</u>		<u>\$ 184,053</u>	
Total interest income		<u>\$ 27,870</u>		<u>\$ 43,642</u>

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CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

6. Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 6,204,843	\$ -	\$ (147,762)	\$ 6,057,081
Construction in progress	16,586,389	2,398,125	(21,088)	18,963,426
Total capital assets, not being depreciated	<u>22,791,232</u>	<u>2,398,125</u>	<u>(168,850)</u>	<u>25,020,507</u>
Capital assets, being depreciated				
Buildings	171,405,504	1,021,565	(277,476)	172,149,593
Other improvements	27,185,938	105,027	(436,954)	26,854,011
Equipment and vehicles	37,510,033	2,700,024	(1,415,039)	38,795,018
Total capital assets, being depreciated	<u>236,101,475</u>	<u>3,826,616</u>	<u>(2,129,469)</u>	<u>237,798,622</u>
Less accumulated depreciation for				
Buildings	(58,580,154)	(3,348,755)	181,133	(61,747,776)
Other improvements	(6,510,027)	(543,744)	342,927	(6,710,844)
Equipment and vehicles	(21,289,196)	(2,818,490)	1,280,714	(22,826,972)
Total accumulated depreciation	<u>(86,379,377)</u>	<u>(6,710,989)</u>	<u>1,804,774</u>	<u>(91,285,592)</u>
Total capital assets, being depreciated, net	<u>149,722,098</u>	<u>(2,884,373)</u>	<u>(324,695)</u>	<u>146,513,030</u>
Right to use lease assets				
Buildings	1,033,472	119,988	-	1,153,460
Equipment	546,330	-	-	546,330
Subscription-Based Software	-	1,317,153	-	1,317,153
Total right to use assets being amortized	<u>1,579,802</u>	<u>1,437,141</u>	<u>-</u>	<u>3,016,943</u>
Less amortization for				
Buildings	(128,425)	(154,007)	-	(282,432)
Equipment	(160,471)	(160,475)	-	(320,946)
Subscription-Based Software	-	(385,675)	-	(385,675)
Total amortization	<u>(288,896)</u>	<u>(700,157)</u>	<u>-</u>	<u>(989,053)</u>
Total right to use assets being amortized, net	<u>1,290,906</u>	<u>736,984</u>	<u>-</u>	<u>2,027,890</u>
Governmental activities capital assets, net	<u>\$ 173,804,236</u>	<u>\$ 250,736</u>	<u>\$ (493,545)</u>	<u>\$ 173,561,427</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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

Governmental activities	
General government	\$ 326,880
Public safety	4,334,834
Environmental protection	7,447
Economic & physical development	846,605
Human services	1,045,564
Culture and recreation	149,659
Total depreciation expense	<u>\$ 6,710,989</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities				
Solid Waste Management				
Capital assets, not being depreciated				
Land	\$ 7,843,037	\$ 333,357	\$ -	\$ 8,176,394
Construction in progress	2,497,419	328,806	(96,751)	2,729,474
Total capital assets, not being depreciated	<u>10,340,456</u>	<u>662,163</u>	<u>(96,751)</u>	<u>10,905,868</u>
Capital assets, being depreciated				
Buildings	4,020,912	-	-	4,020,912
Other improvements	38,080,258	96,751	-	38,177,009
Equipment and vehicles	11,854,546	262,897	(310,779)	11,806,664
Total capital assets, being depreciated	<u>53,955,716</u>	<u>359,648</u>	<u>(310,779)</u>	<u>54,004,585</u>
Less accumulated depreciation for				
Buildings	(947,142)	(103,764)	-	(1,050,906)
Other improvements	(14,781,243)	(593,606)	-	(15,374,849)
Equipment and vehicles	(8,623,992)	(803,127)	310,779	(9,116,340)
Total accumulated depreciation	<u>(24,352,377)</u>	<u>(1,500,497)</u>	<u>310,779</u>	<u>(25,542,095)</u>
Total capital assets, being depreciated, net	<u>29,603,339</u>	<u>(1,140,849)</u>	<u>-</u>	<u>28,462,490</u>
Right to use lease assets				
Land	5,126		(5,126)	-
Equipment	11,581	-	(19)	11,562
Total right to use assets being amortized	<u>16,707</u>	<u>-</u>	<u>(5,145)</u>	<u>11,562</u>
Less amortization for				
Land	(1,282)	(627)	1,909	-
Equipment	(3,296)	(3,285)	-	(6,581)
Total amortization	<u>(4,578)</u>	<u>(3,912)</u>	<u>1,909</u>	<u>(6,581)</u>
Total right to use assets being amortized, net	<u>12,129</u>	<u>(3,912)</u>	<u>(3,236)</u>	<u>4,981</u>
Solid Waste Management capital assets, net	<u>\$ 39,955,924</u>	<u>\$ (482,598)</u>	<u>\$ (99,987)</u>	<u>\$ 39,373,339</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Business-type activities	Beginning Balance	Increases	Decreases	Ending Balance
Water & Sewer				
Capital assets, not being depreciated				
Land	\$ 875,684	\$ 1,476	\$ -	\$ 877,160
Construction in progress	1,885,463	96,886	(1,842,624)	139,725
Total capital assets, not being depreciated	<u>2,761,147</u>	<u>98,362</u>	<u>(1,842,624)</u>	<u>1,016,885</u>
Capital assets, being depreciated				
Plant and distribution systems/water lines	40,803,465	3,930,379	-	44,733,844
Other improvements	-	-	-	-
Total capital assets, being depreciated	<u>40,803,465</u>	<u>3,930,379</u>	<u>-</u>	<u>44,733,844</u>
Less accumulated depreciation for				
Plant and distribution systems/water lines	(7,057,154)	(890,076)	-	(7,947,230)
Other improvements	-	-	-	-
Total accumulated depreciation	<u>(7,057,154)</u>	<u>(890,076)</u>	<u>-</u>	<u>(7,947,230)</u>
Total capital assets, being depreciated, net	<u>33,746,311</u>	<u>3,040,303</u>	<u>-</u>	<u>36,786,614</u>
Water & Sewer capital assets, net	<u>\$ 36,507,458</u>	<u>\$ 3,138,665</u>	<u>\$ (1,842,624)</u>	<u>\$ 37,803,499</u>

Construction Commitments

The County has active construction and other capital projects as of June 30, 2023. The government's commitments with contractors and vendors are composed of numerous projects within the following funds:

	Project Authorization	Expended to June 30, 2023	Committed	Required Future Financing
Governmental activities				
General Capital Projects	\$ 111,209,622	\$ 78,328,154	32,881,468	None
Schools Capital Projects	44,518,396	34,485,787	10,032,609	None
School Construction	165,709,020	73,528,539	92,180,481	None
Total governmental activities	<u>\$ 321,437,038</u>	<u>\$ 186,342,480</u>	<u>\$ 135,094,558</u>	
Business-type activities				
Solid Waste Management Fund	\$ 15,392,436	\$ 12,330,363	3,062,073	None
Water and Sewer Fund	33,733,554	12,069,736	21,663,818	None
Total business-type activities	<u>\$ 49,125,990</u>	<u>\$ 24,400,099</u>	<u>\$ 24,725,891</u>	

B. Liabilities

1. Payables

Payables at the government-wide level at June 30, 2023 were as follows:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	Vendors	Salaries and Benefits	Other	Total
Governmental activities				
General	\$ 4,200,604	\$ 4,061,245	\$ 98,837	\$ 8,360,686
American Rescue Plan Act	99,321	-	13,651,366	13,750,687
Opioid Settlement	-	-	-	-
General Capital Projects	17,703	-	-	17,703
School Construction	1,219,954	-	-	1,219,954
Non-major Funds	369,996	4,627	47,071	421,694
Total governmental activities	<u>\$ 5,907,578</u>	<u>\$ 4,065,872</u>	<u>\$ 13,797,274</u>	<u>\$ 23,770,724</u>
Business-type Activities				
Solid Waste Management	\$ 212,822	\$ 70,509	4,248	287,579
Water and Sewer	29,314	5,843	15,941	51,098
Total business-type activities	<u>\$ 242,136</u>	<u>\$ 76,352</u>	<u>\$ 20,189</u>	<u>\$ 338,677</u>

2. Pension Plan Obligations

a. Local Governmental Employees' Retirement System

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

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

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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, 2023, was 13.1% of compensation for law enforcement officers and 12.1% 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 \$8,187,414 for the year ended June 30, 2023.

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, 2023, the County reported a liability of \$43,792,149 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 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, 2023, the County's proportion was .77626% (measured as of June 30, 2022), which was an increase of .00853% from its proportion as of June 30, 2022 (measured as of June 30, 2021).

For the year ended June 30, 2023, the County recognized pension expense of \$12,487,281. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental Activities		
Differences between expected and actual experience	\$ 1,842,017	\$ 180,599
Change of assumptions	4,265,394	-
Net difference between projected and actual earnings on pension plan investments	14,129,001	-
Changes in proportion and differences between County contributions and proportionate share of contributions	153,929	65,852
County contributions subsequent to the measurement date	7,992,391	-
Total	<u>\$ 28,382,732</u>	<u>\$ 246,451</u>
Business-Type Activities		
Solid Waste Management		
Differences between expected and actual experience	\$ 41,504	\$ 4,069
Change of assumptions	96,108	-
Net difference between projected and actual earnings on pension plan investments	318,355	-
Changes in proportion and differences between County contributions and proportionate share of contributions	3,468	1,484
County contributions subsequent to the measurement date	180,085	-
Total	<u>\$ 639,520</u>	<u>\$ 5,553</u>
Business-Type Activities		
Water & Sewer		
Differences between expected and actual experience	\$ 3,443	\$ 338
Change of assumptions	7,972	-
Net difference between projected and actual earnings on pension plan investments	26,408	-
Changes in proportion and differences between County contributions and proportionate share of contributions	288	123
County contributions subsequent to the measurement date	14,938	-
Total	<u>\$ 53,049</u>	<u>\$ 461</u>
Governmental Activities - Total	<u>\$ 28,382,732</u>	<u>\$ 246,451</u>
Business-Type Activities - Total	<u>692,569</u>	<u>6,014</u>
Total deferred	<u>\$ 29,075,301</u>	<u>\$ 252,465</u>

\$8,187,414 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, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Year ending June 30:

2024	\$ 6,499,270
2025	5,591,450
2026	1,649,130
2027	6,895,572
2028	-
Thereafter	-

Actuarial Assumptions. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.5 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2021 valuation with the exception of the discount rate were based on the results of an actuarial experience study prepared as of December 31, 2019 and adopted by the Board of Trustees on January 28, 2021.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33.0%	0.9%
Global Equity	38.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Opportunistic Fixed Income	7.0%	5.0%
Inflation Sensitive	6.0%	2.7%
Total	<u>100.0%</u>	

The information above is based on 30 year expectations developed with the consulting actuary for the 2022 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 2.25%. Return

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 6.50%. 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 6.50 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
County's proportionate share of the net pension liability (asset)	\$ 79,039,189	\$ 43,792,149	\$ 14,746,541

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.

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

All full-time law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2021, the Separation Allowance's membership consisted of:

Inactive Members Currently Receiving Benefits	18
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	150
	<u>168</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 for the County 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 funds that meets the criteria which are outlined in GASB Statement 73.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Actuarial Assumptions

The entry age normal actuarial cost method was used in the December 31, 2021 valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50% per annum
Salary increases	3.25% - 7.75% per annum
Discount rate	4.31% per annum, compounded annually

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

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employee's Retirement System for the five-year period ending December 31, 2019.

Mortality Rate

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

Deaths After Retirement (Disabled 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.

Death 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 \$211,241 as benefits came due for the reporting period.

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

At June 30, 2023, the County reported a total pension liability of \$6,116,355. The total pension liability was measured as of December 31, 2022 based on a December 31, 2021 actuarial valuation. The total pension liability was rolled forward to December 31, 2022 utilizing update procedures incorporating the actuarial assumption. For the year ended June 30, 2023, the County recognized pension expense of \$722,492.

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experiences	\$ 542,477	\$ 5,232
Changes of assumptions	965,172	1,086,483
County benefit payments and plan administrative expenses made subsequent to the measurement date	113,539	-
Total	<u>\$ 1,621,188</u>	<u>\$ 1,091,715</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

The County paid \$113,539 in benefit payments subsequent to the measurement date that are reported as deferred outflows of resources related to pensions which will be recognized as a decrease of the total pension liability in the year ending June 30, 2024. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2024	\$ 216,292
2025	216,647
2026	184,120
2027	(67,912)
2028	(133,213)
Thereafter	-

Sensitivity of the County's total pension liability to changes in the discount rate. The following presents the County's total pension liability calculated using the discount rate of 4.31 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 (3.31 percent) or 1-percentage-point higher (5.31 percent) than the current rate:

	1% Decrease (3.31%)	Discount Rate (4.31%)	1% Increase (5.31%)
Total pension liability	\$ 6,634,468	\$ 6,116,355	\$ 5,644,057

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

	2023
Total Pension Liability as of December 31, 2021	\$ 6,637,702
Service Cost	348,686
Interest on the total pension liability	146,972
Changes of benefit terms	-
Differences between expected and actual experience	314,842
Changes of assumptions and other inputs	(1,120,606)
Benefit payments	(211,241)
Other changes	-
Total Pension Liability as of December 31, 2022	\$ 6,116,355

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 2.25 percent at June 30, 2022 to 4.31 percent at June 30, 2023.

Changes in Benefit Terms. There are no changes in benefit terms since the prior measurement date.

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

c. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. All law enforcement officers employed by the County participate in the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. Participation begins at the date of employment, and benefits are provided to all law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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 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.

Total contributions for the County for the year ended June 30, 2023 were \$609,800 which consisted of \$491,443 from the County and \$118,357 from the law enforcement officers. No amounts were forfeited.

d. Register of Deeds' Supplemental Pension Fund

Plan Description. Catawba County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, 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.

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

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$15,639 for the year ended June 30, 2023.

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

At June 30, 2023, the County reported an asset of \$214,349 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2022. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 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, 2022, the County's proportion was 1.61895%, which was an increase of .09926% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the County recognized pension expense of \$35,171. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Register of Deeds	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,651	\$ 3,885
Changes of assumptions	11,349	-
Net difference between projected and actual earnings on pension plan investments	89,091	-
Changes in proportion and differences between County contributions and proportionate share of contributions	3,617	13,584
County contributions subsequent to the measurement date	15,639	-
Total	<u>\$ 121,347</u>	<u>\$ 17,469</u>

\$15,639 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, 2024.

Other amounts reported as deferred inflows or outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:

2024	\$ 23,230
2025	12,943
2026	29,659
2027	22,407
2028	-
Thereafter	-

Actuarial Assumptions. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	3.00 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study as of December 31, 2019.

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 99.9% 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, 2022 is 1.1%.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

The information above is based on 30 year expectations developed with the consulting actuary for the 2016 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.25%. Return projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 3.00%. 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.

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 3.00 percent, 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 (2.00 percent) or 1-percentage-point higher (4.00 percent) than the current rate:

	1% Decrease (2.00%)	Discount Rate (3.00%)	1% Increase (4.00%)
County's proportionate share of the net pension liability (asset)	\$ (247,068)	\$ 214,349	\$ (364,814)

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.

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

The net pension liability for LGERS and ROD was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as December 31, 2021. The total pension liability for LEOSSA was measured as of December 31, 2022, with an actuarial valuation date of December 31, 2021.

The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contribution of all participating entities. Following is information related to the proportionate share and pension expense:

	LGERS	ROD	LEOSSA	Total
Proportionate Share of Net Pension Liability (Asset)	\$43,792,149	\$ 214,349	\$ -	\$44,006,498
Proportion of the Net Pension Liability (Asset)	0.77626%	-1.61895%	n/a	
Total Pension Liability	-	-	\$6,116,355	\$ 6,116,355
Pension Expense	\$12,487,281	\$ 35,171	\$ 722,492	\$13,244,944

At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	LGERS	ROD	LEOSSA	Total
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 1,886,964	\$ 1,651	\$ 542,477	\$ 2,431,092
Changes of assumptions	4,369,474	11,349	965,172	5,345,995
Net difference between projected and actual earnings on pension plan investments	14,473,764	89,091	-	14,562,855
Changes in proportion and differences between County contributions and proportionate share of contributions	157,685	3,617	-	161,302
County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	8,187,414	15,639	113,539	8,316,592
<u>Deferred Inflows of Resources</u>				
Difference between expected and actual experience	\$ 185,006	\$ 3,885	\$ 5,232	\$ 194,123
Changes of assumptions	-	-	1,086,483	1,086,483
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
Changes in proportion and differences between County contributions and proportionate share of contributions	67,459	13,584	-	81,043

f. Other Postemployment Benefits (OPEB) – Catawba County Healthcare Benefits

Plan Description. According to County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB plan). The Board of Commissioners have the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits Provided. This plan provides health care benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (LGERS) and have at least thirty years of creditable service with the County. The County will pay the individual premium for these individuals. Employees who retire with at least 15 years of service but less than 30 years can purchase coverage at the County's group rates. Also, retirees can purchase coverage for their dependents at the County's group rates. Eligibility for coverage ceases when the retiree and/or dependents receive Medicare. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the HCB Plan consisted of the following at June 30, 2022, the date of the latest actuarial valuation:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Inactive employees or beneficiaries currently receiving benefits	57
Inactive members entitled to but not yet receiving benefits	-
Active employees	<u>1,094</u>
Total	<u><u>1,151</u></u>

Total OPEB Liability

The County's total OPEB liability (TOL) of \$39,387,615 was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2022.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50 percent
Real wage growth	.75 percent
Wage inflation	3.25 percent
Salary increases, including wage inflation	
General Employees	3.25% - 8.41%
Firefighters	3.25% - 8.15%
Law Enforcement Officers	3.25% - 7.90%
Municipal Bond Index Rate	
Prior Measurement Date	2.16%
Measurement Date	3.54%
Health Care Cost Trend Rates	
Pre-Medicare Medical and Prescription Drug	7.00% for 2022 decreasing to an ultimate rate of 4.50% by 2032

The County selected a Municipal Bond Rate equal to the June average of the Bond Buyer 20-year General Obligation Bond Index published weekly by The Bond Buyer, and the Municipal Bond Index Rate as of the measurement date as the discount rate used to measure the TOL.

Changes in the Total OPEB Liability

	Governmental Activities	Business-Type Activities		
		Solid Waste Management	Water & Sewer	Total
Total OPEB Liability as of June 30, 2022	\$ 32,647,476	\$ 850,510	\$ 28,970	\$ 33,526,956
Changes for the year:				
Service Cost at the end of the year*	1,722,192	40,737	1,405	1,764,334
Interest on TOL and Cash Flows	735,436	17,396	600	753,432
Change in benefit terms	-	-	-	-
Difference between expected and actual experience	8,295,998	196,235	6,767	8,499,000
Changes of assumptions or other inputs	(4,227,867)	(100,007)	(3,449)	(4,331,323)
Benefit payments	(805,083)	(19,044)	(657)	(824,784)
Other	-	-	-	-
Net changes	\$ 5,720,676	\$ 135,318	\$ 4,666	\$ 5,860,659
Total OPEB Liability as of June 30, 2023	\$ 38,368,152	\$ 985,828	\$ 33,636	\$ 39,387,615

*The service cost includes interest for the year

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Changes in assumptions and other inputs reflect a change in the discount rate from 2.16% to 3.54%.

Mortality rates were based on the Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2015 – December 31, 2019, adopted by the LGERS Board.

The remaining actuarial assumptions (e.g. initial per capital costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2022 valuation were based on a review of recent plan experience performed concurrently with the June 30, 2022 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 or 1-percentage point higher than the current discount rate of 3.54%:

	1% Decrease	Discount	1% Increase
	<u>(2.54%)</u>	<u>(3.54%)</u>	<u>(4.54%)</u>
Total OPEB Liability \$	43,648,879	\$ 39,387,615	\$ 35,594,478

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

	1% Decrease	Current	1% Increase
Total OPEB Liability \$	34,788,425	\$ 39,387,615	\$ 44,836,752

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

For the year ended June 30, 2023, the County recognized OPEB expense of \$4,576,689. At June 30, 2023, the County reported deferred outflows or resources and deferred inflows of resources related to OPEB from the following sources:

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental Activities		
Differences between expected and actual experience	\$ 10,940,518	\$ 148,145
Changes of assumptions or other inputs	4,130,292	3,957,935
Benefit payments for the OPEB plan paid subsequent to measurement date	1,000,295	-
Total	<u>\$ 16,071,105</u>	<u>\$ 4,106,080</u>
Business-Type Activities		
Solid Waste Management		
Differences between expected and actual experience	\$ 268,894	\$ 3,764
Changes of assumptions or other inputs	106,978	95,240
Benefit payments for the OPEB plan paid subsequent to measurement date	26,060	-
Total	<u>\$ 401,932</u>	<u>\$ 99,004</u>
Business-Type Activities		
Water & Sewer		
Differences between expected and actual experience	\$ 9,187	\$ 125
Changes of assumptions or other inputs	3,584	3,290
Benefit payments for the OPEB plan paid subsequent to measurement date	899	-
Total	<u>\$ 13,670</u>	<u>\$ 3,415</u>
Governmental Activities - Total	<u>\$ 16,071,105</u>	<u>\$ 4,106,080</u>
Business-Type Activities - Total	<u>415,602</u>	<u>102,419</u>
Total deferred	<u>\$ 16,486,707</u>	<u>\$ 4,208,499</u>

\$1,027,254 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred inflows or outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:

2024	\$ 2,058,923
2025	2,058,923
2026	2,078,113
2027	1,887,587
2028	1,728,434
Thereafter	1,438,974

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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 LGERS, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership services in LGERS at the time of death are eligible for death benefits. Lump sum death benefits 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 postemployment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The County considers these contributions to be immaterial.

h. Catawba Valley Medical Center Pension Plan

Please see the separately issued financial report for Catawba Valley Medical Center for a complete description of the Medical Center's pension plan.

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

3. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Exhibit 1		
Charge on refunding of debt	\$ 213,352	\$ -
(Pensions, OPEB) - difference between expected and actual experience	13,649,691	346,157
(Pensions, OPEB) - difference between projected and actual investment earnings	14,562,855	-
(Pensions) - change in proportion and difference between employer contributions and proportionate share of contributions	161,302	81,043
(Pensions, OPEB) - change in assumptions	9,586,849	5,142,948
Contributions to pension plan subsequent to measurement date (LGERS, ROD)	8,203,053	-
Benefit payments for the OPEB plan paid subsequent to measurement date	1,027,254	-
Benefit payments and admin costs paid subsequent to the measurement date (LEOSSA)	113,539	-
Leases	-	489,021
Prepaid taxes not yet earned (General)	-	163,664
Prepaid taxes not yet earned (Special Revenue)	-	9,331
Advance - Medicaid Expansion (General)	-	397,320
Total - Exhibit 1	<u>\$ 47,517,895</u>	<u>\$ 6,629,484</u>

Exhibit 3		
Prepaid taxes not yet earned (General)	\$ -	\$ 163,664
Prepaid taxes not yet earned (Special Revenue)	-	9,331
Unavailable revenue - Opioid Settlement (Special Revenue)	-	17,912,220
Unavailable revenue - tax road assessment (Special Revenue)	-	248,623
Advance - Medicaid Expansion (General)	-	397,320
Leases	-	304,145
Taxes receivable, net (General)	-	1,805,306
Taxes receivable, net (Special Revenue)	-	143,761
Ambulance receivable, net (General)	-	2,386,495
Human resource receivable, net (General)	-	454,491
Total - Exhibit 3	<u>\$ -</u>	<u>\$ 23,825,356</u>

4. Closure and Postclosure Care Costs – Blackburn Resource Recovery Facility

State and Federal laws and regulations require the County to place a final cover on its current operating cell at Blackburn Resource Recovery facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County also has a closed cell at the Blackburn Resource Recovery facility for which the entire amount of the closure and postclosure costs has been recognized as the cell capacity was used. Although closure and postclosure care costs will be paid only or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$10,129,316 reported as landfill closure and postclosure care liability as of June 30, 2023 represents a cumulative amount reported to date based on the use of 70.0% of the total estimated capacity of the municipal solid waste operating cell and 99.5% of the total estimated capacity of the construction and demolition operating cell of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$21,891,768 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2023. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

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

5. Risk Management

The County is exposed to various risks of losses related to torts; theft of; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The property of Catawba County Government is insured on a blanket basis with replacement cost coverage on buildings and contents, and actual cash value on equipment. The County self-insures its liability risk up to a deductible of \$75,000 each occurrence, and purchases excess liability insurance with limits of \$7 million for any one occurrence for bodily injury, property damage, and personal injury, including law enforcement, public officials, and employment practices liability. The County also self-insures its workers' compensation risks up to \$500,000 each accident for all codes except Police & Fire which are at \$650,000 each, and purchases excess workers' compensation insurance to statutory limits. The insurance program includes physical damage coverage for owned autos at actual cash value, and fidelity insurance with limits of \$250,000 per occurrence. At the inception of the program, all of the property, liability, and workers' compensation insurers utilized by the County have an A.M. Best's Company rating/financial size category of "A-/VII" or better with stable outlooks. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

The County is a member of the North Carolina Health Insurance Pool (NCHIP) since July 1, 2018, which is a local government risk pool for employee health benefits of cities and counties. Under NCHIP, a portion of the County's claims for employee health benefits is self-funded and a portion of the claims is pooled with other NCHIP member. NCHIP has contracted with Blue Cross and Blue Shield as a third-party administrator to adjudicate claims and manage cost containment. To safeguard against catastrophic claims, NCHIP has specific stop-loss coverage that occurs after \$200,000 in claims per member. The specific stop loss is brokered through Blue Cross and Blue Shield. The County has zero liability for incurred but not reported (IBNR) claims as the County prepaies a reserve held by the risk pool to cover any incurred but not reported (IBNR) claims as of June 30, 2023.

The County carries flood insurance as a part of its property insurance through Travelers Insurance Companies with limits as follows: Flood excluded at these locations: Zone A or Zones prefixed A by NFIP in such Flood Zone and also Zones V or prefixed Z under NFIP in such flood zone. Otherwise, flood limit is \$10,000,000. The deductible for is \$50,000. The County periodically reviews updated flood maps to identify any owned locations within designated flood zones.

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 tax collector is individually bonded for \$100,000. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000. Effective with the bond renewal on May 2, 2023 the County increased the bonding for the Finance Director to \$1,000,000 in order to comply with S.L. 2022-53, Section 9(a).

6. Contingent Liabilities

At June 30, 2023, the County was a defendant to various lawsuits. In the opinion of management and the County attorney, the ultimate effect of these legal matters will not have a material effect on the County's financial position.

7. Long-Term Obligations

Governmental Activities

a. Certificates of Participation

On December 12, 2012, the County issued \$10,965,000 Certificates of Participation, Series 2012 with U.S. Bank to advance refund \$9,750,000 of Certificates of Participation, Series 2005. The financing contract required principal payments beginning June 2013 with an interest rate of 2.08%.

The future minimum payments as of June 30, 2023, including \$58,656 of interest are as follows:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	Governmental Activities	
	Principal	Interest
2024	960,000	39,312
2025	930,000	19,344
Total principal payments	<u>\$ 1,890,000</u>	
Total interest payments		<u>\$ 58,656</u>

b. Installment Purchases

1. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into a direct placement installment financing agreement on April 30, 2013 with SunTrust Institutional for the purpose of providing funds up to \$31,000,000 for the construction and renovations to public schools, community college, and County animal shelter. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding because the public school property is pledged as collateral for the debt. The County entered into a lease with the Boards of Education and Community College Board of Trustees that transfers the rights and responsibilities for the maintenance and insurance of the property to the Boards of Education and Board of Trustees. The lease calls for nominal lease payments and a bargain purchase option. The lease term the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Boards of Education and Board of Trustees. This agreement requires fifteen annual principal payments of \$2,066,666 and interest payments at an interest rate of 1.96%.

In the event of default, the bank may declare all indebtedness to be due and payable without notice.

For Catawba County, the future minimum payments as of June 30, 2023, including \$607,600 of interest are:

	Governmental Activities	
	Principal	Interest
2024	2,066,667	202,533
2025	2,066,667	162,027
2026	2,066,667	121,520
2027	2,066,667	81,013
2028	2,066,666	40,507
Total principal payments	<u>\$ 10,333,334</u>	
Total interest payments		<u>\$ 607,600</u>

2. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into a \$50,530,000 direct placement installment financing agreement in September 2016 with TD Bank at an interest rate of 1.76% for 15 years. The purpose of this financing was to refund the 2009 debt with Bank of America and the 2010 Build America Bonds with Branch, Banking and Trust (BB&T) with additional funds to pay for construction and renovation of public school and community college facilities.

The financing included \$8,440,000 to current refund the Series 2009 Bank of America loan. As a result, the loan is considered defeased and the liability has been removed from the governmental activities column of the statement of net position. The refunding was undertaken to reduce total debt payments by \$8,933,333 over the next 4 years and resulted in an economic gain of \$581,956.

The financing included \$5,275,000 to current refund the Series 2010 Build America Bonds. As a result, the bonds are considered defeased and the liability has been removed from the governmental activities column of the statement of net position. The refunding was undertaken to reduce total debt payments by \$5,504,583 over the next 5 years and resulted in an economic gain of \$252,271.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

The direct placement financing included \$36,815,000 to pay a portion of construction and renovation costs of public school and community college facilities. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding because the community college and public high school property are pledged as collateral for the debt. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Boards of Education and Community College Board of Trustees.

In the case of default, the bank may declare that all unpaid principal components of the installment payments are due and payable without notice to the County.

For Catawba County, the future minimum payments as of June 30, 2023, including \$1,617,352 of interest are:

	Governmental Activities	
	Principal	Interest
2024	4,085,000	388,872
2025	3,020,000	316,976
2026	2,720,000	263,824
2027	2,455,000	215,952
2028	2,455,000	172,744
2029-2031	7,360,000	258,984
Total principal payments	<u>\$ 22,095,000</u>	
Total interest payments		<u>\$ 1,617,352</u>

3. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into a direct placement installment financing agreement on September 9, 2020 with Truist Bank for the purpose of providing funds up to \$18,550,000 for the construction and renovations to public schools. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding because the public school property is pledged as collateral for the debt. The County entered into a lease with the Board of Education that transfers the rights and responsibilities for the maintenance and insurance of the property to the Board of Education. The lease calls for nominal lease payments and a bargain purchase option. The lease term the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education. This agreement requires fifteen annual principal payments of \$1,237,000 and interest payments at an interest rate of 1.76%.

In the event of default, the bank may declare all indebtedness to be due and payable without notice.

For Catawba County, the future minimum payments as of June 30, 2023, including \$1,838,742 of interest are:

	Governmental Activities	
	Principal	Interest
2024	1,237,000	272,052
2025	1,237,000	250,281
2026	1,237,000	228,510
2027	1,237,000	206,738
2028	1,237,000	184,967
2029-2033	6,183,000	598,303
2034-2036	3,708,000	97,891
Total principal payments	<u>\$ 16,076,000</u>	
Total interest payments		<u>\$ 1,838,742</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

4. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into a \$12,325,000 direct placement installment financing agreement in October 2021 with JP Morgan Bank at an interest rate of 1.40% for 6 years, of which \$10,757,408 was for governmental activities. The purpose of this financing was to refund the 2011 debt with U.S. Bank. As a result, the loan is considered defeased and the liability has been removed from the governmental activities column of the statement of net position. The refunding was undertaken to reduce the total debt payments over the next 6 years and resulted in an economic gain of \$1,105,958.

In the event of default, the bank may declare all indebtedness to be due and payable without notice.

For Catawba County, the future minimum payments as of June 30, 2023, including \$249,606 of interest are:

	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	2,884,644	86,629	420,356	12,624
2025	1,220,191	57,895	177,809	8,437
2026	1,199,244	40,959	174,756	5,969
2027	1,176,551	24,329	171,449	3,545
2028	1,149,493	8,046	167,507	1,173
Total principal payments	<u>\$ 7,630,123</u>		<u>\$ 1,111,877</u>	
Total interest payments		<u>\$ 217,858</u>		<u>\$ 31,748</u>

c. Qualified School Construction Bonds

1. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into a direct placement installment financing agreement on September 27, 2010 with Branch Banking & Trust (BB&T) for the purpose of providing funds up to \$21,508,553 for the construction of a new middle school, renovations to a middle school, renovations to a high school, and renovations of a community college. The County's obligation under the contract will be designated as "Qualified School Construction Bonds (QSCBs)" pursuant to the federal QSCB program. The direct placement installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding because the property is pledged as collateral for the debt. The County entered into a lease with the Boards of Education and Board of Trustees that transfers the rights and responsibilities for the maintenance and insurance of the property to the Boards of Education and Board of Trustees. The lease calls for nominal lease payments and a bargain purchase option. The lease term is the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Boards of Education and Board of Trustees.

The financing contract requires semi-annual sinking fund payments of \$716,951 beginning March 2011 with an interest rate of 5% and a maturity date of September 27, 2025 when principal is due in full. Under the original QSCB agreement, the County's obligation is eligible up to a 100% credit against the interest paid. The federal interest subsidy was reduced during the year by 5.7%, or \$57,084, as part of the Budget Control Act of 2011. The sequestration reduction rate was applicable until the end of the federal fiscal year.

The future minimum interest payments at June 30, 2023 are \$2,688,569.

2. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into a direct placement installment financing agreement on May 4, 2011 with BB&T for the purpose of providing funds up to \$6,300,000 for the renovations to an elementary school and renovations to a high school. The County's obligation under the contract will be designated as "Qualified School Construction Bonds (QSCBs)" pursuant to the federal QSCB program. This agreement is an amendment to the QSCB financing from September 27, 2010. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding because the property is pledged as collateral for the debt. The County entered into a lease with the Board of Education that transfers the rights and responsibilities for the maintenance and insurance of the property to the Board of Education. The lease calls for nominal lease payments and a bargain purchase option. The lease term is the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Education.

The financing contract requires semi-annual sinking fund payments of \$210,000 beginning September 2011 with an interest rate of 5.52% and a maturity date of March 27, 2026 when principal is due in full. Under the original QSCB agreement, the County's obligation is eligible up to a 100% credit against the interest paid. The federal interest subsidy was reduced during the year by 5.7%, or \$17,906, as part of the Budget Control Act of 2011. The sequestration reduction rate was applicable until the end of the federal fiscal year.

The future minimum interest payments at June 30, 2023 are \$1,043,280.

e. Limited Obligation Bonds

1. 2014 Limited Obligation Bonds

As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into an installment financing agreement with U.S. Bank on March 4, 2014 to issue \$21,935,000 in Limited Obligation Bonds Series 2014A to refinance existing financial obligations of the County, and to provide funds for a Justice Center expansion.

Of this amount, \$1,810,000 was used to advance refund \$1,805,000 of Series 2004 Certificates of Participation. As a result, the refunded obligation is considered defeased and the liability removed from the government column of the statement of net position. The reacquisition price exceeded the net carrying value of the old debt by \$5,000. This amount is netted against the new debt and amortized over the life of the refunded debt, which is shorter than the life of the new debt issued. This advance refunding was paid in full in fiscal year 2015.

The remaining \$20,125,000 of this issuance was used to finance the expansion of the County's Justice Center. The agreement requires seventeen annual principal payments that vary from \$1,180,000 to \$1,185,000 and interest payments at a rate that varies from 2% - 5%.

For Catawba County, the future minimum payments as of June 30, 2023, including \$2,052,225 of interest are:

	Governmental Activities	
	Principal	Interest
2024	1,185,000	454,244
2025	1,185,000	394,994
2026	1,185,000	335,744
2027	1,185,000	276,493
2028	1,185,000	206,875
2029-2031	3,545,000	383,875
Total principal payments	<u>\$ 9,470,000</u>	
Total interest payments		<u>\$ 2,052,225</u>

2. 2018 Limited Obligation Bonds

As authorized by State law (G.S. 160A-20 and 153A-158.1), the County issued \$39,085,000 of Limited Obligation Bonds (Series 2018) in June 2018 at an interest rate of 2.50% – 5.00% for 20 years. The proceeds of this bond issue were used to finance an expansion to the County's jail facility, improvements to a County park, community college renovations and equipment, and various public school facility renovations.

For Catawba County, the future minimum payments as of June 30, 2023, including \$10,641,071 of interest are:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	Governmental Activities	
	Principal	Interest
2024	1,965,000	1,366,238
2025	1,965,000	1,267,988
2026	1,960,000	1,169,862
2027	1,960,000	1,071,863
2028	1,955,000	973,988
2029-2033	9,750,000	3,426,313
2034-2038	9,730,000	1,332,081
2039	1,940,000	32,738
Total principal payments	<u>\$ 31,225,000</u>	
Total interest payments		<u>\$ 10,641,071</u>

3. 2023 Limited Obligation Bonds

As authorized by State law (G.S. 160A-20 and 153A-158.1), the County issued \$38,480,000 of Limited Obligation Bonds (Series 2023) in April 2023 at an interest rate of 3.125% – 5.00% for 20 years. The proceeds of this bond issue were used to finance the construction and renovations of public schools.

For Catawba County, the future minimum payments as of June 30, 2023, including \$18,170,864 of interest are:

	Governmental Activities	
	Principal	Interest
2024	1,920,000	1,633,214
2025	1,930,000	1,664,350
2026	1,930,000	1,567,850
2027	1,930,000	1,471,350
2028	1,930,000	1,423,100
2029-2033	9,640,000	5,783,800
2033-2038	9,600,000	3,456,000
2039-2043	9,600,000	1,171,200
Total principal payments	<u>\$ 38,480,000</u>	
Total interest payments		<u>\$ 18,170,864</u>

f. Leases

The County has entered into agreements to lease certain buildings, land and office equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

Effective July 2021, an agreement to lease space at the City of Conover EMS base for the purpose of providing County EMS services met the criteria for GASB 87. The lease agreement requires 10 annual payments of \$93,000. The actual lease term is for 35 years. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 2.583% which is the determined incremental borrowing rate. As a result of the lease, the County has recorded a right to use asset with a net book value of \$710,227 at June 30, 2023. The right to use asset is discussed in more detail in the right to use section of this note.

An agreement was executed September 2019 to lease office equipment for multifunctional copiers/printers for Social Services operations. The lease agreement requires 60 monthly payments of \$2,171. The lease liability is measured at a discount rate 0.893% which is the determined incremental borrowing rate. As a result of the lease, the County has recorded a right to use asset with a net book value of \$30,703 at June 30, 2023. The right to use asset is discussed in more detail in the right to use section of this note.

Effective July 2021, an agreement to lease office equipment for multifunctional copiers/printers for use throughout County departments, with the exception of Social Services, met the criteria for GASB 87. The lease agreement

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

requires 60 monthly payments of \$10,929.83. The lease liability is measured at a discount rate 0.727% which is the determined incremental borrowing rate. As a result of the lease, the County has recorded a right to use asset with a net book value of \$199,241 at June 30, 2023. The right to use asset is discussed in more detail in the right to use section of this note.

Effective July 2021, an agreement to lease office space for the purpose of housing court probation staff. The lease agreement requires monthly payments of \$3,250 through April 2024 and monthly payments of \$3,367.50 from May 2024 through April 2025. There are no variable payment components of the lease. The lease liability is measured at a discount rate 0.316% which is the determined incremental borrowing rate. As a result of the lease, the County has recorded a right to use asset with a net book value of \$70,212 at June 30, 2023. The right to use asset is discussed in more detail in the right to use section of this note.

Effective July 2021, an agreement to lease a building for the purpose of providing library services met with criteria for GASB 87. The lease agreement requires 10 biannual payments of \$23,400. There are no variable payment components of the lease. The lease liability is measured at a discount rate 0.316% which is the determined incremental borrowing rate. As a result of the lease, the County has recorded a right to use asset with a net book value of \$90,589 at June 30, 2023.

Effective July 2021, an agreement to lease office equipment for provision and preservation of records for the Register of Deeds Office met the criteria of GASB 87. The lease agreement requires 60 monthly payments of \$746.26. The lease liability is measured at a discount rate 0.5146% which is the determined incremental borrowing rate. As a result of the lease, the County has recorded a right to use asset with a net book value of \$421 at June 30, 2023.

	Governmental Activities		Business-type Activities	
	Lease Payments		Lease Payments	
	Principal	Interest	Principal	Interest
2024	316,341	17,186	3,243	27
2025	245,729	13,713	1,910	2
2026	116,501	11,184	-	-
2027	83,981	9,019	-	-
2028	86,150	6,850	-	-
2029-2033	179,029	6,966	-	-
Total principal payments	<u>\$ 1,027,732</u>		<u>\$ 5,153</u>	
Total interest payments		<u>\$ 64,917</u>		<u>29</u>

Subscription-Based Software Agreements

The County has entered into subscription-based software agreements qualifying as other than short-term agreements under GASB 96 and, therefore, have been recorded at the present value of the future minimum subscription payments as of the date of their inception.

Effective July 2022, the County entered into a subscription agreement with Software One for the purposes of a Microsoft Enterprise agreement to support technology infrastructure and applications. The subscription liability is \$155,423 as of June 30, 2023. The liability is measured at a discount rate of 2.024% which is the determined incremental borrowing rate. As a result of the subscription agreement, the County has recorded a right to use asset with a net book value of \$114,332 at June 30, 2023. The right to use asset is discussed in more detail in the right to use section of this note.

In July 2022, the County entered into a 3-year subscription agreement with LexisNexis for the purposes of a cloud-based subscription allowing library patrons access to law and tax authority libraries and archives. The subscription liability is \$24,841 as of June 30, 2023. The liability is measured at a discount rate of 2.184% which is the determined incremental borrowing rate. As a result of the subscription agreement, the County has recorded a right to use asset

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

with a net book value of \$24,160 at June 30, 2023. The right to use asset is discussed in more detail in the right to use section of this note.

In September 2022, the County entered into a 5-year subscription agreement with SOMA Global, Inc. for the purpose of a cloud-based case management solution for public safety. The subscription liability is \$668,108 as of June 30, 2023. The liability is measured at a discount rate of 2.366% which is the determined incremental borrowing rate. As a result of the subscription agreement, the County has recorded a right to use asset with a net book value of \$704,455 at June 30, 2023. The right to use asset is discussed in more detail in the right to use section of this note.

In September 2022, the County entered into a 3-year subscription agreement with Spatialest, Inc. for the purposes of a cloud-based solution to assist with tax appraisal comparables. The subscription liability is \$64,867 as of June 30, 2023. The liability is measured at a discount rate of 2.184% which is the determined incremental borrowing rate. As a result of the subscription agreement, the County has recorded a right to use asset with a net book value of \$88,531 at June 30, 2023. The right to use asset is discussed in more detail in the right to use section of this note.

Governmental Activities

	SBITA Payments	
	Principal	Interest
2024	352,664	18,158
2025	206,355	13,053
2026	171,485	8,381
2027	182,736	4,324
Total principal payments	<u>\$ 913,241</u>	
Total interest payments		<u>\$ 43,915</u>

Business-Type Activities

g. Federal Revolving Loan

On November 10, 2010, the County entered into a direct borrowing federal revolving loan agreement with the State of North Carolina, Department of Environment and Natural Resources for the purpose of providing funds up to \$3,000,000 for a water project. The County promised to pay the State of North Carolina \$3,000,000 together with any additional amount disbursed under 15A NCAC 02M.0603 or 15A NCAC 01J.2201 with zero interest on the unpaid principal sum. As part of the American Recovery and Reinvestment Act of 2009 (ARRA), the unpaid principal and interest was immediately reduced by one half of the loan amount as "principal forgiveness." The loan will be repaid in 20 equal installments on May 1 until the principal is paid in full.

In the case of default, the State of North Carolina may withhold other monies due to the County to pay any outstanding principal due.

The future minimum payments as of June 30, 2023 are:

	Business-type Activities	
	Principal	Interest
2024	75,000	-
2025	75,000	-
2026	75,000	-
2027	75,000	
2028	75,000	
2029-2030	150,000	-
Total principal payments	<u>\$ 525,000</u>	
Total interest payments		<u>\$ -</u>

Bonds and Notes Outstanding at June 30, 2023 consist of the following:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Governmental Activities

Certificates of Participation

2012 Certificates of Participation	Refunding debt for schools and community college, County facility	<u>10,965,000</u>	<u>1,890,000</u>	2.08%
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Direct Placement Installment Purchases

2013 installment purchase	Public school and community college construction/renovation, County animal shelter	31,000,000	10,333,333	1.96%
2016 installment purchase	Public school and community college construction/renovation, refunding	50,530,000	22,095,000	1.76%
2020 installment purchase	Public school construction/renovation	18,550,000	16,076,000	1.76%
2021 installment purchase	Refunding debt for public schools, community college	<u>12,325,000</u>	<u>7,630,123</u>	1.40%
Total installment purchases		<u>112,405,000</u>	<u>56,134,456</u>	

Direct Placement Qualified School Construction Bonds

2010 QSCB	Public school and community college construction/renovation	21,508,553	21,508,553	5% with 94.3% IRS subsidy
2011 QSCB	Public school construction/renovation	<u>6,300,000</u>	<u>6,300,000</u>	5.52% with 94.3% IRS subsidy
Total qualified school construction bonds		<u>27,808,553</u>	<u>27,808,553</u>	

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CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Limited Obligation Bonds

2014 LOB	Refunding debt for public schools, community college, new debt Justice Center	21,935,000	9,470,000	2.00-5.00%
2018 LOB	Public school and community college construction/renovations, County park, jail expansion	39,085,000	31,225,000	3.125-5.00%
2023 LOB	Public school construction and renovations	<u>38,480,000</u>	<u>38,480,000</u>	2.50-5.00%
Total limited obligation bonds		<u>99,500,000</u>	<u>79,175,000</u>	

Lease Liabilities Issued

2022 Building Leases	Building and office space leases for governmental activities	1,033,472	681,864	
2022 Equipment Leases	Equipment leases for governmental activities	546,330	231,869	
2023 Building Leases	Building and office space leases for governmental activities	119,987	113,999	
2023 Software Leases	Subscription-Based Software Agreements	<u>1,113,045</u>	<u>913,241</u>	
Total Lease Liabilities		<u>2,812,834</u>	<u>1,940,973</u>	
Total Governmental Activities		<u>253,491,387</u>	<u>166,948,982</u>	

Business-type activities

Direct Placement Installment Purchases

2021 Installment purchase	Refunding debt for sanitary sewer	<u>1,567,592</u>	<u>1,111,877</u>	1.40%
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Direct Borrowing Federal Revolving Loan

2010 loan	Water improvements	<u>3,000,000</u>	<u>525,000</u>	0.00%
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Lease Liabilities Issued

2022 Equipment Lease	Copier lease for solid waste operations	<u>11,581</u>	<u>5,153</u>	
Total Business-type activities		<u>4,567,592</u>	<u>1,642,030</u>	

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

j. Long-Term Obligation Activity

The following is a summary of changes in the County's general long-term obligations for the fiscal year ended June 30, 2023:

	Balance June 30, 2022	Increases	Decreases	Balance June 30, 2023	Current Portion of Balance
Governmental activities					
Certificates of participation	\$ 2,880,000		\$ (990,000)	\$ 1,890,000	\$ 960,000
Direct placement installment purchase	66,675,408		(10,540,952)	56,134,456	10,273,310
Direct placement Qualified School Const. Bond	27,808,553	-	-	27,808,553	-
Limited obligation bonds	43,845,000	38,480,000	(3,150,000)	79,175,000	5,070,000
Premium on long-term debt	4,971,483	4,791,431	(409,312)	9,353,602	-
Long-Term Leases	1,229,837	119,987	(322,092)	1,027,732	316,341
Long-Term Software Agreements	-	1,113,045	(199,804)	913,241	352,664
Compensated absences	5,793,569	4,471,258	(4,052,046)	6,212,781	4,052,046
Net pension liability (LGERS)	11,475,671	31,273,356	-	42,749,027	-
Total pension liability (LEOSSA)	6,637,702	810,500	(1,331,847)	6,116,355	-
Total OPEB liability	32,647,477	5,720,675	-	38,368,152	-
Total governmental activities	<u>\$ 203,964,700</u>	<u>\$ 86,780,252</u>	<u>\$ (20,996,053)</u>	<u>\$ 269,748,899</u>	<u>\$ 21,024,361</u>
	Balance June 30, 2022	Increases	Decreases	Balance June 30, 2023	Current Portion of Balance
Business-type activities					
Solid-Waste Management					
Accrued landfill closure and postclosure costs	\$ 10,029,316	\$ 100,000	\$ -	\$ 10,129,316	\$ 100,000
Long-Term Leases	\$ 12,214	\$ -	\$ (7,061)	\$ 5,153	\$ 3,243
Compensated absences	123,823	90,198	(90,279)	123,742	90,279
Net pension liability (LGERS)	278,586	684,636	-	963,222	-
Total OPEB liability	850,510	135,318	-	985,828	-
Total Solid Waste Management	<u>\$ 11,294,449</u>	<u>\$ 1,010,152</u>	<u>\$ (97,340)</u>	<u>\$ 12,207,261</u>	<u>\$ 193,522</u>

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CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

	Balance			Balance	Current
	June 30, 2022	Increases	Decreases	June 30, 2023	Portion
					of Balance
Water & Sewer					
Direct placement Installment purchase	\$ 1,567,592		\$ (455,715)	\$ 1,111,877	\$ 420,356
Direct borrowing federal revolving loan	600,000	-	(75,000)	525,000	75,000
Compensated absences	21,005	11,798	(10,069)	22,734	10,069
Net pension liability (LGERS)	19,620	60,280	-	79,900	-
Total OPEB liability	28,970	4,666	-	33,636	-
Total Water & Sewer	\$ 2,237,187	\$ 76,744	\$ (540,784)	\$ 1,773,147	\$ 505,425
Total business-type activities	\$ 13,531,636	\$ 1,086,896	\$ (638,124)	\$ 13,980,408	\$ 698,947

Compensated absences typically have been liquidated in the general fund and are accounted for on a last in first out (LIFO) basis, assuming that employees are taking leave time as it is earned. The current portion of compensated absences is estimated at \$4,052,046 for governmental activities and \$100,348 for business-type activities. Net pension and other post-employment liabilities are typically liquidated in the general fund.

k. Debt Related to Capital Activities

Of the total Government Activities debt listed, unexpended debt proceeds, premiums on debt, and deferred charges on refundings, only \$38,906,607 relates to assets the County holds title. Unexpended debt proceeds related to capital debt are \$89,735 for governmental activities and \$0 for business-type activities.

Net investment in capital assets for June 30, 2023 was calculated as follows:

	Governmental activities	Business-type activities
Capital assets	\$ 173,561,427	\$ 77,176,838
Long term debt outstanding	(166,948,982)	(1,636,877)
School debt for which County does not hold asset title	131,073,719	-
Premium on long term debt, net of school related debt	(3,306,875)	-
Deferred outflows, net of school related debt	185,796	-
Unexpended proceeds - net of school related debt	89,735	-
Total related debt	(38,906,607)	(1,636,877)
Net investment in capital assets	\$ 134,654,820	\$ 75,539,961

I. Legal Debt Margin

At June 30, 2023, Catawba County had a legal debt margin of \$1,478,272,159.

m. Revenue Bonds

Catawba Valley Medical Center

1. On August 1, 2016, the County issued County of Catawba, North Carolina Refunding Revenue Bonds (Catawba Memorial Hospital Project) Series 2016A (the "Series 2016A Bonds") through Branch, Banking and Trust (BB&T), (now Truist) totaling \$25,000,000 for the purpose of refunding Series 2009 Bonds. Additionally, the County issued County of Catawba, North Carolina Hospital Refunding Revenue Bonds (Catawba Valley Medical Center) Series 2016B (the "Series 2016B Bonds") through BB&T (now Truist) totaling \$18,340,000 for the purpose of refunding Series 2010 Bonds.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Total 2016A Hospital Refunding Bonds outstanding at June 30, 2023 were \$20,626,840. Total 2016B Hospital Refunding Bonds outstanding at June 30, 2023 were \$6,373,999.

On January 1, 2019, the Hospital converted the Series 2016 A Bonds from a variable interest rate to a fixed interest rate of 4.12%.

2. On April 1, 2021, the County issued County of Catawba, North Carolina Refunding Revenue Bonds (Catawba Memorial Hospital Project), Series 2021 (the "Series 2021 Bonds") through Truist Bank totaling \$36,000,000 for costs associated with additional health care facilities (the "2021 Project"), as well as the expenses of issuing the Series 2021 Bonds. Interest on the Series 2021 Bonds begins June 1, 2021 at a fixed rate of 2.35% with annual installments beginning June 1, 2023.

Total 2021 Hospital Refunding Revenue Bonds outstanding at June 30, 2023 were \$35,864,739.

The 2021 and 2016 bond series have various financial covenants, the most restrictive of which require the Medical Center to maintain a Long-Term Debt Service Coverage Ratio (as defined) of 1.20 or higher, a Debt to Capitalization ratio of no greater than 65% and the Days Cash on Hand must not be less than 80 days. The Medical Center was in compliance with all applicable covenants as of and for the year ended June 30, 2023.

n. Catawba Valley Medical Center Lease and Subscription-Based Technology Obligations

Catawba Valley Medical Center ("the Medical Center") has recorded right-to-use assets as a result of the GASB 87 implementation. The Medical Center has entered into agreements to lease certain equipment and real property. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, the asset and related liability have been recorded. The lease liabilities have been measured at the present value of minimum lease payments such that each asset's initial balance equals the related liability plus any additional payments for initial direct costs made to the lessor on or before the start of the lease term. At June 30, 2023, the right-to-use leased assets, net of amortization, had a carrying value of \$13,007,650 and lease liabilities totaling \$13,527,314.

The Medical Center has various subscription-based technology agreements, the terms of which expire in various years through 2028. The arrangements qualify as other than short-term arrangements under GASB 96 and, therefore, the assets and related liabilities have been recorded. The liabilities have been measured at the present value of minimum future payments such that each asset's initial balance equals the related liability plus any additional payments for initial direct costs made to the lessor on or before the start of the lease term. Variable payments based upon the use of the underlying asset are not included in the subscription liability because they are not fixed in substance. At June 30, 2023, Subscription assets, net of amortization, had a carrying value of \$2,606,046 and a subscription liability totaling \$2,484,139.

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CATAWBA COUNTY, NORTH CAROLINA

**Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023**

C. Interfund Balances and Activity

Transfers to/from other funds for the year ending June 30, 2023, consist of the following:

The composition of interfund balances as of June 30, 2023 are as follows:

Due to General Fund from the Stream Debris Removal Fund for the advance of funds for expenditures prior to grant reimbursement	\$ <u>82,967</u>
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Transfers to/from other funds at June 30, 2023 consists of the following:

General Fund

From the General fund to the Subdivision Road Improvement Projects Fund to provide subdivision road improvement for existing roads	1,912,000
From the General fund to the Emergency Telephone fund to supplement other funding sources	9,484
From the General fund to the General Capital Projects fund for new construction and various capital improvement projects	7,605,333
From the General fund to the School Capital Projects fund for various school capital improvement projects	1,100,000

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

From the General fund to the School Construction fund for various school capital improvement projects	<u>3,678,730</u>
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Subtotal General Fund	<u><u>14,305,547</u></u>
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Other Governmental Funds

From the Federal Narcotics Seized Fund to special revenue Federal Narcotics Seized Justice Fund to align with federal requirements	609
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From the Federal Narcotics Seized Fund to special revenue Federal Narcotics Seized Treasury Fund to align with federal requirements

From the ARPA Fund to the General Fund for expenses related to the Coronavirus pandemic	3,409,924
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From the Hospital Capital Reserve fund to the General fund to support the school nurse initiative	165,690
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From the General Capital Projects Fund to General Fund for lease and SMITA compliance	<u>158,569</u>
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Subtotal Other Governmental Funds	<u><u>3,734,792</u></u>
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Enterprise Funds

From the ARPA Fund to the Water and Sewer Capital Fund for ARPA eligible projects	<u>2,695,027</u>
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(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

D. Fund Balance

The County has classified its governmental fund balances with the following hierarchy:

	Major Funds					Non Major Funds	Total
	General Fund	American Rescue Plan Act Fund	Opioid Settlement Fund	School Construction Fund	General Capital Projects Fund	Other Governmental Funds	Governmental Funds
FUND BALANCES							
Nonspendable:							
Inventories	\$ 258,729	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 258,729
Prepaid	234,868	-	-	-	-	-	234,868
Notes receivable	2,039,100	-	-	-	-	-	2,039,100
Leases	14,096	-	-	-	-	-	14,096
Restricted:							
Stabilization by State Statute	24,393,747	1,298,182	-	371,989	3,567,553	4,809,829	34,441,300
Register of Deeds	142,308	-	-	-	-	-	142,308
Public Safety	-	-	-	-	-	2,691,485	2,691,485
Public Health	-	-	1,726,217	-	-	-	1,726,217
Fire Protection	-	-	-	-	-	2,119,912	2,119,912
Debt Service	22,984,713	-	-	-	-	-	22,984,713
Social Services	236,000	-	-	-	-	-	236,000
Library Endowment	-	-	-	-	-	199,671	199,671
Scholarship	-	-	-	-	-	55,751	55,751
Parks Preservation	-	-	-	-	-	89,905	89,905
Community Development	-	-	-	-	-	531	531
Representative Payee	-	-	-	-	-	87,084	87,084
General Capital	-	-	-	-	89,891	-	89,891
School Capital and Construction	-	-	-	33,392,468	-	-	33,392,468
Hospital Capital	-	-	-	-	-	2,081,502	2,081,502
Environmental Protection	-	-	-	-	-	-	-
Committed:							
Tax Reappraisal	57,931	-	-	-	-	-	57,931
Subdivision Road Improvement	-	-	-	-	-	833,295	833,295
General Capital	-	-	-	-	30,569,952	-	30,569,952
School Capital	-	-	-	-	-	11,747,236	11,747,236
School Construction	-	-	-	9,903,730	-	-	9,903,730
Assigned:							
Public Health	1,774,173	-	-	-	-	-	1,774,173
Social Services	8,419,669	-	-	-	-	-	8,419,669
County Manager	653,613	-	-	-	-	-	653,613
Human Resources	493,724	-	-	-	-	-	493,724
Library	709,882	-	-	-	-	-	709,882
Subsequent year's expenditures	9,179,705	-	-	-	-	-	9,179,705
Unassigned	70,740,956	(1,365,100)	-	-	-	341,128	69,716,984
Total fund balances	<u>\$ 142,333,214</u>	<u>\$ (66,918)</u>	<u>\$ 1,726,217</u>	<u>\$ 43,668,187</u>	<u>\$ 34,227,396</u>	<u>\$ 25,057,329</u>	<u>\$ 246,945,425</u>

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

Total fund balance - General Fund	\$ 142,333,214
Less:	
Inventories	258,729
Prepaid	234,868
Notes receivable	2,039,100
Leases	14,096
Stabilization by State Statute	24,393,747
Fund Balance Available	<u>115,392,674</u>

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

	General Fund	American Rescue Plan Act Fund	General Capital Projects Fund	Non-Major Speical Revenue Funds	Non-Major Capital Projects Funds	Enterprise Funds
Encumbrances	\$ 5,422,310	\$ 1,251,174	\$ 2,949,683	\$ 257,975	\$ 183,510	\$ 2,407,024

NOTE 4 – RELATED ORGANIZATION

The County's governing board is also responsible for appointing five members of the nine-member board of the Economic Development Corporation (EDC), but the County's accountability for this organization does not extend beyond making these appointments. The EDC is a nonprofit organization that exists for the purpose of recruitment, retention and expansion of established manufacturing and non-manufacturing businesses for economic development purposes. Its primary revenues are allocations from Catawba County and various municipalities within the County. The County is not responsible for debt issued by the EDC and the EDC's debt is not included in determining the County's legal debt limit.

NOTE 5 – JOINT VENTURES

The County, in conjunction with the State of North Carolina and the Catawba County, Hickory Public, and Newton-Conover City Boards of Education, participate in a joint venture to operate the Catawba Valley Community College. The State of North Carolina, Catawba County, and the Boards of Education each appoint four members of the thirteen-member board of trustees of the community college. The president of the Community College's student government serves as an ex officio nonvoting member of the Community College's board of trustees. The Community College is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. In addition to providing annual appropriations for the facilities, the County has periodically issued debt obligations to provide financing for new and restructured facilities. Debt obligations of \$12,712,708 are outstanding at June 30, 2023. The County made debt service payments of \$2,153,675 on capital related financing obligations. The County has an ongoing financial responsibility for the Community College because of statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$5,007,185 and \$1,479,835 to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2023. The participating entities do not have any equity interest in the joint venture; therefore, no equity interest is reflected in the County's financial statements at June 30, 2023. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at 2550 Highway 70 SE, Hickory NC, 28602.

The County, in partnership with the three public school systems, community college, business and other community entities has created a joint initiative called K-64 to focus on lifelong learning and career development for students from kindergarten through retirement. There are a total of twelve board members appointed by the Catawba County Board of Commissioners (Commissioners) consisting of members from the school systems and other community

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2023

partners. The Commissioners have committed to provide a level of funding as specific goals are met and certain programs are implemented. The County contributed \$200,000 to K-64 during the fiscal year ended June 30, 2023.

The County, in conjunction with three other counties, participates in the Lake Norman Marine Commission (the "Commission"), that was created by the North Carolina General Assembly in 1969. Board members are appointed by the four counties (Catawba, Iredell, Lincoln, and Mecklenburg) that fall within the jurisdiction of the Commission. At any given time and on a rotating basis, one of the Counties has two Board appointees and the other three have one Board appointee. Cash contributions in equal amounts from the participating counties comprise the majority of the Commission's revenues. Catawba County contributed \$35,000 to the Lake Norman Marine Commission for operating expenses during the fiscal year ended June 30, 2023. Complete financial statements for the Commission can be obtained from the Lake Norman Marine Commission, PO Box 2454, Cornelius, NC 28031.

In fiscal year 2023, the Catawba Volunteer Fire Department requested financing assistance to construct a new fire station in the Town of Catawba. The Catawba County Board of Commissioners approved the request for funding of up to \$3 million to complete construction. The term of the loan agreement is for a 30-year period with an interest rate of 1.5%. At June 30, 2023, the total amount disbursed to the fire department for the construction loan was \$1,500,000.

NOTE 6 – JOINTLY GOVERNED ORGANIZATION

The County, in conjunction with three other counties and twenty-three municipalities, established the Western Piedmont Council of Governments (the "Council"). The participating governments established the Council to coordinate various funding received from Federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$70,807 to the Council during the fiscal year ended June 30, 2023.

NOTE 7 – BENEFIT PAYMENTS ISSUED BY THE STATE

Certain amounts were paid directly to individual recipients by the State from federal and State monies. County personnel are involved with certain functions, primarily eligibility determinations that cause benefit payments to be issued by the State. This additional aid to County recipients does not appear in the basic financial statements, because it does not represent revenues and expenditures of the County.

NOTE 8 – SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Federal and State Assisted Programs

The County has received proceeds from various 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. Based upon prior experience, management believes such disallowances, if any, will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

NOTE 9 – GASB 96

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No.96, *Subscription-Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing of subscription-based software. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources.

NOTE 10 – RESTATEMENT

For the year ended June 30, 2023, the financial statements included a prior period adjustment to beginning net position of the governmental activities on the Statement of Activities (full accrual statements) in the amount of \$10,284,006. The adjustment relates to new information on how to account for Opioid Settlement Fund receivable and allowance recognition.



Required Supplemental Financial Data

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

Schedule of Changes in the Total OPEB Liability and Related Ratios

Schedule of the County's Proportionate Share of the Net Pension Liability (Asset) - Local Governmental Employee's Retirement System

Schedule of the County's Contributions - Local Governmental Employee's Retirement System

Schedule of the County's Proportionate Share of the Net Pension Liability (Asset) – Registers of Deeds' Supplemental Pension Fund

Schedule of the County's Contributions – Registers of Deeds' Supplemental Pension Fund

Schedule of Changes in Total Pension Liability– Law Enforcement Officer's Special Separation Allowance

Schedule of Pension Liability as a Percentage of Covered-Employee Payroll – Law Enforcement Officer's Special Separation Allowance

Notes to the Required Schedules for the Law Enforcement Officers' Special Separation Allowance.

Please note: The Schedule of Funding Progress for Catawba Valley Medical Center can be found in the separately issued financial statements for the Medical Center, available from the Medical Center Finance office (see note 1.A. to the County statements for contact information.)

Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2023*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total OPEB Liability				
Service Cost	\$ 1,764,334	\$ 1,778,672	\$ 1,035,331	\$ 954,524
Interest	753,432	705,957	755,582	724,417
Current-period benefit changes	-	-	(24,416)	-
Differences between expected and actual experience	8,499,000	(204,550)	4,649,863	185,125
Changes of assumptions	(4,331,323)	1,364,627	3,843,738	825,667
Benefit payments	<u>(824,784)</u>	<u>(562,621)</u>	<u>(729,603)</u>	<u>(788,262)</u>
Net change in total OPEB liability	5,860,659	3,082,085	9,530,495	1,901,471
Total OPEB liability - beginning	33,526,956	30,444,871	20,914,376	19,012,905
Total OPEB liability - ending	<u>\$ 39,387,615</u>	<u>\$ 33,526,956</u>	<u>\$ 30,444,871</u>	<u>\$ 20,914,376</u>
Covered-employee payroll	\$ 54,806,180	\$ 52,032,994	\$ 52,032,994	\$ 48,146,318
Total OPEB liability as a percentage of covered-employee payroll	71.87%	64.43%	58.51%	43.44%

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>
2023	3.54%
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

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

* Plan measurement date is the reporting date. Employer measurement date is one year prior to reporting date. This schedule is intended to show information for ten years, and additional years' information will be displayed as it becomes available

CATAWBA COUNTY, NORTH CAROLINA

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**Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2023***

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service Cost	\$ 810,810	\$ 878,210
Interest	560,351	466,530
Current-period benefit changes	-	-
Differences between expected and actual experience	1,339,405	703,309
Changes of assumptions	880,348	(958,259)
Benefit payments	<u>(630,877)</u>	<u>(1,064,618)</u>
Net change in total OPEB liability	2,960,037	25,172
Total OPEB liability - beginning	<u>16,052,868</u>	<u>16,027,696</u>
Total OPEB liability - ending	<u><u>\$ 19,012,905</u></u>	<u><u>\$ 16,052,868</u></u>
 Covered-employee payroll	 \$ 48,146,318	 \$ 45,889,403
Total OPEB liability as a percentage of covered-employee payroll	39.49%	34.98%

Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Local Governmental Employee's Retirement System
Last Ten Fiscal Years*

	2023	2022	2021	2020	2019
County's proportion of the net pension liability (asset) %	0.77626%	0.76773%	0.76954%	0.75972%	0.79633%
County's proportionate share of the net pension liability (asset)	\$ 43,792,149	\$ 11,773,877	\$ 27,370,299	\$ 20,747,361	\$ 18,891,671
County's covered payroll	\$ 58,538,462	\$ 56,412,509	\$ 53,799,929	\$ 51,972,953	\$ 50,767,144
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	74.81%	20.87%	50.87%	39.92%	37.21%
Plan fiduciary net position as a percentage of the total pension liability **	84.14%	95.51%	88.61%	90.86%	91.63%

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

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

Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Local Governmental Employee's Retirement System
Last Ten Fiscal Years*

	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) %	0.80961%	0.83854%	0.81784%	0.82375%	0.84060%
County's proportionate share of the net pension liability (asset)	\$ 12,368,598	\$ 17,796,628	\$ 3,670,431	\$ (4,858,036)	\$ 10,132,458
County's covered payroll	\$ 50,968,956	\$ 48,079,853	\$ 47,791,623	\$ 46,741,190	\$ 46,158,989
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	24.27%	37.01%	7.68%	10.39%	21.95%
Plan fiduciary net position as a percentage of the total pension liability **	94.18%	91.47%	98.09%	102.64%	94.35%

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

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

CATAWBA COUNTY, NORTH CAROLINA

Schedule 14

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**Schedule of County Contributions
Local Governmental Employee's Retirement System
Last Ten Fiscal Years**

	2023	2022	2021	2020	2019
Contractually required contribution	\$ 8,187,414	\$ 6,783,530	\$ 5,827,222	\$ 4,927,547	\$ 4,145,168
Contributions in relation to the contractually required contribution	<u>8,187,414</u>	<u>6,783,530</u>	<u>5,827,222</u>	<u>4,927,547</u>	<u>4,145,168</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 66,194,911	\$ 58,538,462	\$ 56,412,509	\$ 53,799,929	\$ 51,972,953
Contributions as a percentage of covered payroll	12.37%	11.59%	10.33%	9.16%	7.98%

CATAWBA COUNTY, NORTH CAROLINA

Schedule 14

Page 2 of 2

**Schedule of County Contributions
Local Governmental Employee's Retirement System
Last Ten Fiscal Years**

	2018	2017	2016	2015	2014
Contractually required contribution	\$ 3,946,861	\$ 3,798,830	\$ 3,272,052	\$ 3,386,383	\$ 3,317,023
Contributions in relation to the contractually required contribution	<u>3,946,861</u>	<u>3,798,830</u>	<u>3,272,052</u>	<u>3,386,383</u>	<u>3,317,023</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 50,767,144	\$ 50,968,956	\$ 48,079,853	\$ 47,791,623	\$ 46,741,190
Contributions as a percentage of covered payroll	7.77%	7.45%	6.81%	7.09%	7.10%

Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Registers of Deeds' Supplemental Pension Fund
Last Ten Fiscal Years*

	2023	2022	2021	2020	2019
County's proportion of the net pension liability (asset) %	1.61895%	1.51969%	1.57266%	1.42572%	1.61832%
County's proportionate share of the net pension liability (asset)	\$ (214,349)	\$ (291,978)	\$ (360,422)	\$ (281,466)	\$ (268,042)
Plan fiduciary net position as a percentage of the total pension liability **	139.04%	156.53%	173.62%	164.11%	153.31%

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

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

Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Registers of Deeds' Supplemental Pension Fund
Last Ten Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) %	1.64463%	1.68672%	1.65814%	1.61440%	1.59029%
County's proportionate share of the net pension liability (asset)	\$ (280,722)	\$ (315,346)	\$ (384,257)	\$ (365,928)	\$ (339,686)
Plan fiduciary net position as a percentage of the total pension liability **	153.77%	160.17%	197.29%	193.88%	190.50%

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

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

CATAWBA COUNTY, NORTH CAROLINA

Schedule 16

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**Schedule of County Contributions
Registers of Deeds' Supplemental Pension Fund
Last Ten Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 15,639	\$ 18,559	\$ 18,238	\$ 15,058	\$ 14,772
Contributions in relation to the contractually required contribution	<u>15,639</u>	<u>18,559</u>	<u>18,238</u>	<u>15,058</u>	<u>14,772</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule 16

Page 2 of 2

**Schedule of County Contributions
Registers of Deeds' Supplemental Pension Fund
Last Ten Fiscal Years***

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 12,629	\$ 14,289	\$ 13,779	\$ 13,268	\$ 13,181
Contributions in relation to the contractually required contribution	<u>12,629</u>	<u>14,289</u>	<u>13,779</u>	<u>13,268</u>	<u>13,181</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Schedule of Changes in Total Pension Liability and Pension Liability as a Percentage of Covered Employee Payroll
Law Enforcement Officer's Special Separation Allowance
Last Seven Fiscal Years**

	2023	2022	2021	2020	2019
Total pension liability - beginning	\$ 6,637,702	\$ 6,352,087	\$ 4,190,800	\$ 3,817,860	\$ 3,715,011
Service cost at end of year	348,686	349,034	203,422	176,222	194,334
Interest on the total pension liability	146,972	120,840	134,056	136,083	115,531
Differences between expected and actual experience in the measurement of the total pension liability	314,842	178,937	225,161	89,070	77,270
Changes of assumptions or other inputs	(1,120,606)	(181,286)	1,755,968	130,193	(166,363)
Benefit payments	(211,241)	(181,910)	(157,320)	(158,628)	(117,923)
Net changes	(521,347)	285,615	2,161,287	372,940	102,849
Total pension liability - ending	<u>\$ 6,116,355</u>	<u>\$ 6,637,702</u>	<u>\$ 6,352,087</u>	<u>\$ 4,190,800</u>	<u>\$ 3,817,860</u>
Covered-employee payroll	8,294,232	8,113,038	7,445,935	6,841,603	7,131,126
Total pension liability as percentage of covered-employee payroll	73.74%	81.82%	85.31%	61.25%	53.54%

Notes to the Required Schedules:

¹ The amounts presented for each fiscal year were determined as of the prior December 31.

² Catawba County has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 nor does the plan provide pay related benefits.

³ Changes in actuarial assumptions or other inputs:

December 31, 2022 Measurement Date: The Municipal Bond Index Rate increased from 2.25% to 4.31%.

December 31, 2021 Measurement Date: The Municipal Bond Index Rate increased from 1.93% to 2.25%.

December 31, 2020 Measurement Date: The Municipal Bond Index Rate decreased from 3.26% to 1.93%. Based on the results of an experience study completed by the Actuary for the Local Governmental Employees' Retirement System for the five-year period ending December 31, 2019, the following were updated: mortality rates, salary increase rates, service retirement rates, disability retirement rates, termination rates, real wage growth, and leave conversion service.

December 31, 2019 Measurement Date: The Municipal Bond Index Rate decreased from 3.64% to 3.26%.

December 31, 2018 Measurement Date: The Municipal Bond Index Rate increased from 3.16% to 3.64%.

December 31, 2017 Measurement Date: The Municipal Bond Index Rate decreased from 3.86% to 3.16%.

December 31, 2016 Measurement Date: The Municipal Bond Index Rate increased from 3.57% to 3.86%.

This schedule will display additional years' information as it becomes available.

**Schedule of Changes in Total Pension Liability and Pension Liability as a Percentage of Covered Employee Payroll
Law Enforcement Officer's Special Separation Allowance
Last Seven Fiscal Years**

	2018	2017
Total pension liability - beginning	\$ 3,344,006	\$ 3,245,785
Service cost at end of year	170,110	171,342
Interest on the total pension liability	127,178	114,108
Differences between expected and actual experience in the measurement of the total pension liability	(92,418)	-
Changes of assumptions or other inputs	264,596	(88,280)
Benefit payments	(98,461)	(98,949)
Net changes	371,005	98,221
Total pension liability - ending	<u>\$ 3,715,011</u>	<u>\$ 3,344,006</u>
Covered-employee payroll	6,979,639	6,548,828
Total pension liability as percentage of covered-employee payroll	53.23%	51.06%



SM

General Fund Comparatives and Detailed Budgets

General Fund

To account for resources traditionally associated with governments that are not required legally or by sound financial management to be accounted for in another fund. Revenues and expenditures of the *Self-Insurance Fund*, and the *Register of Deeds Fund* are integrated with the *General Fund* for reporting purposes.

Reappraisal Fund –

The County maintains this fund as required by the General Statutes of North Carolina for financing the cost of the next reappraisal of real property in the County. A legally budgeted Tax Appraisal Fund is consolidated into the General Fund for reporting purposes.

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

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General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior
	Final Budget	Actuals	Over/Under	Year
REVENUES				
Ad Valorem Taxes				
Current year taxes	110,026,000	116,372,521		
Prior year taxes	520,000	16,005		
Penalties and interest	605,000	577,470		
Tax leased vehicles and equipment	210,000	334,386		
Total ad valorem taxes	<u>111,361,000</u>	<u>117,300,382</u>	<u>5,939,382</u>	<u>115,081,281</u>
Other Taxes				
Local Option Sales Taxes				
Article 39 (1%)	19,870,000	21,182,688		
Article 40 (1/2%)	9,410,000	10,655,388		
Article 42 (1/2%)	4,450,000	5,096,082		
Article 44 (1/2%)	-	84		
Article 46 (1/4%)	5,895,581	6,840,873		
Medicaid Hold Harmless	2,890,142	2,890,143		
Subtotal local option sales taxes	<u>42,515,723</u>	<u>46,665,258</u>	<u>4,149,535</u>	<u>43,310,999</u>
Other Taxes and Licenses				
Real estate excise stamps	1,250,000	1,617,102		
ABC 5 cents per bottle	55,500	74,164		
Privilege licenses	6,500	7,690		
Subtotal other taxes and licenses	<u>1,312,000</u>	<u>1,698,956</u>	<u>386,956</u>	<u>1,821,144</u>
Total other taxes	<u>43,827,723</u>	<u>48,364,214</u>	<u>4,536,491</u>	<u>45,132,143</u>
Unrestricted Intergovernmental Revenues				
Beer & Wine Tax	360,000	386,345		
Video Programming fees	518,000	481,454		
Catawba County ABC profit distribution	1,070,000	1,461,002		
Total unrestricted intergovernmental revenues	<u>1,948,000</u>	<u>2,328,801</u>	<u>380,801</u>	<u>2,251,449</u>
Restricted Intergovernmental Revenues				
State grants	10,330,228	8,288,947		
Federal grants	19,419,801	18,819,204		
State and federal grants shared	6,519,564	5,899,410		
Local/Other	5,704,752	5,345,606		
Total restricted intergovernmental revenues	<u>41,974,345</u>	<u>38,353,167</u>	<u>(3,621,178)</u>	<u>39,026,567</u>
Permits and Fees				
Building permits	3,275,008	3,650,296		
Register of deeds	1,011,500	975,874		
Environmental health fees	420,000	382,002		
Other permits and fees	621,995	867,306		
Total permits and fees	<u>5,328,503</u>	<u>5,875,478</u>	<u>546,975</u>	<u>5,672,207</u>
Sales and Services				
Human resources services	1,051,750	1,937,720		
Services to municipalities	830,585	823,937		
Ambulance services	6,787,600	7,810,258		

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Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior
	Final Budget	Actuals	Over/Under	Year
Other sales and services	743,095	717,623		
Total sales and services	9,413,030	11,289,538	1,876,508	10,128,551
Investment Earnings	650,730	1,118,073	467,343	(3,625,069)
Miscellaneous				
Rental fees	55,558	68,398		
Donations and local grants	354,270	198,776		
Insurance premiums	3,020,000	2,781,696		
Other	428,709	816,178		
Total miscellaneous	3,858,537	3,865,048	6,511	3,350,204
Total revenues	218,361,868	228,494,701	10,132,833	217,017,333
EXPENDITURES				
General Government				
Board of Commissioners				
Salaries & employee benefits	126,208	126,210		
Other operating	113,068	93,975		
	239,276	220,185	19,091	190,416
Administration				
County Manager				
Salaries & employee benefits	1,118,550	1,009,330		
Other operating	127,438	96,434		
Non-operating	420,835	-		
	1,666,823	1,105,764	561,059	1,198,722
Legal Services				
Salaries & employee benefits	528,848	460,896		
Other operating	51,583	32,294		
	580,431	493,190	87,241	464,901
Budget				
Salaries & employee benefits	264,594	260,080		
Other operating	18,166	14,100		
	282,760	274,180	8,580	224,714
Total Administration	2,530,014	1,873,134	656,880	1,888,337
Tax Administration				
Tax Assessor				
Salaries & employee benefits	810,446	785,249		
Other operating	145,184	136,743		
Capital Outlay	5,625	5,622.0		
Non-operating tax refunds	2,061	40		
	963,316	927,654	35,662	810,600
Tax Collector				
Salaries & employee benefits	669,878	663,785		

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Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior
	Final Budget	Actuals	Over/Under	Year
Other operating	796,735	657,268		
	1,466,613	1,321,053	145,560	1,217,109
Total Tax Administration	2,429,929	2,248,707	181,222	2,027,709
Board of Elections				
Salaries & employee benefits	564,178	539,508		
Other operating	284,489	250,217		
	848,667	789,725	58,942	708,693
Human Resources				
Human Resources				
Salaries & employee benefits	809,003	803,449		
Other operating	108,411	107,833		
Capital outlay	2,670	2,661		
Non-operating	301,078	-		
	1,221,162	913,943	307,219	726,666
Recruitment				
Salaries & employee benefits	118,888	118,335		
Other operating	14,018	11,442		
	132,906	129,777	3,129	114,579
Risk Management				
Salaries & employee benefits	161,655	76,412		
Other operating	18,482	17,793		
	180,137	94,205	85,932	133,519
Total Human Resources	1,534,205	1,137,925	396,280	974,764
Register of Deeds				
Salaries & employee benefits	767,484	756,691		
Other operating	312,136	267,088		
Capital outlay	14,533	14,533		
	1,094,153	1,038,312	55,841	914,149
Finance				
Administration and Accounting				
Salaries & employee benefits	1,160,903	973,239		
Other operating	278,200	210,401		
	1,439,103	1,183,640	255,463	1,174,404
Purchasing				
Salaries & employee benefits	313,470	312,007		
Other operating	39,029	34,602		
	352,499	346,609	5,890	308,623
Total Finance	1,791,602	1,530,249	261,353	1,483,027
Other General Government Programs				
Government Agencies - Justice Center				

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Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior
	Final Budget	Actuals	Over/Under	Year
Other operating	10,500	8,662		
	10,500	8,662	1,838	7,148
Other Government Costs				
Salaries & employee benefits	695,000	133,882		
Other operating	472,740	470,357		
Capital outlay	119,774	119,774		
	1,287,514	724,013	563,501	576,486
Self Insurance				
Wellness	437,550	382,842		
Premiums	3,644,800	3,293,773		
Liability	1,184,000	1,022,632		
Workers Compensation	675,000	436,399		
	5,941,350	5,135,646	805,704	5,167,721
Total Other General Government Programs	7,239,364	5,868,321	1,371,043	5,751,355
Total General Government	17,707,210	14,706,558	3,000,652	13,938,450
Public Safety				
Sheriff and Law Enforcement				
Administration and Law Enforcement				
Salaries & employee benefits	6,376,659	6,334,103		
Other operating	2,155,974	1,955,541		
Capital outlay	1,660,654	1,440,596		
	10,193,287	9,730,240	463,047	8,183,245
Catawba Valley Community College -				
Resource Officers				
Salaries & employee benefits	271,853	264,923		
Other operating	3,000	3,000		
	274,853	267,923	6,930	237,396
School Resource Officers				
Salaries & employee benefits	1,642,156	1,631,192		
Other operating	74,500	74,378		
	1,716,656	1,705,570	11,086	1,165,346
Records				
Salaries & employee benefits	385,775	383,743		
Other operating	21,102	19,249		
	406,877	402,992	3,885	387,831
Narcotics				
Salaries & employee benefits	1,144,804	1,039,279		
Other operating	220,871	163,355		
Capital outlay	76,869	76,868		
	1,442,544	1,279,502	163,042	973,311

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General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Detectives				
Salaries & employee benefits	1,413,280	1,401,212		
Other operating	160,183	149,299		
	<u>1,573,463</u>	<u>1,550,511</u>	<u>22,952</u>	<u>1,383,525</u>
Lake Norman Water Patrol				
Salaries & employee benefits	283,493	278,693		
Other operating	54,321	47,325		
	<u>337,814</u>	<u>326,018</u>	<u>11,796</u>	<u>289,139</u>
Court Security				
Salaries & employee benefits	1,202,650	1,188,969		
Other operating	20,000	19,992		
	<u>1,222,650</u>	<u>1,208,961</u>	<u>13,689</u>	<u>1,071,099</u>
Newton Detention Center				
Salaries & employee benefits	6,885,358	6,740,120		
Other operating	2,954,082	2,809,589		
Capital outlay	62,920	60,419		
	<u>9,902,360</u>	<u>9,610,128</u>	<u>292,232</u>	<u>8,783,331</u>
Prisoner Food Services				
Other operating	719,718	718,480		
Capital outlay	-	-		
	<u>719,718</u>	<u>718,480</u>	<u>1,238</u>	<u>688,731</u>
Total Sheriff and Law Enforcement	<u>27,790,222</u>	<u>26,800,325</u>	<u>989,897</u>	<u>23,162,954</u>
Emergency Services				
Emergency Services Administration				
Salaries & employee benefits	440,445	437,991		
Other operating	199,930	137,592		
	<u>640,375</u>	<u>575,583</u>	<u>64,792</u>	<u>655,390</u>
Veterans Services				
Salaries & employee benefits	142,023	118,827		
Other operating	11,050	9,294		
	<u>153,073</u>	<u>128,121</u>	<u>24,952</u>	<u>134,924</u>
Fire Marshal				
Salaries & employee benefits	386,905	375,610		
Other operating	48,900	39,878		
	<u>435,805</u>	<u>415,488</u>	<u>20,317</u>	<u>380,354</u>
Emergency Medical Services				
Salaries & employee benefits	10,612,851	10,075,180		
Other operating	2,498,232	2,141,135		
Capital outlay	4,105,184	844,768		
	<u>17,216,267</u>	<u>13,061,083</u>	<u>4,155,184</u>	<u>11,951,615</u>
Animal Control				

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Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior
	Final Budget	Actuals	Over/Under	Year
Salaries & employee benefits	353,060	348,810		
Other operating	35,050	30,997		
Capital outlay	88,081	-		
	<u>476,191</u>	<u>379,807</u>	<u>96,384</u>	<u>315,733</u>
Animal Shelter				
Salaries & employee benefits	1,013,049	931,892		
Other operating	216,479	208,416		
Capital outlay	21,986	21,864		
	<u>1,251,514</u>	<u>1,162,172</u>	<u>89,342</u>	<u>952,453</u>
Total Emergency Services	<u>20,173,225</u>	<u>15,722,254</u>	<u>4,450,971</u>	<u>14,390,469</u>
Communication Center				
Salaries & employee benefits	2,538,173	2,296,592		
Other operating	196,722	168,824		
	<u>2,734,895</u>	<u>2,465,416</u>	<u>269,479</u>	<u>2,150,901</u>
Other Public Safety				
Other operating	5,096,534	2,250,227	2,846,307	704,328
Total Public Safety	<u>55,794,876</u>	<u>47,238,222</u>	<u>8,556,654</u>	<u>40,408,652</u>
Environmental Protection				
Cooperative Extension				
Salaries & employee benefits	93,240	70,678		
Other operating	416,265	374,092		
	<u>509,505</u>	<u>444,770</u>	<u>64,735</u>	<u>449,170</u>
Soil & Water Conservation				
Salaries & employee benefits	203,446	201,354		
Other operating	91,002	83,351		
	<u>294,448</u>	<u>284,705</u>	<u>9,743</u>	<u>188,675</u>
Forest Ranger				
Other operating	74,642	72,504	2,138	65,120
Total Environmental Protection	<u>878,595</u>	<u>801,979</u>	<u>76,616</u>	<u>702,965</u>
Economic and Physical Development				
Technology				
Information Technology Center				
Salaries & employee benefits	2,544,770	2,415,017		
Other operating	2,497,711	2,094,682		
Capital outlay	978,437	978,437		
	<u>6,020,918</u>	<u>5,488,136</u>	<u>532,782</u>	<u>4,138,888</u>
Geospatial Information Services				
Salaries & employee benefits	841,553	837,187		
Other operating	62,959	55,533		
	<u>904,512</u>	<u>892,720</u>	<u>11,792</u>	<u>747,271</u>

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General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior
	Final Budget	Actuals	Over/Under	Year
Total Technology	6,925,430	6,380,856	544,574	4,886,159
Economic Development and Planning				
Planning & Zoning				
Salaries & employee benefits	527,609	501,427		
Other operating	202,129	148,453		
	729,738	649,880	79,858	528,599
County Parks				
Salaries & employee benefits	1,092,606	1,080,407		
Other operating	185,812	170,692		
Capital outlay	76,905	13,499		
	1,355,323	1,264,598	90,725	1,305,410
Other Economic and Physical Development				
Other operating	10,832,531	8,862,548	1,969,983	7,912,115
Total Economic Development and Planning	12,917,592	10,777,026	2,140,566	9,746,124
Utilities & Engineering				
Utilities & Engineering Administration				
Salaries & employee benefits	184,798	183,644		
Other operating	13,078	8,234		
	197,876	191,878	5,998	176,607
Building Inspection				
Salaries & employee benefits	2,623,759	2,620,882		
Other operating	538,023	478,641		
Capital outlay	330,622	324,804		
	3,492,404	3,424,327	68,077	2,592,745
Permit Center				
Salaries & employee benefits	428,523	426,182		
Other operating	153,941	107,901		
	582,464	534,083	48,381	431,148
Local Code Compliance				
Salaries & employee benefits	77,393	77,241		
Other operating	12,675	7,229		
	90,068	84,470	5,598	77,098
Total Utilities & Engineering	4,362,812	4,234,758	128,054	3,277,598
Facilities Division				
Construction Manager				
Salaries & employee benefits	217,641	215,938		
Other operating	5,176	4,924		
	222,817	220,862	1,955	148,846
Garage				

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Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Salaries & employee benefits	291,181	290,322		
Other operating	534,482	405,909		
	825,663	696,231	129,432	654,985
General maintenance				
Salaries & employee benefits	927,753	917,850		
Other operating	91,475	85,285		
Capital outlay	102,541	102,541		
	1,121,769	1,105,676	16,093	938,349
General Buildings				
Other operating	577,067	543,841		
	577,067	543,841	33,226	481,362
Justice Buildings				
Other operating	1,418,984	1,364,834		
	1,418,984	1,364,834	54,150	1,279,445
Library Buildings				
Other operating	127,581	126,795		
	127,581	126,795	786	112,608
Leased Buildings				
Other operating	45,695	39,647		
	45,695	39,647	6,048	29,815
Social Services Buildings				
Other operating	62,355	55,725		
	62,355	55,725	6,630	136,337
Public Health Buildings				
Other operating	56,429	55,536		
	56,429	55,536	893	35,110
Family Services Center				
Other operating	10,785	7,667		
	10,785	7,667	3,118	12,814
Street Signs				
Other operating	17,500	12,044		
	17,500	12,044	5,456	14,612
Total Facilities Division	4,486,645	4,228,858	257,787	3,844,283
Total Economic & Physical Development	28,692,479	25,621,498	3,070,981	21,754,164
Human Services				
Medical Examiner				
Other operating	200,000	98,800		
	200,000	98,800	101,200	178,950

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Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior
	Final Budget	Actuals	Over/Under	Year
Mental Health Services				
General Administration				
Partners Behavioral Health Management	650,000	683,164		
	650,000	683,164	(33,164)	681,518
Social Services Department				
Administration				
Salaries & employee benefits	1,796,968	1,735,465		
Other operating	1,287,128	1,114,779		
Non-operating	6,989,139	-		
Capital outlay	143,975	15,415		
	10,217,210	2,865,659	7,351,551	2,567,135
CQI Quality Team				
Salaries & employee benefits	977,217	955,186		
Other operating	4,000	2,266		
	981,217	957,452	23,765	688,975
Child Protective Services Investigations				
Salaries & employee benefits	4,528,317	4,507,414		
Other operating	315,000	294,977		
Social Services assistance	500	931		
	4,843,817	4,803,322	40,495	4,507,099
Department of Human Resources Teams				
Salaries & employee benefits	141,864	144,186		
Other operating	3,000	515		
Social Services assistance	1,000	-		
	145,864	144,701	1,163	112,292
Children's Day Care				
Salaries & employee benefits	491,899	485,895		
Other operating	500	180		
	492,399	486,075	6,324	401,338
Early Childhood Development				
Other operating	12,000	-		
Social Services assistance	101,798	15,631		
	113,798	15,631	98,167	63,307
Family Children Teams / Family Preservation				
Salaries & employee benefits	4,715,226	4,607,946		
Social Services assistance	66,500	74,440		
	4,781,726	4,682,386	99,340	4,410,290
Duke Endowment Family Children Project				
	-	-	-	514,426
Teen Up				
Salaries & employee benefits	103,815	86,362		
Other operating	4,900	792		

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Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior
	Final Budget	Actuals	Over/Under	Year
Social Services assistance	21,844	13,204		
	130,559	100,358	30,201	99,837
Community Services Block Grant				
Salaries & employee benefits	219,259	206,924		
Other operating	18,575	12,109		
Capital Outlay	43,479	43,153		
Social Services assistance	65,272	42,191		
	346,585	304,377	42,208	213,027
Adoptions				
Salaries & employee benefits	2,053,673	2,044,401		
Other operating	5,250	373		
Social Services assistance	57,000	19,011		
	2,115,923	2,063,785	52,138	1,814,573
Post Adoption State Region				
Salaries & employee benefits	671,762	560,871		
Other operating	35,575	8,350		
Social Services assistance	44,750	14,312		
	752,087	583,533	168,554	376,665
Child Advocacy				
Salaries & employee benefits	556,263	541,263		
Other operating	8,373	6,569		
	564,636	547,832	16,804	451,285
FamilyNet Administration				
Salaries & employee benefits	283,839	270,265		
Other operating	119,372	60,448		
Social Services assistance	500	42		
	403,711	330,755	72,956	313,659
FamilyNet In-home Services				
Salaries & employee benefits	274,671	270,407		
Other operating	4,000	183		
	278,671	270,590	8,081	188,521
FamilyNet ECST				
Salaries & employee benefits	610,103	557,095		
Other operating	65,220	59,755		
	675,323	616,850	58,473	526,946
Work First				
Salaries & employee benefits	455,812	440,431		
Other operating	882,974	255,822		
Social Services assistance	693,349	523,188		
	2,032,135	1,219,441	812,694	2,273,120
Adult Services				
Other operating	25,000	24,879		

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Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Social Services assistance	215,585	206,975		
	240,585	231,854	8,731	137,066
Adult Social Work				
Salaries & employee benefits	2,113,728	2,093,740		
Other operating	40,100	33,073		
Social Services assistance	19,000	19,669		
	2,172,828	2,146,482	26,346	1,702,759
Medicaid Administration				
Salaries & employee benefits	1,784,469	1,792,138		
Other operating	1,000	635		
	1,785,469	1,792,773	(7,304)	1,294,521
Transportation				
Salaries & employee benefits	530,738	447,294		
Other operating	58,701	55,736		
	589,439	503,030	86,409	554,457
Nutrition				
Salaries & employee benefits	618,311	611,651		
Other operating	459,018	354,591		
Social Services assistance	566,839	621,112		
	1,644,168	1,587,354	56,814	1,372,828
Public Assistance Administration				
Salaries & employee benefits	2,482,335	2,457,883		
Other operating	18,200	11,098		
	2,500,535	2,468,981	31,554	2,129,969
Food Stamps				
Salaries & employee benefits	2,273,136	2,178,412		
Other operating	42,000	66,486		
	2,315,136	2,244,898	70,238	2,025,038
Child Support				
Salaries & employee benefits	1,621,169	1,578,954		
Other operating	291,500	290,441		
	1,912,669	1,869,395	43,274	1,606,284
General Assistance				
Other operating	205,000	39,459		
Social Services assistance	176,000	98,224		
	381,000	137,683	243,317	117,416
Public Assistance Payments				
Social Services assistance	1,023,665	772,326		
	1,023,665	772,326	251,339	715,765
Children's Purchase Services				
Social Services assistance	5,085,246	2,756,796		

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General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2023

With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior
	Final Budget	Actuals	Over/Under	Year
	<u>5,085,246</u>	<u>2,756,796</u>	<u>2,328,450</u>	<u>3,270,541</u>
Total Social Services	<u>48,526,401</u>	<u>36,504,319</u>	<u>12,022,082</u>	<u>34,449,139</u>
Public Health Department				
Health Administration				
Salaries & employee benefits	1,057,670	1,020,264		
Other operating	<u>448,213</u>	<u>342,642</u>		
	<u>1,505,883</u>	<u>1,362,906</u>	<u>142,977</u>	<u>1,031,873</u>
Environmental Health				
Salaries & employee benefits	1,687,816	1,667,025		
Other operating	<u>184,039</u>	<u>185,407</u>		
	<u>1,871,855</u>	<u>1,852,432</u>	<u>19,423</u>	<u>1,581,407</u>
Maternal Health				
Other operating	<u>145,212</u>	<u>138,294</u>		
	<u>145,212</u>	<u>138,294</u>	<u>6,918</u>	<u>152,553</u>
Pregnancy Care Management				
Salaries & employee benefits	435,250	433,557		
Other operating	<u>15,810</u>	<u>11,601</u>		
	<u>451,060</u>	<u>445,158</u>	<u>5,902</u>	<u>389,710</u>
Laboratory				
Salaries & employee benefits	110,361	109,945		
Other operating	<u>36,580</u>	<u>26,525</u>		
	<u>146,941</u>	<u>136,470</u>	<u>10,471</u>	<u>133,864</u>
Child Health - Smart Start				
Salaries & employee benefits	211,266	209,218		
Other operating	23,690	20,086		
Capital Outlay	<u>213</u>	<u>213</u>		
	<u>235,169</u>	<u>229,517</u>	<u>5,652</u>	<u>209,416</u>
Care Coordination for Children				
Salaries & employee benefits	430,349	426,869		
Other operating	<u>15,018</u>	<u>10,423</u>		
	<u>445,367</u>	<u>437,292</u>	<u>8,075</u>	<u>382,187</u>
School Nurse Fund Initiative				
Salaries & employee benefits	3,471,390	3,078,338		
Other operating	<u>2,099,748</u>	<u>998,191</u>		
	<u>5,571,138</u>	<u>4,076,529</u>	<u>1,494,609</u>	<u>3,596,634</u>
Dental Health				
Other operating	<u>12,833</u>	<u>11,940</u>		
	<u>12,833</u>	<u>11,940</u>	<u>893</u>	<u>11,734</u>
Bioterrorism Grant				
Salaries & employee benefits	80,349	79,316		

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

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General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior
	Final Budget	Actuals	Over/Under	Year
Other operating	6,475	3,806		
	86,824	83,122	3,702	74,171
OBCM Grant				
Salaries & employee benefits	87,647	85,128		
Other operating	2,655	1,834		
	90,302	86,962	3,340	79,136
Healthy People/Carolinas				
Salaries & employee benefits	67,307	65,103		
Other operating	156,393	153,327		
	223,700	218,430	5,270	58,955
Healthy Promotion and Strategy				
Salaries & employee benefits	255,940	208,175		
Other operating	185,379	137,924		
	441,319	346,099	95,220	431,106
Clinical Services				
Salaries & employee benefits	2,138,112	1,833,414		
Other operating	1,136,972	779,913		
Capital outlay	71,328	-		
	3,346,412	2,613,327	733,085	2,512,746
Women Infants Children Program				
Salaries & employee benefits	1,107,163	913,130		
Other operating	44,178	34,636		
	1,151,341	947,766	203,575	964,015
Total Public Health	15,725,356	12,986,244	2,739,112	11,609,507
Total Human Services	65,101,757	50,272,527	14,829,230	46,919,114
Culture and Recreation				
County Library				
Library Administration - Main Library				
Salaries & employee benefits	1,407,924	1,385,167		
Other operating	567,682	486,784		
Capital outlay	36,241	36,241		
Non-operating	671,970	-		
	2,683,817	1,908,192	775,625	1,693,757
Pop Up Library				
Salaries & employee benefits	94,793	72,768		
Other operating	10,500	8,404		
	105,293	81,172	-	71,763
Sherrills Ford Branch				
Salaries & employee benefits	321,197	313,331		
Other operating	72,750	63,671		
	393,947	377,002	16,945	344,747

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

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General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior
	Final Budget	Actuals	Over/Under	Year
Maiden Branch				
Salaries & employee benefits	132,309	98,077		
Other operating	29,050	24,859		
	<u>161,359</u>	<u>122,936</u>	<u>38,423</u>	<u>120,208</u>
St. Stephens Branch				
Salaries & employee benefits	252,646	216,844		
Other operating	90,910	79,312		
Capital Outlay	161,293	161,244		
	<u>504,849</u>	<u>457,400</u>	<u>47,449</u>	<u>335,261</u>
Southwest Branch Library				
Salaries & employee benefits	274,498	272,958		
Other operating	65,570	54,601		
	<u>340,068</u>	<u>327,559</u>	<u>12,509</u>	<u>463,678</u>
Conover Branch Library				
Salaries & employee benefits	137,249	136,208		
Other operating	20,699	16,366		
	<u>157,948</u>	<u>152,574</u>	<u>5,374</u>	<u>135,860</u>
Claremont Branch Library				
Salaries & employee benefits	60,299	59,259		
Other operating	16,175	9,781		
	<u>76,474</u>	<u>69,040</u>	<u>7,434</u>	<u>72,773</u>
Total County Library	<u>4,423,755</u>	<u>3,495,875</u>	<u>903,759</u>	<u>3,238,047</u>
Arts-Administration				
Other operating	<u>615,610</u>	<u>615,610</u>	<u>-</u>	<u>609,910</u>
Other Cultural				
Other operating	<u>-</u>	<u>-</u>	<u>-</u>	<u>115,922</u>
Total Culture and Recreation	<u>5,039,365</u>	<u>4,111,485</u>	<u>927,880</u>	<u>3,963,879</u>
Education				
Current expense				
Catawba County Schools	29,631,129	29,631,129		
Hickory Public Schools	7,293,729	7,293,729		
Newton-Conover City Schools	5,415,873	5,415,873		
Catawba Valley Community College	5,007,185	5,007,185		
K64 Initiative	200,000	200,000		
Total Education	<u>47,547,916</u>	<u>47,547,916</u>	<u>-</u>	<u>47,029,774</u>
Debt Service				
Principal retirement	15,167,377	15,167,360		
Sinking fund payments	1,859,453	1,859,450		
Interest and other charges	3,272,724	3,264,907		
Bond issuance costs	<u>411,276</u>	<u>411,276</u>		

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

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General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year June 30, 2022

	2023			Actual Prior
	Final Budget	Actuals	Over/Under	Year
Total Debt Service	20,710,830	20,702,993	7,837	20,647,873
Total expenditures	241,473,028	211,003,178	30,469,850	195,364,871
Revenues over (under) expenditures	(23,111,160)	17,491,523	40,602,683	21,652,462
Other financing sources (uses)				
Transfers from				
Hospital Capital Reserve	500,000	165,690	(334,310)	500,000
CARES Act Fund	-	-	-	-
American Rescue Plan Act Fund	3,430,696	3,409,924	(20,772)	10,938,991
General Capital Projects Fund	158,569	158,569	-	-
School Capital Fund	-	-	-	50,000
School Construction Fund	-	-	-	406,015
Water and Sewer Fund	-	-	-	384,000
Transfers to				
Reappraisal Fund	(679,862)	(679,862)	-	(554,946)
Emergency Telephone System	(9,484)	(9,484)	-	(22,509)
General Capital Projects Fund	(7,605,333)	(7,605,333)	-	(15,469,357)
Road Improvement Projects Fund	(1,912,000)	(1,912,000)	-	(588,000)
School Capital Fund	(1,100,000)	(1,100,000)	-	-
School Construction Fund	(3,678,730)	(3,678,730)	-	(2,075,000)
Proceeds from sale of assets	-	60,577	60,577	-
Premium on bonds issued	-	101,310	101,310	-
Bonds issued	411,276	309,966	(101,310)	10,757,408
Payment to refunded bond escrow agent	-	-	-	(10,757,408)
Lease liabilities issued	119,987	119,987	-	1,579,797
SBITA liabilities issued	1,014,678	1,014,678	-	-
Fund Balance appropriated	32,461,363	-	(32,461,363)	-
Total other financing sources (uses)	23,111,160	(9,644,708)	(32,755,868)	(4,851,009)
Net change in fund balance	-	7,846,815	7,846,815	16,801,453
Fund Balances - Beginning of Year		131,228,183		
Fund Balances - End of Year		139,074,998		

Tax Reappraisal Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2023

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Investment earnings	\$ -	\$ 5,604	\$ 5,604	(7,872)
Total revenues	-	5,604	5,604	(7,872)
Expenditures				
Current				
General government				
Salaries & employee benefits	590,082	585,173	4,909	
Other operating	135,253	121,075	14,178	
Capital outlay	98,367	98,367	-	
Lease Principal	1,990	1,990	-	
SBITA Principal	33,500	33,500	-	
Lease Interest	37	37	-	
Total expenditures	859,229	840,142	19,087	563,017
Excess of revenues over (under) expenditures	(859,229)	(834,538)	24,691	(570,889)
Other Financing Sources (Uses)				
SBITA Liabilities Issued	98,367	98,367	-	
Transfers from				
General Fund	679,862	679,862	-	
Fund balance appropriated	81,000	-	(81,000)	-
Total other financing sources (uses)	859,229	778,229	(81,000)	562,107
Net change in fund balance	\$ -	(56,309)	\$ (56,309)	(8,782)
Fund Balances - Beginning of Year		121,613		130,395
Fund Balances - End of Year		\$ 65,304		\$ 121,613

American Rescue Plan Act Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
From Inception and for the Year Ended June 30, 2023

	Project	Actual			
	Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Intergovernmental revenue					
Federal grants	\$ 24,844,438	\$ 10,954,091	\$ 6,392,406	\$ 17,346,497	\$ (7,497,941)
Investment earnings	-	(270,626)	203,708	(66,918)	(66,918)
Total revenues	24,844,438	10,683,465	6,596,114	17,279,579	(7,564,859)
Expenditures					
Public Safety					
Other operating	2,509,400	15,100	287,455	302,555	2,206,845
Total expenditures	2,509,400	15,100	287,455	302,555	2,206,845
Excess of revenues over (under) expenditures	22,335,038	10,668,365	6,308,659	16,977,024	(5,358,014)
Other Financing Sources (Uses)					
Transfers to					
General Fund	(14,369,688)	(10,938,991)	(3,409,924)	(14,348,915)	20,773
Water and Sewer Capital Fund	(8,000,000)	-	(2,695,027)	(2,695,027)	5,304,973
Fund balance appropriated	34,650	-	-	-	(34,650)
Total other financing sources (uses)	(22,335,038)	(10,938,991)	(6,104,951)	(17,043,942)	5,291,096
Net change in fund balance	\$ -	(270,626)	203,708	(66,918)	\$ (66,918)
Fund Balances - Beginning of Year			(270,626)		
Fund Balances - End of Year			\$ (66,918)		

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



Combining Statements for Nonmajor Funds

CATAWBA COUNTY, NORTH CAROLINA
Schedule B-1
**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023**

	Special Revenue Funds (Schedule C-1)	Capital Project Funds (Schedule D-1)	Total Nonmajor Governmental Funds (Exhibit 3)
Assets			
Cash and investments	\$ 5,417,208	\$ 15,785,768	\$ 21,202,976
Taxes receivable - net	143,758	-	143,758
Due from other governments	319,280	4,008,421	4,327,701
Tax assessment receivable	-	248,623	248,623
Interest receivable	9,843	30,804	40,647
Total assets	<u>5,890,089</u>	<u>20,073,616</u>	<u>25,963,705</u>
Liabilities			
Accounts payable and accrued liabilities	88,799	285,824	374,623
Due to General Fund	82,967	-	82,967
Advance from grantor payable from restricted assets	47,071	-	47,071
Total liabilities	<u>218,837</u>	<u>285,824</u>	<u>504,661</u>
Deferred Inflows of Resources			
Taxes receivable	143,756	-	143,756
Tax special assessment receivable	-	248,623	248,623
Prepaid taxes	9,336	-	9,336
Total deferred inflows of resources	<u>153,092</u>	<u>248,623</u>	<u>401,715</u>
Fund Balances			
Restricted			
Stabilization by State Statute	587,093	4,222,736	4,809,829
Public Safety	2,691,485	-	2,691,485
Fire Protection	2,119,912	-	2,119,912
Library Endowment	199,671	-	199,671
Scholarship	55,751	-	55,751
Parks Preservation	89,905	-	89,905
Community Development	531	-	531
Representative Payee	87,084	-	87,084
Hospital Capital	-	2,081,502	2,081,502
Committed			
Subdivision Road Improvement	-	833,295	833,295
School Capital	-	11,747,236	11,747,236
Unassigned	(313,272)	654,400	341,128
Total fund balances	<u>5,518,160</u>	<u>19,539,169</u>	<u>25,057,329</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,890,089</u>	<u>\$ 20,073,616</u>	<u>\$ 25,963,705</u>

CATAWBA COUNTY, NORTH CAROLINA
Schedule B-2
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2023**

	Special Revenue Funds (Schedule C-3)	Capital Project Funds (Schedule D-2)	Total Nonmajor Governmental Funds (Exhibit 4)
Revenues			
Ad valorem taxes	\$ 11,464,589	\$ -	\$ 11,464,589
Other taxes	-	9,210,718	9,210,718
Restricted intergovernmental revenues	1,621,774	-	1,621,774
Tax assessment road improvement	-	13,586	13,586
Permits and fees	540,935	-	540,935
Investment earnings	54,783	145,963	200,746
Miscellaneous	500	-	500
Total revenues	<u>13,682,581</u>	<u>9,370,267</u>	<u>23,052,848</u>
Expenditures			
Current			
General government	111,154	-	111,154
Public safety	12,016,418	-	12,016,418
Environment Protection	82,967	-	82,967
Economic and physical development	160,317	-	160,317
Human services	248,548	-	248,548
Culture and recreation	6,335	-	6,335
Education	421,876	-	421,876
Capital outlay	-	8,103,233	8,103,233
Total expenditures	<u>13,047,615</u>	<u>8,103,233</u>	<u>21,150,848</u>
Excess of revenues over (under) expenditures	634,966	1,267,034	1,902,000
Other Financing Sources (Uses)			
Transfers from other funds	10,093	3,012,000	3,022,093
Transfers to other funds	(609)	(165,690)	(166,299)
Total other financing sources (uses)	<u>9,484</u>	<u>2,846,310</u>	<u>2,855,794</u>
Net change in fund balance	644,450	4,113,344	4,757,794
Fund Balances - Beginning of Year	<u>4,873,710</u>	<u>15,425,825</u>	<u>20,299,535</u>
Fund Balances - End of Year	<u>\$ 5,518,160</u>	<u>\$ 19,539,169</u>	<u>\$ 25,057,329</u>



Special Revenue Funds

To account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Major Funds

American Rescue Plan Act Fund -

To account for funds received under the American Rescue Plan (ARP) Act and expenses related to COVID-19 response and recovery.

Opioid Settlement Fund

To account for revenues received from the NC Opioid Settlement to support treatment, recovery, harm reduction, and other life-saving programs and services in the county.

Non Major Funds

Emergency Telephone System Fund -

Established in accordance with North Carolina law to account for the revenues received by the Communication Center for the 911 charges and the expenditure of those funds for the emergency telephone systems.

Narcotics Seized Funds and Property Fund –

To account for the revenue received by the Sheriff's Department for Drug Reimbursements and the expenditure of those funds to further narcotics enforcement efforts.

State Unauthorized Substance Abuse Fund –

To account for the revenue received by the Sheriff's Department from the controlled substance tax and the expenditure of those funds to deter and investigate drug crimes

Narcotics Seized Justice Fund –

To account for the revenue received by the Sheriff's Department received through the Federal asset Sharing and Forfeiture Program as a result of Federal level narcotics investigations.

Narcotics Seized Treasury Fund –

To account for the revenue received by the Sheriff's Department received through the Federal asset Sharing and Forfeiture Program as a result of Federal level narcotics investigations.

Rescue Squads Fund -

To account for the accumulation of funds for the financing of future capital needs of the six rescue squads within the County.

Library Endowment Fund –

To account for donations that are stipulated for the purchase of library books.

Gretchen Peed Scholarship Fund –

To account for donations that are stipulated for scholarships.

Parks/Historic Preservation Trust Fund –

To account for donations and other funds that are stipulated for park expenditures.

Community Development Fund –

To account for the accumulation of various grants for the financing of critical housing needs for low-income families and other community projects.

Stream Debris Removal Fund –

To account for debris removal and cleanup of various streams in the County.

Office of Budget & Management Direct Grant Fund –

To account for direct grant funds from the NC Office of Budget & Management.

Fines and Forfeitures Fund –

To account for various legal fines and forfeitures the County is required to remit to local school systems.

DSS Representative Payee Fund –

To account for funds received and distributed to benefit beneficiaries under the Social Security's Representative Payee Program.

Deeds of Trust Fund –

To account for the state portion of revenue from the filing of deeds of trusts and mortgages.

Fire District Funds -

The County maintains fourteen separate fire district funds under its budgetary control to account for tax receipts and disbursements to the fire districts.

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

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**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2023**

	Emergency Telephone System Fund	Narcotics Seized Funds And Property Fund	State Unauthorized Substance Abuse Fund	Narcotics Seized Justice Fund
Assets				
Cash and investments	\$ 1,921,716	\$ -	\$ 43,376	460,541
Taxes receivable - net	-	-	-	-
Due from other governments	94,002	-	140	1,088
Interest receivable	3,454	-	70	849
Total assets	<u>2,019,172</u>	<u>-</u>	<u>43,586</u>	<u>462,478</u>
Liabilities				
Accounts payable and accrued liabilities	16,225	-	-	-
Advance from grantor payable from restricted assets	-	-	-	-
Due to General Fund	-	-	-	-
Total liabilities	<u>16,225</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Taxes receivable	-	-	-	-
Prepaid taxes	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted				
Stabilization by State Statute	97,456	-	210	34,912
Public Safety	1,905,491	-	43,376	427,566
Representative Payee	-	-	-	-
Fire Protection	-	-	-	-
Library Endowment	-	-	-	-
Scholarship	-	-	-	-
Parks Preservation	-	-	-	-
Community Development	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>2,002,947</u>	<u>-</u>	<u>43,586</u>	<u>462,478</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,019,172</u>	<u>\$ -</u>	<u>\$ 43,586</u>	<u>\$ 462,478</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

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**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2023**

	Narcotics Seized Treasury Fund	Rescue Squads Fund	Library Endowment Fund	Gretchen Peed Scholarship Fund
Assets				
Cash and investments	148,448	\$ 166,604	\$ 199,671	\$ 55,751
Taxes receivable - net	-	-	-	-
Due from other governments	1,112	-	-	-
Interest receivable	276	620	380	105
Total assets	<u>149,836</u>	<u>167,224</u>	<u>200,051</u>	<u>55,856</u>
Liabilities				
Accounts payable and accrued liabilities	-	-	-	-
Advance from grantor payable from restricted assets	-	-	-	-
Due to General Fund	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Taxes receivable	-	-	-	-
Prepaid taxes	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted				
Stabilization by State Statute	1,388	620	380	105
Public Safety	148,448	166,604	-	-
Representative Payee	-	-	-	-
Fire Protection	-	-	-	-
Library Endowment	-	-	199,671	-
Scholarship	-	-	-	55,751
Parks Preservation	-	-	-	-
Community Development	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>149,836</u>	<u>167,224</u>	<u>200,051</u>	<u>55,856</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 149,836</u>	<u>\$ 167,224</u>	<u>\$ 200,051</u>	<u>\$ 55,856</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

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**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2023**

	Parks/ Historic Preservation Fund	Community Development Fund	Stream Debris Removal Fund	Office of Budget & Management Direct Grant Fund
Assets				
Cash and investments	\$ 89,905	\$ 47,602	-	\$ -
Taxes receivable - net	-	-	-	-
Due from other governments	-	64	82,967	-
Interest receivable	168	55	-	-
Total assets	<u>90,073</u>	<u>47,721</u>	<u>82,967</u>	<u>-</u>
Liabilities				
Accounts payable and accrued liabilities	-	-	-	-
Advance from grantor payable from restricted assets	-	47,071	-	-
Due to General Fund	-	-	82,967	-
Total liabilities	<u>-</u>	<u>47,071</u>	<u>82,967</u>	<u>-</u>
Deferred Inflows of Resources				
Taxes receivable	-	-	-	-
Prepaid taxes	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted				
Stabilization by State Statute	168	119	82,967	225,000
Public Safety	-	-	-	-
Representative Payee	-	-	-	-
Fire Protection	-	-	-	-
Representative Payee	-	-	-	-
Scholarship	-	-	-	-
Parks Preservation	89,905	-	-	-
Community Development	-	531	-	-
Unassigned	-	-	(82,967)	(225,000)
Total fund balances	<u>90,073</u>	<u>650</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 90,073</u>	<u>\$ 47,721</u>	<u>\$ 82,967</u>	<u>\$ -</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

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**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2023**

	Fines and Forfeitures Fund	Representative Payee Fund	Deed of Trust Fund	Fire District Funds	Total Nonmajor Special Revenue Funds
Assets					
Cash and investments	16,126	87,084	10,230	\$ 2,170,154	\$ 5,417,208
Taxes receivable - net	-	-	-	143,758	143,758
Due from other governments	2,174	-	-	137,733	319,280
Interest receivable	-	-	-	3,866	9,843
Total assets	<u>18,300</u>	<u>87,084</u>	<u>10,230</u>	<u>2,455,511</u>	<u>5,890,089</u>
Liabilities					
Accounts payable and accrued liabilities	21,431	-	10,230	40,913	88,799
Advance from grantor payable from restricted assets	-	-	-	-	47,071
Due to General Fund	-	-	-	-	82,967
Total liabilities	<u>21,431</u>	<u>-</u>	<u>10,230</u>	<u>40,913</u>	<u>218,837</u>
Deferred Inflows of Resources					
Taxes receivable	-	-	-	143,756	143,756
Prepaid taxes	-	-	-	9,336	9,336
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>153,092</u>	<u>153,092</u>
Fund Balances					
Restricted					
Stabilization by State Statute	2,174	-	-	141,594	587,093
Public Safety	-	-	-	-	2,691,485
Representative Payee	-	87,084	-	-	87,084
Fire Protection	-	-	-	2,119,912	2,119,912
Library Endowment	-	-	-	-	199,671
Scholarship	-	-	-	-	55,751
Parks Preservation	-	-	-	-	89,905
Community Development	-	-	-	-	531
Unassigned	(5,305)	-	-	-	(313,272)
Total fund balances	<u>(3,131)</u>	<u>87,084</u>	<u>-</u>	<u>2,261,506</u>	<u>5,518,160</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 18,300</u>	<u>\$ 87,084</u>	<u>\$ 10,230</u>	<u>\$ 2,455,511</u>	<u>\$ 5,890,089</u>

CATAWBA COUNTY, NORTH CAROLINA

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**Fire District Funds
Subcombining Balance Sheet
June 30, 2023**

	Mountain View Fire District Fund	Propst Fire District Fund	St. Stephens Fire District Fund	Conover Rural Fire District Fund	Oxford Fire District Fund
Assets					
Cash and investments	\$ 47,140	\$ 75,148	\$ 92,945	\$ 499,888	\$ 42,502
Taxes receivable - net	8,925	11,803	18,445	2,969	7,782
Due from other governments	10,680	5,036	18,622	2,129	4,834
Interest receivable	89	127	172	930	73
Total assets	<u>66,834</u>	<u>92,114</u>	<u>130,184</u>	<u>505,916</u>	<u>55,191</u>
Liabilities					
Accounts payable and accrued liabilities	5,900	-	-	-	-
Total liabilities	<u>5,900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Taxes receivable	8,925	11,803	18,445	2,968	7,782
Prepaid taxes	91	107	93	-	42
Total deferred inflows of resources	<u>9,016</u>	<u>11,910</u>	<u>18,538</u>	<u>2,968</u>	<u>7,824</u>
Fund Balances					
Restricted					
Stabilization by State Statute	10,769	5,164	18,794	3,059	4,906
Fire Protection	41,149	75,040	92,852	499,889	42,461
Total fund balances	<u>51,918</u>	<u>80,204</u>	<u>111,646</u>	<u>502,948</u>	<u>47,367</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 66,834</u>	<u>\$ 92,114</u>	<u>\$ 130,184</u>	<u>\$ 505,916</u>	<u>\$ 55,191</u>

CATAWBA COUNTY, NORTH CAROLINA
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**Fire District Funds
Subcombining Balance Sheet
June 30, 2023**

	Sherrills Ford Fire District Fund	Bandys Fire District Fund	Maiden Fire District Fund	Claremont Fire District Fund	Catawba Fire District Fund
Assets					
Cash and investments	\$ 518,937	\$ 262,408	\$ 122,172	\$ 115,591	\$ 82,761
Taxes receivable - net	23,945	15,833	8,750	12,094	7,719
Due from other governments	26,018	11,947	6,334	6,636	3,285
Interest receivable	894	447	224	207	144
Total assets	<u>569,794</u>	<u>290,635</u>	<u>137,480</u>	<u>134,528</u>	<u>93,909</u>
Liabilities					
Accounts payable and accrued liabilities	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Taxes receivable	23,945	15,833	8,750	12,094	7,718
Prepaid taxes	259	1,684	2,540	228	953
Total deferred inflows of resources	<u>24,204</u>	<u>17,517</u>	<u>11,290</u>	<u>12,322</u>	<u>8,671</u>
Fund Balances					
Restricted					
Stabilization by State Statute	26,912	12,395	6,557	6,843	3,429
Fire Protection	<u>518,678</u>	<u>260,723</u>	<u>119,633</u>	<u>115,363</u>	<u>81,809</u>
Total fund balances	<u>545,590</u>	<u>273,118</u>	<u>126,190</u>	<u>122,206</u>	<u>85,238</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 569,794</u>	<u>\$ 290,635</u>	<u>\$ 137,480</u>	<u>\$ 134,528</u>	<u>\$ 93,909</u>

CATAWBA COUNTY, NORTH CAROLINA

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**Fire District Funds
Subcombining Balance Sheet
June 30, 2023**

	Long View Fire District Fund	Newton Rural Fire District Fund	Cooksville Fire District Fund	Hickory Rural Fire District Fund	Total Fire District Funds
Assets					
Cash and investments	\$ 27,910	\$ 115,360	\$ 101,683	\$ 65,709	\$ 2,170,154
Taxes receivable - net	834	10,331	4,882	9,446	143,758
Due from other governments	494	11,610	1,836	28,272	137,733
Interest receivable	52	198	184	125	3,866
Total assets	<u>29,290</u>	<u>137,499</u>	<u>108,585</u>	<u>103,552</u>	<u>2,455,511</u>
Liabilities					
Accounts payable and accrued liabilities	383	-	-	34,630	40,913
Total liabilities	<u>383</u>	<u>-</u>	<u>-</u>	<u>34,630</u>	<u>40,913</u>
Deferred Inflows of Resources					
Taxes receivable	834	10,331	4,882	9,446	143,756
Prepaid taxes	-	2,183	74	1,082	9,336
Total deferred inflows of resources	<u>834</u>	<u>12,514</u>	<u>4,956</u>	<u>10,528</u>	<u>153,092</u>
Fund Balances					
Restricted					
Stabilization by State Statute	546	11,808	2,016	28,396	141,594
Fire Protection	<u>27,527</u>	<u>113,177</u>	<u>101,613</u>	<u>29,998</u>	<u>2,119,912</u>
Total fund balances	<u>28,073</u>	<u>124,985</u>	<u>103,629</u>	<u>58,394</u>	<u>2,261,506</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 29,290</u>	<u>\$ 137,499</u>	<u>\$ 108,585</u>	<u>\$ 103,552</u>	<u>\$ 2,455,511</u>



CATAWBA COUNTY, NORTH CAROLINA

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**Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2023**

	Emergency Telephone System Fund	Narcotics Seized Funds and Property Fund	State Unauthorized Substance Abuse Fund	Narcotics Seized Justice Fund
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental revenues	1,003,259	-	27,147	98,589
Permits and fees	-	-	-	-
Investment earnings	14,388	-	317	4,514
Miscellaneous	-	-	-	-
Total revenues	<u>1,017,647</u>	<u>-</u>	<u>27,464</u>	<u>103,103</u>
Expenditures				
Current				
General government	-	-	-	-
Public safety	358,921	-	46,157	70,524
Environmental Protection	-	-	-	-
Economic and physical development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Total expenditures	<u>358,921</u>	<u>-</u>	<u>46,157</u>	<u>70,524</u>
Excess of revenue over (under) expenditures	<u>658,726</u>	<u>-</u>	<u>(18,693)</u>	<u>32,579</u>
Other Financing Sources (Uses)				
Transfers from other funds	9,484	-	-	609
Transfers to other funds	-	(609)	-	-
Total other financing sources (uses)	<u>9,484</u>	<u>(609)</u>	<u>-</u>	<u>609</u>
Net change in fund balance	668,210	(609)	(18,693)	33,188
Fund Balances - Beginning of Year	<u>1,334,737</u>	<u>609</u>	<u>62,279</u>	<u>429,290</u>
Fund Balances - End of Year	<u>\$ 2,002,947</u>	<u>\$ -</u>	<u>\$ 43,586</u>	<u>\$ 462,478</u>

CATAWBA COUNTY, NORTH CAROLINA

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Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2023

	Narcotics Seized Treasury Fund	Rescue Squads Fund	Library Endowment Fund	Gretchen Peed Scholarship Fund
Revenues				
Ad valorem taxes	\$ -	\$ 1,123,970	\$ -	\$ -
Restricted intergovernmental revenues	65,907	-	6,335	-
Permits and fees	-	-	-	-
Investment earnings	1,274	2,000	1,934	534
Miscellaneous	-	-	-	500
Total revenues	<u>67,181</u>	<u>1,125,970</u>	<u>8,269</u>	<u>1,034</u>
Expenditures				
Current				
General government	-	-	-	-
Public safety	66,033	1,188,832	-	-
Environmental Protection	-	-	-	-
Economic and physical development	-	-	-	-
Human services	-	-	-	1,500
Culture and recreation	-	-	6,335	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>66,033</u>	<u>1,188,832</u>	<u>6,335</u>	<u>1,500</u>
Excess of revenue over (under) expenditures	<u>1,148</u>	<u>(62,862)</u>	<u>1,934</u>	<u>(466)</u>
Other Financing Sources (Uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	1,148	(62,862)	1,934	(466)
Fund Balances - Beginning of Year	<u>148,688</u>	<u>230,086</u>	<u>198,117</u>	<u>56,322</u>
Fund Balances - End of Year	<u>\$ 149,836</u>	<u>\$ 167,224</u>	<u>\$ 200,051</u>	<u>\$ 55,856</u>

CATAWBA COUNTY, NORTH CAROLINA

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**Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2023**

	Parks/ Historic Preservation Fund	Community Development Fund	Stream Debris Removal Fund	Office of Budget & Management Direct Grant Fund	Fines and Forfeitures Fund
Revenues					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental revenues	-	107,693	82,967	-	-
Permits and fees	13,000	-	-	-	416,781
Investment earnings	917	815	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>13,917</u>	<u>108,508</u>	<u>82,967</u>	<u>-</u>	<u>416,781</u>
Expenditures					
Current					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Environmental Protection	-	-	82,967	-	-
Economic and physical development	-	160,317	-	-	-
Human services	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Education	-	-	-	-	421,876
Total expenditures	<u>-</u>	<u>160,317</u>	<u>82,967</u>	<u>-</u>	<u>421,876</u>
Excess of revenue over (under) expenditures	<u>13,917</u>	<u>(51,809)</u>	<u>-</u>	<u>-</u>	<u>(5,095)</u>
Other Financing Sources (Uses)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	13,917	(51,809)	-	-	(5,095)
Fund Balances - Beginning of Year	<u>76,156</u>	<u>52,459</u>	<u>-</u>	<u>-</u>	<u>1,964</u>
Fund Balances - End of Year	<u>\$ 90,073</u>	<u>\$ 650</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,131)</u>

Refer to Note 17 in the notes to the financial statements for Opioid Settlement Fund

CATAWBA COUNTY, NORTH CAROLINA

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**Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2023**

	Representative Payee Fund	Deed of Trust Fund	Fire District Funds	Total Nonmajor Special Revenue Funds
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ 10,340,619	\$ 11,464,589
Restricted intergovernmental revenues	229,877	-	-	1,621,774
Permits and fees	-	111,154	-	540,935
Investment earnings	-	-	28,090	54,783
Miscellaneous	-	-	-	500
Total revenues	<u>229,877</u>	<u>111,154</u>	<u>10,368,709</u>	<u>13,682,581</u>
Expenditures				
Current				
General government	-	111,154	-	111,154
Public safety	-	-	10,285,951	12,016,418
Environmental Protection	-	-	-	82,967
Economic and physical development	-	-	-	160,317
Human services	247,048	-	-	248,548
Culture and recreation	-	-	-	6,335
Education	-	-	-	421,876
Total expenditures	<u>247,048</u>	<u>111,154</u>	<u>10,285,951</u>	<u>13,047,615</u>
Excess of revenue over (under) expenditures	<u>(17,171)</u>	<u>-</u>	<u>82,758</u>	<u>634,966</u>
Other Financing Sources (Uses)				
Transfers from other funds	-	-	-	10,093
Transfers to other funds	-	-	-	(609)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,484</u>
Net change in fund balance	(17,171)	-	82,758	644,450
Fund Balances - Beginning of Year	<u>104,255</u>	<u>-</u>	<u>2,178,748</u>	<u>4,873,710</u>
Fund Balances - End of Year	<u>\$ 87,084</u>	<u>\$ -</u>	<u>\$ 2,261,506</u>	<u>\$ 5,518,160</u>

Emergency Telephone System Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Restricted intergovernmental revenues				
North Carolina 911 funds	\$ 864,091	\$ 864,091	\$ -	\$ 675,787
North Carolina 911 funds - secondary PSAP	139,169	139,168	(1)	64,781
Investment earnings	-	14,388	14,388	(42,629)
Total revenues	<u>1,003,260</u>	<u>1,017,647</u>	<u>14,387</u>	<u>697,939</u>
Expenditures				
Current				
Public Safety				
Implemental functions	26,000	18,429	7,571	19,684
Telephone and furniture	62,400	58,398	4,002	100,008
Software	104,975	76,543	28,432	145,049
Hardware	54,675	60,741	(6,066)	148,173
Training	21,950	5,642	16,308	12,776
Capital outlay	242,000	-	242,000	-
Secondary PSAP	139,169	139,168	1	64,781
Miscellaneous	361,575	-	361,575	-
Total expenditures	<u>1,012,744</u>	<u>358,921</u>	<u>653,823</u>	<u>490,471</u>
Excess of revenues over (under) expenditures	<u>(9,484)</u>	<u>658,726</u>	<u>668,210</u>	<u>207,468</u>
Other Financing Sources (Uses)				
Transfers from				
General Fund	<u>9,484</u>	<u>9,484</u>	<u>-</u>	<u>22,509</u>
Transfers to				
General Fund	-	-	-	-
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	<u>9,484</u>	<u>9,484</u>	<u>-</u>	<u>22,509</u>
Net change in fund balance	<u>\$ -</u>	<u>668,210</u>	<u>\$ 668,210</u>	<u>229,977</u>
Fund Balances - Beginning of Year		<u>1,334,737</u>		<u>1,104,760</u>
Fund Balances - End of Year		<u>\$ 2,002,947</u>		<u>\$ 1,334,737</u>

CATAWBA COUNTY, NORTH CAROLINA**Schedule C-4A****Emergency Telephone System Unspent Fund Balance
PSAP Reconciliation
For the Fiscal Year Ended June 30, 2023**

Amounts reported on the Emergency Telephone System Fund- Budget to Actual (Schedule C-4), are different from the PSAP Revenue-Expenditure Report because:

Net Change in Fund Balance, reported on Budget to Actual Schedule	\$ 668,210
Secondary PSAP Pass Through Funding	
NC 911 Funds	(139,168)
Pass through to Secondary PSAPs	139,168
Ineligible 911 expenses reported in Emergency Telephone System Fund in prior year recovered through transfer from General Fund	-
Transfer from General Fund	<u>(9,484)</u>
Net change in fund balance	<u>658,726</u>
Beginning Balance, PSAP Revenue-Expenditure Report	<u>1,344,220</u>
Ending Balance, PSAP Revenue- Expenditure Report	<u>\$ 2,002,946</u>

Narcotics Seized Funds and Property Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Restricted intergovernmental revenues				
U. S. Treasury				
Asset Forfeitures	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	-	(10)
Total revenues	-	-	-	(10)
Expenditures				
Current				
Public Safety				
Other operating	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	-	-	-	(10)
	-			
Other Financing Sources (Uses)				
Fund balance appropriated	609	-	(609)	-
Transfers to				
Other funds	(609)	(609)	-	(40,897)
Total other financing sources (uses)	-	(609)	(609)	(40,897)
Net change in fund balance	\$ -	(609)	\$ (609)	(40,907)
Fund Balances - Beginning of Year		609		41,516
Fund Balances - End of Year		\$ -		\$ 609

State Unauthorized Substance Abuse Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Restricted intergovernmental revenues				
Drug Reimbursement	\$ -	\$ 27,147	\$ 27,147	\$ 31,232
Investment earnings	-	317	317	(1,816)
Total revenues	-	27,464	27,464	29,416
Expenditures				
Current				
Public Safety				
Other operating	25,000	24,998	2	8,500
Capital outlay	21,159	21,159	-	97,705
Total expenditures	46,159	46,157	2	106,205
Excess of revenues over (under) expenditures	(46,159)	(18,693)	27,466	(76,789)
Other Financing Sources (Uses)				
Transfers from				
General Fund	-	-	-	-
Fund balance appropriated	46,159	-	(46,159)	-
Total other financing sources (uses)	46,159	-	(46,159)	-
Net change in fund balance	\$ -	(18,693)	\$ (18,693)	(76,789)
Fund Balances - Beginning of Year		62,279		139,068
Fund Balances - End of Year		\$ 43,586		\$ 62,279

Narcotics Federal Seizure Justice Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Restricted intergovernmental revenues				
Asset Forfeitures	\$ -	\$ 98,589	\$ 98,589	\$ 232,444
Investment earnings	-	4,514	4,514	2,095
Total revenues	-	103,103	103,103	234,539
Expenditures				
Current				
Public Safety				
Other operating	103,500	70,524	32,976	1,000
Total expenditures	103,500	70,524	32,976	1,000
Excess of revenues over (under) expenditures	(103,500)	32,579	136,079	233,539
Other Financing Sources (Uses)				
Transfers from				
Other funds	609	609	-	36,353
Fund balance appropriated	102,891	-	(102,891)	-
Total other financing sources (uses)	103,500	609	(102,891)	36,353
Net change in fund balance	\$ -	33,188	\$ 33,188	269,892
Fund Balances - Beginning of Year		429,290		159,398
Fund Balances - End of Year		\$ 462,478		\$ 429,290

Narcotics Federal Seizure Treasury Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Restricted intergovernmental revenues				
Asset Forfeitures	\$ -	\$ 65,907	\$ 65,907	\$ 85,033
Investment earnings	-	1,274	1,274	822
Total revenues	-	67,181	67,181	85,855
Expenditures				
Current				
Public Safety				
Other operating	66,034	66,033	1	26,385
Total expenditures	66,034	66,033	1	26,385
Excess of revenues over (under) expenditures	(66,034)	1,148	67,182	59,470
Other Financing Sources (Uses)				
Transfers from				
Other funds	-	-	-	4,544
Fund balance appropriated	66,034	-	(66,034)	-
Total other financing sources (uses)	66,034	-	(66,034)	4,544
Net change in fund balance	\$ -	1,148	\$ 1,148	64,014
Fund Balances - Beginning of Year		148,688		84,674
Fund Balances - End of Year		<u>\$ 149,836</u>		<u>\$ 148,688</u>

Rescue Squads Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2023

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 1,123,970	\$ 1,123,970	\$ -	\$ 844,892
Investment earnings	-	2,000	2,000	(11,735)
Total revenues	<u>1,123,970</u>	<u>1,125,970</u>	<u>2,000</u>	<u>833,157</u>
Expenditures				
Public Safety				
Other operating	<u>1,217,623</u>	<u>1,188,832</u>	<u>28,791</u>	<u>939,282</u>
Total expenditures	<u>1,217,623</u>	<u>1,188,832</u>	<u>28,791</u>	<u>939,282</u>
Excess of revenues over (under) expenditures	<u>(93,653)</u>	<u>(62,862)</u>	<u>30,791</u>	<u>(106,125)</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>93,653</u>	<u>-</u>	<u>(93,653)</u>	<u>-</u>
Total other financing sources (uses)	<u>93,653</u>	<u>-</u>	<u>(93,653)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(62,862)</u>	<u>\$ (62,862)</u>	<u>(106,125)</u>
Fund Balances - Beginning of Year		<u>230,086</u>		<u>336,211</u>
Fund Balances - End of Year		<u>\$ 167,224</u>		<u>\$ 230,086</u>

Library Endowment Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Community Foundation	\$ 10,000	\$ 6,335	\$ (3,665)	\$ 8,110
Investment earnings	-	1,934	1,934	(6,734)
Total revenues	<u>10,000</u>	<u>8,269</u>	<u>(1,731)</u>	<u>1,376</u>
	-			
Expenditures				
Culture and recreation				
Other operating	<u>10,000</u>	<u>6,335</u>	<u>3,665</u>	<u>28,632</u>
Total expenditures	<u>10,000</u>	<u>6,335</u>	<u>3,665</u>	<u>28,632</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>1,934</u>	<u>1,934</u>	<u>(27,256)</u>
Other Financing Sources (Uses)				
Transfer from other funds	-	-	-	-
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>1,934</u>	<u>\$ 1,934</u>	<u>(27,256)</u>
Fund Balances - Beginning of Year		<u>198,117</u>		<u>225,373</u>
Fund Balances - End of Year		<u>\$ 200,051</u>		<u>\$ 198,117</u>

Gretchen Peed Scholarship Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Investment earnings	\$ 250	\$ 534	\$ 284	\$ (1,927)
Miscellaneous				
Donations	1,250	500	(750)	500
Total revenues	1,500	1,034	(466)	(1,427)
Expenditures				
Human services				
Scholarship awards	1,500	1,500	-	1,000
Total expenditures	1,500	1,500	-	1,000
Excess of revenues over (under) expenditures	-	(466)	(466)	(2,427)
Other Financing Sources (Uses)				
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	(466)	\$ (466)	(2,427)
Fund Balances - Beginning of Year		56,322		58,749
Fund Balances - End of Year		\$ 55,856		\$ 56,322

Parks/Historic Preservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Licenses and permits				
Developer fee	\$ -	\$ 13,000	\$ 13,000	\$ 21,449
Investment earnings	-	917	917	(1,161)
Total revenues	-	13,917	13,917	20,288
Expenditures				
Economic and physical development				
Other operating	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	-	13,917	13,917	20,288
Other Financing Sources (Uses)				
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	13,917	\$ 13,917	20,288
Fund Balances - Beginning of Year		76,156		55,868
Fund Balances - End of Year		\$ 90,073		\$ 76,156

Stream Debris Removal Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2023

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Restricted intergovernmental revenues	\$ 310,640	\$ 82,967	\$ 227,673	
Investment earnings	-	-	-	-
Total revenues	<u>310,640</u>	<u>82,967</u>	<u>227,673</u>	<u>-</u>
Expenditures				
Environmental Protection				
Other operating	310,640	82,967	227,673	-
Total expenditures	<u>310,640</u>	<u>82,967</u>	<u>227,673</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)	-			
Fund balance appropriated	-	-	-	-
Transfers to				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund Balances - Beginning of Year		<u>-</u>		<u>-</u>
Fund Balances - End of Year		<u>\$ -</u>		<u>\$ -</u>



CATAWBA COUNTY, NORTH CAROLINA

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**Community Development Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2023**
Fund Balances - Beginning of Year

NC Housing Trust Fund (NCHFA) 2022 Urgent Repair Program (URP 2202)	Project Authorization	Actual			
		Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Restricted intergovernmental revenues	\$ 125,000	\$ -	\$ 66,569	\$ 66,569	\$ (58,431)
Investment earnings	-	-	650	650	650
Total revenues	125,000	-	67,219	67,219	(58,431)
Expenditures					
Economic and physical development					
Administration	22,000	-	7,283	7,283	14,717
Rehabilitation	103,000	-	59,286	59,286	43,714
Total expenditures	125,000	-	66,569	66,569	58,431
Excess of revenues over (under) expenditures	-	-	650	650	650
Other Financing Sources (Uses)					
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	650	\$ 650	\$ 650
Fund Balances - Beginning of Year			-		
Fund Balances - End of Year			\$ 650		

NC Housing Trust Fund (NCHFA) 2021 Urgent Repair Program (URP 2103)	Project Authorization	Actual			
		Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Restricted intergovernmental revenues	\$ 100,000	\$ 100,000	\$ -	\$ 100,000	\$ -
Investment earnings	-	177	165	342	342
Total revenues	100,000	100,177	165	100,342	-
Expenditures					
Economic and physical development					
Administration	12,000	-	11,887	11,887	113
Rehabilitation	88,000	44,718	43,737	88,455	(455)
Total expenditures	100,000	44,718	55,624	100,342	(342)
Excess of revenues over (under) expenditures	-	55,459	(55,459)	-	-
Other Financing Sources (Uses)					
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 55,459	(55,459)	\$ -	\$ -
Fund Balances - Beginning of Year			55,459		
Fund Balances - End of Year			\$ -		

CATAWBA COUNTY, NORTH CAROLINA

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Community Development Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
From Inception and for the Fiscal Year Ended June 30, 2023

NC Scattered Site Housing Grant Number 19-C-3125	Project Authorization	Actual			
		Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Restricted intergovernmental revenues	\$ 750,000	\$ 22,528	\$ 41,124	\$ 63,652	\$ (686,348)
Total revenues	750,000	22,528	41,124	63,652	(686,348)
Expenditures					
Economic and physical development					
Administration	65,000	21,928	23,774	45,702	19,298
Rehabilitation	682,000	600	14,350	14,950	667,050
Planning	3,000	3,000	-	3,000	-
Total expenditures	750,000	25,528	38,124	63,652	686,348
Excess of revenues over (under) expenditures	-	(3,000)	3,000	-	-
Other Financing Sources (Uses)					
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ (3,000)	3,000	\$ -	\$ -
Fund Balances - Beginning of Year			(3,000)		
Fund Balances - End of Year			\$ -		

Office of State Budget & Management Direct Grants
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
 For the Fiscal Year Ended June 30, 2023
 With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Restricted intergovernmental revenues	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -
Investment earnings	-	-	-	-
Total revenues	1,000,000	-	1,000,000	-
Expenditures				
Economic and physical development				
Other operating	1,000,000	-	1,000,000	-
Total expenditures	1,000,000	-	1,000,000	-
Excess of revenues over (under) expenditures	-	-	-	-
Other Financing Sources (Uses)	-			
Fund balance appropriated	-	-	-	-
Transfers to				
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	-	\$ -	-
Fund Balances - Beginning of Year		-		-
Fund Balances - End of Year		\$ -		\$ -

Fines and Forfeitures Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2023

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Sales and services				
Penalties, fines and forfeitures	\$ 514,441	\$ 416,781	\$ 97,660	\$ 355,119
Total revenues	<u>514,441</u>	<u>416,781</u>	<u>97,660</u>	<u>355,119</u>
Expenditures				
Education				
Payments of penalties, fines and forfeitures to local Boards of Education	<u>514,441</u>	<u>421,876</u>	<u>92,565</u>	<u>354,669</u>
Total expenditures	<u>514,441</u>	<u>421,876</u>	<u>92,565</u>	<u>354,669</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>(5,095)</u>	<u>(5,095)</u>	<u>450</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(5,095)</u>	<u>(5,095)</u>	<u>\$ 450</u>
Fund Balance, beginning, as previously reported principle		-		-
				<u>1,514</u>
Fund Balances - Beginning of Year		<u>1,964</u>		<u>-</u>
Fund Balances - End of Year		<u>\$ (3,131)</u>		<u>\$ 1,964</u>

Representative Payee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Intergovernmental revenue				
Representative payee funds	\$ 400,000	\$ 229,877	\$ 170,123	\$ 258,122
Total revenues	<u>400,000</u>	<u>229,877</u>	<u>170,123</u>	<u>258,122</u>
Expenditures				
Human Services				
Payments made for the benefit of beneficiaries	<u>400,000</u>	<u>247,048</u>	<u>152,952</u>	<u>283,171</u>
Total expenditures	<u>400,000</u>	<u>247,048</u>	<u>152,952</u>	<u>283,171</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>(17,171)</u>	<u>(17,171)</u>	<u>(25,049)</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(17,171)</u>	<u>(17,171)</u>	<u>\$ (25,049)</u>
Fund Balances - Beginning of Year		<u>104,255</u>		<u>129,304</u>
Fund Balances - End of Year		<u>\$ 87,084</u>		<u>\$ 104,255</u>

Deed of Trust Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2023

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Permits and fees				
Register of Deeds	\$ 150,000	\$ 111,154	\$ 38,846	\$ 135,129
Total revenues	<u>150,000</u>	<u>111,154</u>	<u>38,846</u>	<u>135,129</u>
Expenditures				
General Government				
Payment of fees collected to the State of North Carolina	150,000	111,154	38,846	135,129
Total expenditures	<u>150,000</u>	<u>111,154</u>	<u>38,846</u>	<u>135,129</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)				
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances - Beginning of Year		<u>-</u>		<u>-</u>
Fund Balances - End of Year		<u><u>\$ -</u></u>		<u><u>\$ -</u></u>

CATAWBA COUNTY, NORTH CAROLINA
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Fire District Funds
**Subcombining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2023**

	Mountain View Fire District Fund	Propst Fire District Fund	St. Stephens Fire District Fund	Conover Rural Fire District Fund	Oxford Fire District Fund
Revenues					
Ad valorem taxes	\$ 764,571	\$ 321,262	\$ 1,250,771	\$ 143,418	\$ 374,520
Investment earnings	1,114	848	1,997	4,252	606
Total revenues	<u>765,685</u>	<u>322,110</u>	<u>1,252,768</u>	<u>147,670</u>	<u>375,126</u>
Expenditures					
Current					
Public safety	<u>769,013</u>	<u>348,256</u>	<u>1,257,477</u>	<u>17,881</u>	<u>455,336</u>
Total expenditures	<u>769,013</u>	<u>348,256</u>	<u>1,257,477</u>	<u>17,881</u>	<u>455,336</u>
Excess of revenue over (under) expenditures	<u>(3,328)</u>	<u>(26,146)</u>	<u>(4,709)</u>	<u>129,789</u>	<u>(80,210)</u>
Other Financing Sources (Uses)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(3,328)	(26,146)	(4,709)	129,789	(80,210)
Fund Balances - Beginning of Year	<u>55,246</u>	<u>106,350</u>	<u>116,355</u>	<u>373,159</u>	<u>127,577</u>
Fund Balances - End of Year	<u>\$ 51,918</u>	<u>\$ 80,204</u>	<u>\$ 111,646</u>	<u>\$ 502,948</u>	<u>\$ 47,367</u>

CATAWBA COUNTY, NORTH CAROLINA

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Fire District Funds
**Subcombining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2023**

	Sherrills Ford Fire District Fund	Bandys Fire District Fund	Maiden Fire District Fund	Claremont Fire District Fund	Catawba Fire District Fund
Revenues					
Ad valorem taxes	\$ 3,527,349	\$ 970,782	\$ 385,522	\$ 483,897	\$ 291,171
Investment earnings	<u>7,670</u>	<u>3,067</u>	<u>1,460</u>	<u>1,506</u>	<u>971</u>
Total revenues	<u>3,535,019</u>	<u>973,849</u>	<u>386,982</u>	<u>485,403</u>	<u>292,142</u>
Expenditures					
Current					
Public safety	<u>3,625,619</u>	<u>890,987</u>	<u>408,161</u>	<u>462,914</u>	<u>273,697</u>
Total expenditures	<u>3,625,619</u>	<u>890,987</u>	<u>408,161</u>	<u>462,914</u>	<u>273,697</u>
Excess of revenue over (under) expenditures	<u>(90,600)</u>	<u>82,862</u>	<u>(21,179)</u>	<u>22,489</u>	<u>18,445</u>
Other Financing Sources (Uses)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(90,600)	82,862	(21,179)	22,489	18,445
Fund Balances - Beginning of Year	<u>636,190</u>	<u>190,256</u>	<u>147,369</u>	<u>99,717</u>	<u>66,793</u>
Fund Balances - End of Year	<u>\$ 545,590</u>	<u>\$ 273,118</u>	<u>\$ 126,190</u>	<u>\$ 122,206</u>	<u>\$ 85,238</u>

CATAWBA COUNTY, NORTH CAROLINA

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Fire District Funds
**Subcombining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2023**

	Long View Fire District Fund	Newton Rural Fire District Fund	Cooksville Fire District Fund	Hickory Rural Fire District Fund	Total Fire District Funds
Revenues					
Ad valorem taxes	\$ 48,189	\$ 913,316	\$ 140,928	\$ 724,923	\$ 10,340,619
Investment earnings	330	1,888	1,046	1,335	28,090
Total revenues	<u>48,519</u>	<u>915,204</u>	<u>141,974</u>	<u>726,258</u>	<u>10,368,709</u>
Expenditures					
Current					
Public safety	<u>47,526</u>	<u>875,967</u>	<u>129,919</u>	<u>723,198</u>	<u>10,285,951</u>
Total expenditures	<u>47,526</u>	<u>875,967</u>	<u>129,919</u>	<u>723,198</u>	<u>10,285,951</u>
Excess of revenue over (under) expenditures	<u>993</u>	<u>39,237</u>	<u>12,055</u>	<u>3,060</u>	<u>82,758</u>
Other Financing Sources (Uses)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	993	39,237	12,055	3,060	82,758
Fund Balances - Beginning of Year	<u>27,080</u>	<u>85,748</u>	<u>91,574</u>	<u>55,334</u>	<u>2,178,748</u>
Fund Balances - End of Year	<u>\$ 28,073</u>	<u>\$ 124,985</u>	<u>\$ 103,629</u>	<u>\$ 58,394</u>	<u>\$ 2,261,506</u>

Mountain View Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 747,662	\$ 764,571	\$ 16,909	\$ 606,890
Investment earnings	-	1,114	1,114	(1,170)
Total revenues	<u>747,662</u>	<u>765,685</u>	<u>18,023</u>	<u>605,720</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>769,013</u>	<u>769,013</u>	<u>-</u>	<u>603,369</u>
Total expenditures	<u>769,013</u>	<u>769,013</u>	<u>-</u>	<u>603,369</u>
Excess of revenues over (under) expenditures	<u>(21,351)</u>	<u>(3,328)</u>	<u>18,023</u>	<u>2,351</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>21,351</u>	<u>-</u>	<u>(21,351)</u>	<u>-</u>
Total other financing sources (uses)	<u>21,351</u>	<u>-</u>	<u>(21,351)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(3,328)</u>	<u>\$ (3,328)</u>	<u>2,351</u>
Fund Balances - Beginning of Year		<u>55,246</u>		<u>52,895</u>
Fund Balances - End of Year		<u>\$ 51,918</u>		<u>\$ 55,246</u>

Propst Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Ad valorem taxes	\$ 298,256	\$ 321,262	\$ 23,006	\$ 248,435
Investment earnings	-	848	848	(3,320)
Total revenues	<u>298,256</u>	<u>322,110</u>	<u>23,854</u>	<u>245,115</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>348,256</u>	<u>348,256</u>	<u>-</u>	<u>235,430</u>
Total expenditures	<u>348,256</u>	<u>348,256</u>	<u>-</u>	<u>235,430</u>
Excess of revenues over (under) expenditures	<u>(50,000)</u>	<u>(26,146)</u>	<u>23,854</u>	<u>9,685</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(26,146)</u>	<u>\$ (26,146)</u>	<u>9,685</u>
Fund Balances - Beginning of Year		<u>106,350</u>		<u>96,665</u>
Fund Balances - End of Year		<u>\$ 80,204</u>		<u>\$ 106,350</u>

St. Stephens Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 1,210,506	\$ 1,250,771	\$ 40,265	\$ 1,228,413
Investment earnings	-	1,997	1,997	(2,597)
Total revenues	<u>1,210,506</u>	<u>1,252,768</u>	<u>42,262</u>	<u>1,225,816</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>1,257,477</u>	<u>1,257,477</u>	<u>-</u>	<u>1,222,796</u>
Total expenditures	<u>1,257,477</u>	<u>1,257,477</u>	<u>-</u>	<u>1,222,796</u>
Excess of revenues over (under) expenditures	<u>(46,971)</u>	<u>(4,709)</u>	<u>42,262</u>	<u>3,020</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>46,971</u>	<u>-</u>	<u>(46,971)</u>	<u>-</u>
Total other financing sources (uses)	<u>46,971</u>	<u>-</u>	<u>(46,971)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(4,709)</u>	<u>\$ (4,709)</u>	<u>3,020</u>
Fund Balances - Beginning of Year		<u>116,355</u>		<u>113,335</u>
Fund Balances - End of Year		<u>111,646</u>		<u>116,355</u>

Conover Rural Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Ad valorem taxes	\$ 136,067	\$ 143,418	\$ 7,351	\$ 131,745
Investment earnings	-	4,252	4,252	(12,775)
Total revenues	<u>136,067</u>	<u>147,670</u>	<u>11,603</u>	<u>118,970</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>153,948</u>	<u>17,881</u>	<u>136,067</u>	<u>-</u>
Total expenditures	<u>153,948</u>	<u>17,881</u>	<u>136,067</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(17,881)</u>	<u>129,789</u>	<u>147,670</u>	<u>118,970</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>17,881</u>	<u>-</u>	<u>(17,881)</u>	<u>-</u>
Total other financing sources (uses)	<u>17,881</u>	<u>-</u>	<u>(17,881)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>129,789</u>	<u>\$ 129,789</u>	<u>118,970</u>
Fund Balances - Beginning of Year		<u>373,159</u>		<u>254,189</u>
Fund Balances - End of Year		<u>\$ 502,948</u>		<u>\$ 373,159</u>

Oxford Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 358,336	\$ 374,520	\$ 16,184	\$ 366,936
Investment earnings	-	606	606	(3,898)
Total revenues	<u>358,336</u>	<u>375,126</u>	<u>16,790</u>	<u>363,038</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>455,336</u>	<u>455,336</u>	<u>-</u>	<u>348,208</u>
Total expenditures	<u>455,336</u>	<u>455,336</u>	<u>-</u>	<u>348,208</u>
Excess of revenues over (under) expenditures	<u>(97,000)</u>	<u>(80,210)</u>	<u>16,790</u>	<u>14,830</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>97,000</u>	<u>-</u>	<u>(97,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>97,000</u>	<u>-</u>	<u>(97,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(80,210)</u>	<u>\$ (80,210)</u>	<u>14,830</u>
Fund Balances - Beginning of Year		<u>127,577</u>		<u>112,747</u>
Fund Balances - End of Year		<u>\$ 47,367</u>		<u>\$ 127,577</u>

Sherrills Ford Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Ad valorem taxes	\$ 3,376,619	\$ 3,527,349	\$ 150,730	\$ 3,367,406
Investment earnings	-	7,670	7,670	(18,407)
Total revenues	<u>3,376,619</u>	<u>3,535,019</u>	<u>158,400</u>	<u>3,348,999</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>3,625,619</u>	<u>3,625,619</u>	<u>-</u>	<u>3,185,311</u>
Total expenditures	<u>3,625,619</u>	<u>3,625,619</u>	<u>-</u>	<u>3,185,311</u>
Excess of revenues over (under) expenditures	<u>(249,000)</u>	<u>(90,600)</u>	<u>158,400</u>	<u>163,688</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>249,000</u>	<u>-</u>	<u>(249,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>249,000</u>	<u>-</u>	<u>(249,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(90,600)</u>	<u>\$ (90,600)</u>	<u>163,688</u>
Fund Balances - Beginning of Year		<u>636,190</u>		<u>472,502</u>
Fund Balances - End of Year		<u>\$ 545,590</u>		<u>\$ 636,190</u>

Bandys Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 890,987	\$ 970,782	\$ 79,795	\$ 921,652
Investment earnings	-	3,067	3,067	(5,053)
Total revenues	<u>890,987</u>	<u>973,849</u>	<u>82,862</u>	<u>916,599</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>890,987</u>	<u>890,987</u>	<u>-</u>	<u>860,146</u>
Total expenditures	<u>890,987</u>	<u>890,987</u>	<u>-</u>	<u>860,146</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>82,862</u>	<u>82,862</u>	<u>56,453</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>82,862</u>	<u>\$ 82,862</u>	<u>56,453</u>
Fund Balances - Beginning of Year		<u>190,256</u>		<u>133,803</u>
Fund Balances - End of Year		<u>\$ 273,118</u>		<u>\$ 190,256</u>

Maiden Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2022			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 368,161	\$ 385,522	\$ 17,361	\$ 275,565
Investment earnings	-	1,460	1,460	(4,629)
Total revenues	<u>368,161</u>	<u>386,982</u>	<u>18,821</u>	<u>270,936</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>408,161</u>	<u>408,161</u>	<u>-</u>	<u>243,078</u>
Total expenditures	<u>408,161</u>	<u>408,161</u>	<u>-</u>	<u>243,078</u>
Excess of revenues over (under) expenditures	<u>(40,000)</u>	<u>(21,179)</u>	<u>18,821</u>	<u>27,858</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>40,000</u>	<u>-</u>	<u>(40,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>40,000</u>	<u>-</u>	<u>(40,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(21,179)</u>	<u>\$ (21,179)</u>	<u>27,858</u>
Fund Balances - Beginning of Year		<u>147,369</u>		<u>119,511</u>
Fund Balances - End of Year		<u>\$ 126,190</u>		<u>\$ 147,369</u>

Claremont Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 462,914	\$ 483,897	\$ 20,983	\$ 402,150
Investment earnings	-	1,506	1,506	(2,903)
Total revenues	<u>462,914</u>	<u>485,403</u>	<u>22,489</u>	<u>399,247</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>462,914</u>	<u>462,914</u>	<u>-</u>	<u>382,982</u>
Total expenditures	<u>462,914</u>	<u>462,914</u>	<u>-</u>	<u>382,982</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>22,489</u>	<u>22,489</u>	<u>16,265</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>22,489</u>	<u>\$ 22,489</u>	<u>16,265</u>
Fund Balances - Beginning of Year		<u>99,717</u>		<u>83,452</u>
Fund Balances - End of Year		<u>\$ 122,206</u>		<u>\$ 99,717</u>

Catawba Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 273,697	\$ 291,171	\$ 17,474	\$ 284,616
Investment earnings	-	971	971	(1,695)
Total revenues	<u>273,697</u>	<u>292,142</u>	<u>18,445</u>	<u>282,921</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>273,697</u>	<u>273,697</u>	<u>-</u>	<u>356,268</u>
Total expenditures	<u>273,697</u>	<u>273,697</u>	<u>-</u>	<u>356,268</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>18,445</u>	<u>18,445</u>	<u>(73,347)</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>18,445</u>	<u>\$ 18,445</u>	<u>(73,347)</u>
Fund Balances - Beginning of Year		<u>66,793</u>		<u>140,140</u>
Fund Balances - End of Year		<u>\$ 85,238</u>		<u>\$ 66,793</u>

Long View Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 47,526	\$ 48,189	\$ 663	\$ 35,006
Investment earnings	-	330	330	(902)
Total revenues	47,526	48,519	993	34,104
Expenditures				
Public safety				
Transmitted to fire department	47,526	47,526	-	34,275
Total expenditures	47,526	47,526	-	34,275
Excess of revenues over (under) expenditures	-	993	993	(171)
Other Financing Sources (Uses)				
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	993	\$ 993	(171)
Fund Balances - Beginning of Year		27,080		27,251
Fund Balances - End of Year		\$ 28,073		\$ 27,080

Newton Rural Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 875,967	\$ 913,316	\$ 37,349	\$ 777,894
Investment earnings	-	1,888	1,888	(2,018)
Total revenues	<u>875,967</u>	<u>915,204</u>	<u>39,237</u>	<u>775,876</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>875,967</u>	<u>875,967</u>	<u>-</u>	<u>778,829</u>
Total expenditures	<u>875,967</u>	<u>875,967</u>	<u>-</u>	<u>778,829</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>39,237</u>	<u>39,237</u>	<u>(2,953)</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>39,237</u>	<u>\$ 39,237</u>	<u>(2,953)</u>
Fund Balances - Beginning of Year		<u>85,748</u>		<u>88,701</u>
Fund Balances - End of Year		<u>\$ 124,985</u>		<u>\$ 85,748</u>

Cooksville Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2022			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 129,919	\$ 140,928	\$ 11,009	\$ 133,999
Investment earnings	-	1,046	1,046	(2,955)
Total revenues	<u>129,919</u>	<u>141,974</u>	<u>12,055</u>	<u>131,044</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>129,919</u>	<u>129,919</u>	<u>-</u>	<u>136,203</u>
Total expenditures	<u>129,919</u>	<u>129,919</u>	<u>-</u>	<u>136,203</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>12,055</u>	<u>12,055</u>	<u>(5,159)</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>12,055</u>	<u>\$ 12,055</u>	<u>(5,159)</u>
Fund Balances - Beginning of Year		<u>91,574</u>		<u>96,733</u>
Fund Balances - End of Year		<u>\$ 103,629</u>		<u>\$ 91,574</u>

Hickory Rural Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 696,724	\$ 724,923	\$ 28,199	\$ 705,300
Investment earnings	-	1,335	1,335	(1,291)
Total revenues	696,724	726,258	29,534	704,009
Expenditures				
Public safety				
Transmitted to fire department	723,198	723,198	-	700,419
Total expenditures	723,198	723,198	-	700,419
Excess of revenues over (under) expenditures	(26,474)	3,060	29,534	3,590
Other Financing Sources (Uses)				
Fund balance appropriated	26,474	-	(26,474)	-
Total other financing sources (uses)	26,474	-	(26,474)	-
Net change in fund balance	\$ -	3,060	\$ 3,060	3,590
Fund Balances - Beginning of Year		55,334		51,744
Fund Balances - End of Year		\$ 58,394		\$ 55,334

Capital Projects Funds

To account for financial resources to be used for the acquisition or construction of major capital projects.

Major Funds

General Capital Projects Fund -

To account for the financing and construction of major general government capital projects.

School Construction Fund -

To account for the financing and construction of major capital projects for the three school systems and community college in the County.

Non Major Funds

Subdivision Road Improvement Fund -

To fund future special assessment subdivision road improvements projects.

School Capital Projects Fund -

To account for the financing and construction of major capital projects for the three school systems and community college in the County.

Hospital Capital Reserve Fund -

To account for the accumulation of funds for the financing and construction of major capital projects for Catawba Valley Medical Center.

CATAWBA COUNTY, NORTH CAROLINA
Schedule D-1
**Nonmajor Capital Projects Funds
Combining Balance Sheet
June 30, 2023**

	Subdivision Road Improvement Fund	School Capital Fund	Hospital Capital Reserve Fund	Total Nonmajor Capital Projects Fund
Assets				
Cash and investments	\$ 1,671,206	\$ 12,033,060	2,081,502	\$ 15,785,768
Due from other governments	445	\$ 4,007,976		4,008,421
Tax assessment receivable	248,623	-	-	248,623
Interest receivables	<u>3,599</u>	<u>23,934</u>	<u>3,271</u>	<u>30,804</u>
Total assets	<u>1,923,873</u>	<u>16,064,970</u>	<u>2,084,773</u>	<u>20,073,616</u>
Liabilities				
Accounts payable and accrued liabilities	-	285,824	-	285,824
Total liabilities	<u>-</u>	<u>285,824</u>	<u>-</u>	<u>285,824</u>
Deferred Inflows of Resources	<u>248,623</u>	<u>-</u>	<u>-</u>	<u>248,623</u>
Fund Balance				
Restricted				
Stabilization by State Statute	187,555	4,031,910	3,271	4,222,736
School Capital		-	-	-
School Construction		-	-	-
Hospital Capital		-	2,081,502	2,081,502
General Capital				-
Committed				-
School Capital		11,747,236	-	11,747,236
School Construction		-	-	-
Hospital Construction		-	-	-
General Capital		-	-	-
Subdivision Road Improvement	833,295			833,295
Unassigned	<u>654,400</u>	<u>-</u>	<u>-</u>	<u>654,400</u>
Total fund balances	<u>1,675,250</u>	<u>15,779,146</u>	<u>2,084,773</u>	<u>19,539,169</u>
Total liabilities and fund balances	<u>\$ 1,923,873</u>	<u>\$ 16,064,970</u>	<u>\$ 2,084,773</u>	<u>\$ 20,073,616</u>

Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2023

	Subdivision Road Improvement Fund	School Capital Fund	Hospital Capital Reserve Fund	Total Nonmajor Capital Projects Fund
Revenues				
Other taxes	\$ -	\$ 9,210,718	\$ -	\$ 9,210,718
Tax assessment road improvement	13,586	-	-	13,586
Investment earnings	16,361	112,801	16,801	145,963
Total revenues	29,947	9,323,519	16,801	9,370,267
Expenditures				
Capital outlay	833,295	7,269,938	-	8,103,233
Total expenditures	833,295	7,269,938	-	8,103,233
Excess of revenues over (under) expenditures	(803,348)	2,053,581	16,801	1,267,034
Other Financing Sources (Uses)				
Transfers from other funds	1,912,000	1,100,000	-	3,012,000
Transfers to other funds	-	-	(165,690)	(165,690)
Total other financing sources (uses)	1,912,000	1,100,000	(165,690)	2,846,310
Net change in fund balance	1,108,652	3,153,581	(148,889)	4,113,344
Fund Balances - Beginning of Year	566,598	12,625,565	2,233,662	15,425,825
Fund Balances - End of Year	<u>\$ 1,675,250</u>	<u>\$ 15,779,146</u>	<u>\$ 2,084,773</u>	<u>\$ 19,539,169</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule D-3

Page 1 of 2

General Capital Projects Fund
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
From Inception and for the Year Ended June 30, 2023**

	Project	Actual			
	Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Other Taxes					
Sales Taxes - Article 46-one quarter of one percent	\$ 4,339,440	\$ 4,540,231	\$ 738,084	\$ 5,278,315	\$ 938,875
Restricted intergovernmental revenues					
Municipalities Grants	92,656	28,944	63,712	92,656	-
County Grants	-	207,925	-	207,925	207,925
NC PARTF Grant	414,109	414,109	-	414,109	-
Investment earnings	293,412	4,084,463	288,189	4,372,652	4,079,240
Miscellaneous					
Donations	100,000	181,328	-	181,328	81,328
Duke Energy	355,600	355,600	-	355,600	-
Easements	48,479	48,479	-	48,479	-
Miscellaneous	427,641	357,474	-	357,474	(70,167)
Park Donations	518,685	618,685	-	618,685	100,000
Rental - Jail Beds	4,343,055	4,687,752	-	4,687,752	344,697
Rental - Lifeskills	69,928	123,760	-	123,760	53,832
Sale of Timber	186,000	-	176,700	176,700	(9,300)
Total revenues	11,189,005	15,648,750	1,266,685	16,915,435	5,726,430
Expenditures					
Capital outlay					
Agriculture Resource Center Renovation	4,873,943	-	-	-	4,873,943
Claremont International Rail Park	506,950	-	54,844	54,844	452,106
Elections Office Renovation	2,089,957	2,077,127	-	2,077,127	12,830
ERP System Upgrade	500,000	-	-	-	500,000
Communications Infrastructure	547,146	544,359	-	544,359	2,787
Economic Development	8,455,653	1,189,585	-	1,189,585	7,266,068
Family Services Center Parking Lot	125,000	-	-	-	125,000
Fleet Services Expansion	900,000	-	-	-	900,000
Future Unspecified Projects	2,136,080	-	-	-	2,136,080
General Renovations	1,120,319	494,570	413,453	908,023	212,296
Government Center Complex Improvements	1,962,450	1,707,417	-	1,707,417	255,033
Hickory EMS Base	3,750,000	-	5,000	5,000	3,745,000
Hudson Chapel Property	186,000	-	1,829	1,829	184,171
I-Care Building	232,997	-	232,997	232,997	-
Jail Expansion	33,896,888	32,928,804	788,568	33,717,372	179,516
Jail Improvements	215,000	-	-	-	215,000
Justice Center Sheriff Parking Drive Asphalt	100,000	-	-	-	100,000
Library Technology	226,249	196,595	20,947	217,542	8,707
Library Newton Branch	400,000	-	-	-	400,000
Lifeskills Building Maintenance	150,928	-	18,850	18,850	132,078
Mountain Creek Park	9,873,407	9,727,682	71,750	9,799,432	73,975
Mountain View EMS Base	720,951	-	-	-	720,951
Multi-jurisdictional Data Park	2,600,000	2,341,635	-	2,341,635	258,365
Newton EMS Base	3,032,085	1,090,568	1,651,573	2,742,141	289,944
Oblique Photography	498,640	438,380	60,050	498,430	210
Park Improvements	564,092	489,840	45,620	535,460	28,632
Park Improvements - Riverbend	695,572	439,973	-	439,973	255,599
Permitting/Inspections System	1,420,000	824,153	89,888	914,041	505,959
Public Safety	948,142	295,469	210,628	506,097	442,045
Public Safety Software System	650,000	380,472	151,685	532,157	117,843
Roofing Projects	2,597,291	1,145,858	784,351	1,930,209	667,082
Southeastern Catawba County Business Park	4,625,000	2,273,225	2,249	2,275,474	2,349,526

General Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2023

	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
Server & Desktop Applications	2,139,431	1,611,240	332,419	1,943,659	195,772
St. Stephens EMS Base	3,000,000	-	213,826	213,826	2,786,174
St. Stephens Park Playground Upgrade	184,300	-	166,122	166,122	18,178
Technology Infrastructure Upgrades	3,290,000	2,108,108	1,181,892	3,290,000	-
Tax System Upgrade	1,000,000	-	-	-	1,000,000
Trivium Corporate Center	10,873,151	9,067,975	338,407	9,406,382	1,466,769
Voting Equipment	122,000	-	118,171	118,171	3,829
Total expenditures	111,209,622	71,373,035	6,955,119	78,328,154	32,881,468
Excess of revenues over (under) expenditures	(100,020,617)	(55,724,285)	(5,688,434)	(61,412,719)	38,607,898
Other Financing Sources (Uses)					
Transfers from					
General Fund	52,499,316	44,893,983	7,605,333	52,499,316	-
General Capital Reserve Fund	632,534	632,534	-	632,534	-
Emergency Telephone Fund Transfer	282,752	282,752	-	282,752	-
Park Preservation Fund	49,000	49,000	-	49,000	-
Water and Sewer Capital	3,700,000	3,700,000	-	3,700,000	-
Water and Sewer Fund	5,290,500	5,290,500	-	5,290,500	-
Transfers to					
General Fund	(339,828)	(181,259)	(158,569)	(339,828)	-
Schools Capital Projects Fund	(750,000)	(750,000)	-	(750,000)	-
Proceeds from Sale of Properties	1,875,841	-	1,875,841	1,875,841	-
Department of Commerce loan issued (Grant 12-L-2401)	2,600,000	2,600,000	-	2,600,000	-
Bonds issued	29,788,560	26,618,280	-	26,618,280	(3,170,280)
Premium on bonds issued	-	3,181,720	-	3,181,720	3,181,720
Fund balance appropriated	4,391,942	-	-	-	(4,391,942)
Total other financing sources (uses)	100,020,617	86,317,510	9,322,605	95,640,115	(4,380,502)
Net change in fund balance	\$ -	\$ 30,593,225	3,634,171	\$ 34,227,396	\$ 34,227,396
Fund Balances - Beginning of Year			30,593,225		
Fund Balances - End of Year			\$ 34,227,396		

Subdivision Road Improvement Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception to Fiscal Year Ended June 30, 2023

	Project	Actual			
	Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Tax Assessment Rd Improvement	\$ -	\$ -	\$ 13,586	\$ 13,586	\$ (13,586)
Investment earnings	-	(21,402)	16,361	(5,041)	5,041
Total revenues	-	(21,402)	29,947	8,545	(8,545)
Expenditures					
Capital outlay					
Fox Chase-Road Improvement	191,716	-	191,716	191,716	-
River Run-Road Improvement	407,500	-	382,759	382,759	24,741
Norman Plantation Road Improvement	75,000	-	69,652	69,652	5,348
Deerfield-Shadowfax Wynd Rd Improvement	339,668	-	189,168	189,168	150,500
Deerfield-Windemere Rd Improvement	55,500	-	-	-	55,500
Total Improvement Expenditures	1,069,384	-	833,295	833,295	236,089
Other					
Future Projects	1,430,616	-	-	-	1,430,616
Total Other	1,430,616	-	-	-	1,430,616
Total expenditures	2,500,000	-	833,295	833,295	1,666,705
Excess of revenues over (under) expenditures	(2,500,000)	(21,402)	(803,348)	(824,750)	1,675,250
Other Financing Sources (Uses)					
Transfer From General Fund	2,500,000	588,000	1,912,000	2,500,000	-
Total other financing sources (uses)	2,500,000	588,000	1,912,000	2,500,000	-
Net change in fund balance	\$ -	\$ 566,598	1,108,652	\$ 1,675,250	\$ 1,675,250
Fund Balances - Beginning of Year			566,598		
Fund Balances - End of Year			\$ 1,675,250		

NC Railroad Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actuals
From Inception to Fiscal Year Ended June 30, 2023

	Project Authorization	Actual			
		Prior Years	Current Year	Total to Date	Over/Under
Revenues					
NC Build Ready Site Grant	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000
Total revenues	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
Expenditures					
Capital outlay					
Claremont Rail Park	500,000	-	-	-	500,000
Total Expenditures	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)					
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances - Beginning of Year			<u>-</u>		
Fund Balances - End of Year			<u>\$ -</u>		

CATAWBA COUNTY, NORTH CAROLINA
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School Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2023

	Project	Actual			
	Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Other taxes					
Sales Taxes-Article 40	\$ 2,310,742	\$ 2,704,135	\$ 1,566,595	\$ 4,270,730	\$ 1,959,988
Sales Taxes-Article 42	30,592,920	31,947,241	7,644,123	39,591,364	8,998,444
Lottery Proceeds Repair & Renovations	800,000	-	-	-	(800,000)
Investment earnings	1,075,367	3,853,151	112,801	3,965,952	2,890,585
Total revenues	34,779,029	38,504,527	9,323,519	47,828,046	13,049,017
Expenditures					
Capital outlay					
Catawba County Schools					
Activity Buses	465,000	22,500	205,916	228,416	236,584
Athletic Field Improvements	750,000	703,078	27,614	730,692	19,308
Awnings	150,000	-	-	-	150,000
Bandys High School Renovations	1,765,000	1,345,128	131,278	1,476,406	288,594
Bunker Hill High School Renovations	1,224,175	988,803	67,211	1,056,014	168,161
Bus Garage Equipment	250,000	-	45,000	45,000	205,000
Camera Security/Electrical Doors	1,942,000	1,685,000	243,705	1,928,705	13,295
Capital Projects Manager	125,809	80,809	45,000	125,809	-
Challenger High School Renovation	75,000	75,000	-	75,000	-
Challenger High School Furniture	75,000	-	491	491	74,509
Clyde Campbell Renovation	505,000	423,500	24,309	447,809	57,191
Fire Alarm Upgrades	1,364,000	985,705	346,305	1,332,010	31,990
Fred T Foard Renovations	1,100,252	717,532	102,108	819,640	280,612
Fred T Foard Gym Flooring Replacement	65,000	21,577	11,000	32,577	32,423
Flooring Systemwide	340,000	1,982	192,349	194,331	145,669
HVAC Controls System Upgrade	5,208,827	4,119,860	723,311	4,843,171	365,656
Land Acquisition	250,000	-	-	-	250,000
Lead Testing	150,000	16,540	7,960	24,500	125,500
Lighting Replacements	845,000	468,922	228,015	696,937	148,063
Lyle Creek Elementary Renovations	60,000	60,000	-	60,000	-
Maiden Middle School Renovations	352,027	213,060	26,925	239,985	112,042
Maintenance Vehicles and Equipment	300,000	80,753	197,586	278,339	21,661
Metal Roofing	64,000	50,397	-	50,397	13,603
Mountain View Elementary Renovations	150,000	-	-	-	150,000
Oil Tank Removal	125,000	-	-	-	125,000
Painting Systemwide	1,335,000	668,000	666,250	1,334,250	750
Paving Systemwide	1,442,583	425,333	34,365	459,698	982,885
Per Capita Allocation	2,468,128	1,654,172	813,956	2,468,128	-
Phone/intercom Systems	180,000	-	158,259	158,259	21,741
Plumbing Replacement Systemwide	394,911	387,755	7,156	394,911	-
Project Planning	80,000	34,021	27,712	61,733	18,267
Restroom Renovations	452,500	-	81,736	81,736	370,764
Roofing Projects	2,625,000	1,653,142	94,385	1,747,527	877,473
Sherrills Ford Furniture & Equipment	100,000	-	-	-	100,000
Systemwide Maintenance	230,000	-	58,919	58,919	171,081
Tennis Courts	495,165	363,597	71,165	434,762	60,403
Tuttle Renovations	50,000	-	29,987	29,987	20,013
Track Improvements Systemwide	457,532	411,142	-	411,142	46,390
Webb-Murray Renovation	50,000	-	37,628	37,628	12,372
Total Catawba County Schools	28,061,909	17,657,308	4,707,601	22,364,909	5,697,000
Catawba Valley Community College					
Cosmetology Center	491,000	316,224	174,776	491,000	-
Energy Management	100,000	-	100,000	100,000	-
General Renovations	190,000	95,000	95,000	190,000	-
HVAC Replacement	485,000	292,686	42,299	334,985	150,015

CATAWBA COUNTY, NORTH CAROLINA

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School Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2023

	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
Project Manager	144,602	94,602	50,000	144,602	-
Stream Bank Restoration Project	2,500,000	1,965,485	287,613	2,253,098	246,902
Tractor	45,000	-	45,000	45,000	-
Total Catawba Valley Community College	3,955,602	2,763,997	794,688	3,558,685	396,917
Catawba Valley Community College Foundation					
K-64 Chromebook Replacement	1,100,000	-	-	-	1,100,000
Total Catawba Valley Community College Foundation	1,100,000	-	-	-	1,100,000
Hickory Public Schools					
Activity Buses	115,000	-	102,305	102,305	12,695
Cafeteria Tables	130,000	130,000	-	130,000	-
Hickory Career Arts Magnet	180,661	45,661	39,494	85,155	95,506
Hickory High School Renovation	2,311,664	1,622,033	529,081	2,151,114	160,550
Hickory Public School Admin Building	76,500	52,047	22,000	74,047	2,453
HVAC Controls Upgrades	149,108	149,108	-	149,108	-
Jenkins Elementary Renovation	238,967	238,967	-	238,967	-
Maintenance Vehicle	121,308	77,939	43,369	121,308	-
Northview Renovations	259,242	259,242	-	259,242	-
Oakwood Elementary Renovations	183,287	93,407	89,280	182,687	600
Per Capita Allocation	522,856	322,500	200,356	522,856	-
Rekeying Locks	141,000	141,000	-	141,000	-
Security Upgrades	1,244,600	-	284,166	284,166	960,434
Southwest Elementary HVAC	540,000	540,000	-	540,000	-
Southwest Elementary Mechanical Upgrades	214,979	214,926	-	214,926	53
Southwest Renovations	58,697	58,697	-	58,697	-
Technology Upgrades	35,000	25,364	-	25,364	9,636
Telecommunication Systems	40,000	18,832	-	18,832	21,168
Total Hickory Public Schools	6,562,869	3,989,723	1,310,051	5,299,774	1,263,095
Newton-Conover City Schools					
Activity Bus	186,000	-	90,000	90,000	96,000
Asbestos Abatement & Management	685,000	7,582	-	7,582	677,418
Conover School Renovations	100,000	94,037	5,963	100,000	-
Fire Alarm Upgrades	60,000	60,000	-	60,000	-
HVAC Upgrades Systemwide	1,900,000	1,689,100	78,852	1,767,952	132,048
NCHS Telephone Paging System	77,000	77,000	-	77,000	-
North Newton Windows	100,000	62,475	-	62,475	37,525
Parking Improvements Systemwide	600,000	15,235	-	15,235	584,765
Per Capita Allocation	452,192	303,420	148,772	452,192	-
Roofing Projects	412,223	305,685	106,538	412,223	-
Security Upgrades	145,601	79,783	24,988	104,771	40,830
System Wide Renovations	120,000	110,504	2,485	112,989	7,011
Total Newton-Conover City Schools	4,838,016	2,804,821	457,598	3,262,419	1,575,597
Total expenditures	44,518,396	27,215,849	7,269,938	34,485,787	10,032,609
Excess of revenues over (under) expenditures	(9,739,367)	11,288,678	2,053,581	13,342,259	23,081,626
Other Financing Sources (Uses)					
Transfers from					
General Fund	2,655,000	1,555,000	1,100,000	2,655,000	-
General Capital Fund	750,000	750,000	-	750,000	-

School Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2023

	<u>Project Authorization</u>	<u>Actual</u>			<u>Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
School Construction Fund	133,290	133,290	-	133,290	-
Transfers to					
General Fund	(300,000)	(300,000)	-	(300,000)	-
School Construction Fund	(801,403)	(801,403)	-	(801,403)	-
Fund Balance Appropriated	<u>7,302,480</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,302,480)</u>
Total other financing sources (uses)	<u>9,739,367</u>	<u>1,336,887</u>	<u>1,100,000</u>	<u>2,436,887</u>	<u>(7,302,480)</u>
Net change in fund balance	<u>\$ -</u>	<u>12,625,565</u>	<u>3,153,581</u>	<u>15,779,146</u>	<u>15,779,146</u>
Fund Balances - Beginning of Year			<u>12,625,565</u>		
Fund Balances - End of Year			<u>\$ 15,779,146</u>		



CATAWBA COUNTY, NORTH CAROLINA

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School Construction Fund
**Schedule of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actuals
From Inception and for the Year Ended June 30, 2023**

	Project	Actual			
	Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Other Taxes					
Sales Taxes-Article 46	1,170,000	-	1,170,000	1,170,000	-
Investment earnings	-	607,398	276,948	884,346	884,346
Lottery Proceeds Needs Based	40,000,000	-	-	-	(40,000,000)
Total revenues	41,170,000	607,398	1,446,948	2,054,346	(39,115,654)
Expenditures					
Catawba County Schools					
Banoak Elementary	8,845,000	8,845,000	-	8,845,000	-
Maiden Middle School	34,720	34,720	-	34,720	-
Roof Replacements	1,610,000	476,020	13,423	489,443	1,120,557
St. Stephens Classroom Renovation	19,984,312	15,156,882	3,157,036	18,313,918	1,670,394
New Maiden Elementary	31,996,808	996,267	8,800,942	9,797,209	22,199,599
Total Catawba County Schools	62,470,840	25,508,889	11,971,401	37,480,290	24,990,550
Catawba Valley Community College					
Cosmetology Center	2,041,982	2,041,982	-	2,041,982	-
Engineering Building	228,017	93,789	4,652	98,441	129,576
Public Safety Complex	1,130,000	338,280	680,495	1,018,775	111,225
Vocational Building	25,100,000	25,100,000	-	25,100,000	-
Total Catawba Valley Community College	28,499,999	27,574,051	685,147	28,259,198	240,801
Hickory Public Schools					
Hickory High Renovations	4,900,000	-	-	-	4,900,000
Oakwood Elementary Renovation	1,854,323	1,854,323	-	1,854,323	-
Facility Audit	100,000	-	92,000	92,000	8,000
Systemwide Classroom Revonations	3,000,000	-	-	-	3,000,000
Total Hickory Public Schools	9,854,323	1,854,323	92,000	1,946,323	7,908,000
Newton-Conover City Schools					
Conover School Renovations	3,312,452	3,312,452	-	3,312,452	-
Newton-Conover High School Renovations	50,848,529	887,606	1,584,529	2,472,135	48,376,394
Roof Replacements	58,141	58,141	-	58,141	-
Total Newton-Conover City Schools	54,219,122	4,258,199	1,584,529	5,842,728	48,376,394
Other					
Future Projects	3,080,000	-	-	-	3,080,000
Future Debt Service	7,584,736	-	-	-	7,584,736
Total Other	10,664,736	-	-	-	10,664,736
Total expenditures	165,709,020	59,195,462	14,333,077	73,528,539	92,180,481
Excess of revenues over (under) expenditures	(124,539,020)	(58,588,064)	(12,886,129)	(71,474,193)	53,064,827
Other Financing Sources (Uses)					
Transfers from					
General Fund	21,059,372	17,380,642	3,678,730	21,059,372	-
School Capital Fund	801,403	801,403	-	801,403	-
Transfers to					
School Capital Fund	(98,290)	(98,290)	-	(98,290)	-
General Fund	(406,015)	(406,015)	-	(406,015)	-

School Construction Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actual
From Inception and for the Year Ended June 30, 2023

	Project Authorization	Actual			
		Prior Years	Current Year	Total to Date	Over/Under
Bonds issued	102,205,424	50,477,700	38,170,034	88,647,734	(13,557,690)
Premium on bonds issued	-	448,055	4,690,121	5,138,176	5,138,176
Fund Balance Appropriated	977,126	-	-	-	(977,126)
Total other financing sources (uses)	124,539,020	68,603,495	46,538,885	115,142,380	(9,396,640)
Net change in fund balance	\$ -	\$ 10,015,431	33,652,756	\$ 43,668,187	\$ 43,668,187
Fund Balances - Beginning of Year			10,015,431		
Fund Balances - End of Year			\$ 43,668,187		

Hospital Capital Reserve Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2023
 With Comparative Actual Amounts for Fiscal Year Ended June 30, 2022

	2023			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Investment earnings	5,000	16,801	11,801	(76,550)
Total revenues	5,000	16,801	11,801	(76,550)
Excess of revenues over (under) expenditures	5,000	16,801	11,801	(76,550)
Other Financing Sources (Uses)				
Transfer to General Fund	(500,000)	(165,690)	334,310	(500,000)
Fund Balance Appropriated	495,000	-	(495,000)	-
Total other financing sources (uses)	(5,000)	(165,690)	(160,690)	(500,000)
Net change in fund balance	-	(148,889)	(148,889)	(576,550)
Fund Balances - Beginning of Year		2,233,662		2,810,212
Fund Balances - End of Year		2,084,773		2,233,662

Enterprise Fund
(Proprietary Fund Type)

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 (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

Solid Waste Management Fund -

To account for the operations of the County's solid waste activities.

Solid Waste Management Construction Fund -

To account for the financing and construction of all major solid waste capital projects.

Water and Sewer Fund -

To account for the County's water and sewer activities.

Water and Sewer Construction Fund -

To account for the financing and construction of all major water and sewer capital projects in the unincorporated sections of the County.

CATAWBA COUNTY, NORTH CAROLINA

Schedule E-1

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Solid Waste Management Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Operating revenues				
Charges for services				
Solid waste charges	\$ 7,634,249	\$ 10,092,450		
Lease revenue	-	16,633		
Other operating	75,000	75,000		
Total operating revenues	7,709,249	10,184,083	2,474,834	9,052,963
Nonoperating revenues				
Solid waste disposal tax	80,000	91,846		
Scrap tire disposal tax	200,000	305,174		
White goods disposal tax	80,000	80,044		
Scrap tire grant	35,000	43,730		
Electronics management distribution	12,000	6,494		
Hickory community relations	3,000	-		
Court fees	295	533		
Proceeds from sale of assets	30,000	152,875		
Property cleanup reimbursement	2,500	2,083		
Lease Interest	-	5,050		
Miscellaneous	17,020	32,706		
Investment earnings	-	173,878		
Total nonoperating revenues	459,815	894,413	434,598	406,751
Total revenues	8,169,064	11,078,496	2,909,432	9,459,714
Expenditures				
Solid Waste Management				
Administration				
Salaries & employee benefits	339,405	336,204		
Other operating	478,802	436,853		
	818,207	773,057	45,150	744,656
Recycling				
Salaries & employee benefits	68,357	60,531		
Other operating	191,715	98,513		
	260,072	159,044	101,028	167,589
Solid Waste Management Improvements				
Other operating	144,920	59,326		
	144,920	59,326	85,594	54,548
Solid Waste Code Enforcement				
Salaries & employee benefits	78,393	77,886		
Other operating	55,064	19,721		
	133,457	97,607	35,850	98,719

CATAWBA COUNTY, NORTH CAROLINA

Schedule E-1

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Solid Waste Management Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior Year
	Budget	Actual	Over/Under	
Sanitary Landfill				
Salaries & employee benefits	1,737,294	1,647,543		
Maintenance and repair	538,249	387,443		
Solid waste disposal tax remittance	420,000	509,037		
Lease interest expense	-	65		
Lease amortization expense	-	3,913		
Other operating	2,513,029	1,876,901		
	<u>5,208,572</u>	<u>4,424,902</u>	<u>783,670</u>	<u>4,076,742</u>
Blackburn Landfill - Methane Recovery				
Maintenance and repair	-	-		
Other operating	-	-		
	<u>-</u>	<u>-</u>	<u>-</u>	<u>175,881</u>
Total operating expenditures	<u>6,565,228</u>	<u>5,513,936</u>	<u>1,051,292</u>	<u>5,318,135</u>
Capital outlay	<u>2,213,150</u>	<u>659,779</u>	<u>1,553,371</u>	<u>860,002</u>
Total expenditures	<u>8,778,378</u>	<u>6,173,715</u>	<u>2,604,663</u>	<u>6,178,137</u>
Excess of revenues over (under) expenditures	<u>(609,314)</u>	<u>4,904,781</u>	<u>5,514,095</u>	<u>3,281,577</u>
Other Financing Sources (Uses)				
Transfer to Solid Waste Capital Fund	(100,000)	(100,000)	-	
Fund balance appropriated	709,314	-	(709,314)	
Total other financing sources (uses)	<u>609,314</u>	<u>(100,000)</u>	<u>(709,314)</u>	<u>(1,181,980)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 4,804,781</u>	<u>\$ 4,804,781</u>	<u>\$ 2,099,597</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Revenues and other financing sources over (under) expenditures and other financing uses		<u>\$ 4,804,781</u>		
Reconciling items				
Capital outlay		659,779		
Depreciation		(1,500,497)		
(Increase) decrease in deferred outflows of resources - pensions		211,373		
(Increase) decrease in net pension liability		(684,636)		
(Increase) decrease in deferred inflows of resources - pensions		396,462		
(Increase) decrease in accrued landfill closure and postclosure care costs		(100,000)		
(Increase) decrease in compensated absences		81		
(Increase) decrease in deferred outflows of resources - OPEB		133,361		
(Increase) decrease in net OPEB liability		(135,318)		
(Increase) decrease in deferred inflows of resources - OPEB		(84,146)		
Revenues from capital projects		35,882		
Transfers from capital projects		100,000		
Total reconciling items		<u>(967,659)</u>		
Change in net position (Exhibit 7) (full accrual)		<u>\$ 3,837,122</u>		

CATAWBA COUNTY, NORTH CAROLINA
Schedule E-2
**Solid Waste Management Capital Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Year Ended June 30, 2023**

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Investment earnings	\$ -	\$ 393,280	35,882	\$ 429,162	\$ 429,162
Miscellaneous revenue	-	359,098	-	359,098	359,098
Total revenues	-	752,378	35,882	788,260	788,260
Expenditures					
Capital outlay					
Bethany Church Road Landfill	2,765,950	2,559,134	8,049	2,567,183	198,767
Landfill Collection Improvements	240,000	96,751	-	96,751	143,249
Landfill Closure	2,000,000	-	-	-	2,000,000
Methane Gas Perimeter	270,500	-	257,232	257,232	13,268
Subtitle D Cell Construction	10,115,986	9,409,197	-	9,409,197	706,789
Total expenditures	15,392,436	12,065,082	265,281	12,330,363	3,062,073
Excess of revenues over (under) expenditures	(15,392,436)	(11,312,704)	(229,399)	(11,542,103)	3,850,333
Other Financing Sources (Uses)					
Transfer from Solid Waste Operating	15,122,002	15,022,002	100,000	15,122,002	-
Fund Balance appropriated	270,434	-	-	-	(270,434)
Total other financing sources (uses)	15,392,436	15,022,002	100,000	15,122,002	(270,434)
Revenues and other sources over (under) expenditures and other financing uses	\$ -	\$ 3,709,298	\$ (129,399)	\$ 3,579,899	\$ 3,579,899



CATAWBA COUNTY, NORTH CAROLINA

Schedule E-3

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Water and Sewer Fund
Schedule of Revenues, Expenditures - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022

	2023			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Operating revenues	\$ -	\$ -	\$ -	\$ -
Charges for services				
Total operating revenues	-	-	-	-
Nonoperating revenues				
Municipality revenue	1,065,000	1,379,300		
Capital fees	281,000	1,710,500		
City of Newton - Balls Creek DOT water	-	1,886,493		
Investment earnings	-	60,007		
Total nonoperating revenues	1,346,000	5,036,300	3,690,300	1,753,014
Total revenues	1,346,000	5,036,300	3,690,300	1,753,014
Expenditures				
Water and Sewer				
Water and Sewer Administration				
Salaries & employee benefits	142,746	161,178		
Other operating	1,106,215	947,940		
Principal	530,715	530,715		
Interest	18,760	18,756		
Total expenditures	1,798,436	1,658,589	139,847	6,136,115
Excess of revenues over (under) expenditures	(452,436)	3,377,711	3,830,147	(4,383,101)
Other Financing Sources (Uses)				
Transfer to Water and Sewer Capital Fund	(1,868,750)	(1,868,750)		
Fund balance appropriated	2,321,186	-		
Total other financing sources (uses)	452,436	(1,868,750)	(2,321,186)	(4,356,908)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 1,508,961	\$ 1,508,961	\$ (8,740,009)
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 1,508,961		
Reconciling items				
Depreciation		(890,076)		
(Increase) decrease in deferred outflows of resources - pensions		22,896		
(Increase) decrease in net pension liability		(60,280)		
(Increase) decrease in deferred inflows of resources - pensions		27,851		
(Increase) decrease in compensated absences		(1,729)		
(Increase) decrease in deferred outflows of resources - OPEB		4,599		
(Increase) decrease in net OPEB liability		(4,666)		

CATAWBA COUNTY, NORTH CAROLINA

Schedule E-3

Page 2 of 2

Water and Sewer Fund**Schedule of Revenues, Expenditures - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2023
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2022**

(Increase) decrease in deferred inflows of resources - OPEB	(2,902)
Loan principal (excluding refunding)	530,715
Loss on fixed assets	-
Disposal of asset - donated to municipality	-
Project expenditures not capitalized	(4,931,027)
Revenues from capital projects	132,096
Transfer from American Rescue Plan Act Fund	2,695,027
Transfer from Water and Sewer Capital Fund	1,868,750
Transfer to General Capital Projects Fund	-
Total reconciling items	(608,746)
Change in net position (full accrual)	<u>\$ 900,215</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule E-4

**Water and Sewer Capital Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Year Ended June 30, 2023**

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Other Taxes					
Sales Taxes - Article 46 - one quarter of one percent	\$ 3,109,158	\$ 3,383,453	-	\$ 3,383,453	\$ 274,295
Investment earnings	-	2,541,263	132,096	2,673,359	2,673,359
Golden Leaf Grant	491,257	-	-	-	(491,257)
State ARPA Subaward	8,800,000	-	-	-	(8,800,000)
Miscellaneous	-	76,223	-	76,223	76,223
Total revenues	12,400,415	6,000,939	132,096	6,133,035	(6,267,380)
Expenditures					
Capital outlay					
Balls Creek Water Phase II	3,669,070	1,293,346	2,375,724	3,669,070	-
East Maiden Hwy 150 Gravity	1,238,000	137,806	398,229	536,035	701,965
EcoComplex and Resource Recovery	1,034,023	1,034,023	-	1,034,023	-
EPA Stormwater Phase II	64,569	64,569	-	64,569	-
Hart Road Water	468,550	468,550	-	468,550	-
Hwy 16 Sewer	910,000	-	-	-	910,000
Hwy 16 South Utilities	2,019,132	-	1,691,002	1,691,002	328,130
Hwy 150 Sewer Service Phase I and II	1,842,624	1,842,624	-	1,842,624	-
Claremont to Hickory Wasterwater Treatment	3,500,000	-	2,555,302	2,555,302	944,698
Sherrills Ford Wastewater Treatment	68,836	68,836	-	68,836	-
McLin Creek Sewer-Hickory	3,500,000	-	-	-	3,500,000
Project Star Sewer Line	8,800,000	-	-	-	8,800,000
Wastewater Treatment Plant Expansion	3,000,000	-	-	-	3,000,000
Water Treatment Capital Purchase	618,750	-	-	-	618,750
SECC S NC 16 Water	2,500,000	42,839	84,886	127,725	2,372,275
Buffalo Shoals Road Water	500,000	-	12,000	12,000	488,000
Total expenditures	33,733,554	4,952,593	7,117,143	12,069,736	21,663,818
Excess of revenues over (under) expenditures	(21,333,139)	1,048,346	(6,985,047)	(5,936,701)	15,396,438
Other Financing Sources (Uses)					
Transfers from					
General Fund	5,274,881	5,274,881	-	5,274,881	-
Water and Sewer Construction Fund - Governmental	480,633	12,509,510	-	12,509,510	12,028,877
Water and Sewer Operations	2,118,750	250,000	1,868,750	2,118,750	-
American Rescue Plan Act Fund	8,000,000	-	2,695,027	2,695,027	(5,304,973)
Transfers to					
General Capital Projects Fund	(3,700,000)	(3,700,000)	-	(3,700,000)	-
Water and Sewer Operations	(805,367)	(805,367)	-	(805,367)	-
Fund balance appropriated	9,964,242	-	-	-	(9,964,242)
Total other financing sources (uses)	21,333,139	13,529,024	4,563,777	18,092,801	(3,240,338)
Revenues and other sources over (under) expenditures and other financing uses	\$ -	\$ 14,577,370	\$ (2,421,270)	\$ 12,156,100	\$ 12,156,100

Custodial Funds

Custodial Funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Custodial funds are used to account for assets the County holds on behalf of others that meet certain criteria.

Municipal Tax Fund – 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.

Jail Inmate Pay Fund – accounts for cash collections for the benefit of inmates collected from their friends and families and held while the inmates are incarcerated.

CATAWBA COUNTY, NORTH CAROLINA**Schedule F-1****Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2023**

	Municipal Tax Fund	Jail Inmate Pay Fund	Total Custodial Funds
ASSETS			
Cash and Cash Equivalents	\$ 7,403	\$ 126,585	\$ 133,988
Taxes receivable for other governments, net	3,251,891	-	3,251,891
Total assets	3,259,294	126,585	3,385,879
LIABILITIES			
Accounts payable and accrued liabilities	-	-	-
Due to other governments	7,403	-	7,403
Total liabilities	7,403	-	7,403
Net Position			
Restricted for:			
Individuals, organizations, and other governments	3,251,891	126,585	3,378,476
Total net position	\$ 3,251,891	\$ 126,585	\$ 3,378,476

Combining Statement of Changes in Fiduciary Net Position
 Custodial Funds
 For the Year Ended June 30, 2023

	Municipal Tax Fund	Jail Inmate Pay Fund	Total Custodial Funds
ADDITIONS			
Ad valorem taxes for other governments	\$ 55,188,536	\$ -	\$ 55,188,536
Collections on behalf of inmates	-	664,678	664,678
Total additions	<u>55,188,536</u>	<u>664,678</u>	<u>55,853,214</u>
DEDUCTIONS			
Tax distributions to other governments	55,126,051	-	55,126,051
Payments on behalf of inmates	-	609,867	609,867
Total deductions	<u>55,126,051</u>	<u>609,867</u>	<u>55,735,918</u>
Net increase (decrease) in fiduciary net position	62,485	54,811	117,296
Net position, beginning	<u>3,189,406</u>	<u>71,774</u>	<u>3,261,180</u>
Net position, ending	<u>\$ 3,251,891</u>	<u>\$ 126,585</u>	<u>\$ 3,378,476</u>

Other Schedules

This section contains additional information on *cash and investments, property taxes, and general long-term debt*.

Schedule of Cash and Investment Balances

Analysis of Current Tax Levy

Schedule of Taxes Receivable

General Long-Term Debt Requirements and Maturity Schedule

CATAWBA COUNTY, NORTH CAROLINA

Schedule G-1

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**Schedule of Cash and Investment Balances
June 30, 2023**

	Amounts Represented on Statements	Cost Value	Fair Value
Cash			
On hand	\$ 9,993	\$ 9,993	\$ 9,993
In demand deposits (interest bearing)	14,068,090	14,068,090	14,068,090
(noninterest bearing)	213,669	213,669	213,669
Certificates of deposit	236,000	236,000	236,000
Money Market, unrestricted	1,014,943	1,014,943	1,014,943
Debt escrow-restricted for capital	33,487,231	33,487,231	33,487,231
Cash deposits, restricted for debt service	22,980,699	22,980,699	22,980,699
Total cash	<u>\$ 72,010,625</u>	<u>\$ 72,010,625</u>	<u>\$ 72,010,625</u>
Other Investments			
North Carolina Capital Management Trust, Government Portfolio	69,223,161	69,223,161	69,223,161
US Treasury Government Securities	5,098,464	5,212,009	5,098,464
Federal Farm Credit	23,996,825	25,956,625	23,996,825
Federal Home Loan Bank	85,924,476	92,303,696	85,924,476
Federal Home Loan Mortgage Corporation	19,001,850	19,933,000	19,001,850
Federal National Mortgage Association	11,733,941	12,682,874	11,733,941
Total other investments	<u>\$ 214,978,717</u>	<u>\$ 225,311,365</u>	<u>\$ 214,978,717</u>
Total cash and investments	<u><u>\$ 286,989,342</u></u>	<u><u>\$ 297,321,990</u></u>	<u><u>\$ 286,989,342</u></u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule G-1

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**Schedule of Cash and Investment Balances
June 30, 2023****Distribution by funds**

General Fund	\$	106,436,833	
Restricted cash		23,299,821	\$ 129,736,654
Special Revenue Funds			
Emergency Telephone System Fund	\$	1,921,716	
State Unauthorized Substance Abuse Fund		43,376	
Narcotics Seized Justice Funds		460,541	
Narcotics Seized Treasury Funds		148,448	
Rescue Squads Fund		166,604	
Library Endowment Fund		199,673	
Gretchen Peed Scholarship Fund		55,751	
Parks Preservation Trust Fund		89,905	
Community Development Fund		47,602	
American Rescue Plan (ARP) Fund			
Restricted Cash		13,636,760	
Fines and Forfeitures Fund		16,126	
Opioid Settlement Fund			
Restricted Cash		1,722,986	
Representative Payee Fund		87,084	
Deed of Trust Fund		10,230	
Fire District Funds		2,170,154	20,776,956
Capital Projects Funds			
General Capital Projects Fund	\$	33,537,339	
Restricted Cash		89,891	
Subdivision Road Improvement Projects Fund		1,671,206	
Schools Capital Projects Fund		12,033,060	
School Construction Fund		11,123,685	
Restricted Cash		33,392,468	
Hospital Capital Reserve Fund		2,081,502	93,929,151
Enterprise Fund			
Water & Sewer Fund	\$	18,487,648	
Solid Waste Management Fund		23,924,945	42,412,593
Custodial Funds			
Municipal Tax Funds	\$	7,403	
Sheriff Inmate Funds		126,585	133,988
Total			<u>\$ 286,989,342</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule H-1

**Analysis of Current Tax Levy
For the Year Ended June 30, 2023**

	County-wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	\$ 20,355,126,783	0.575	\$ 117,041,979	\$ 105,751,423	\$ 11,290,556
Penalties	-		268,999	268,999	-
Total	20,355,126,783		117,310,978	106,020,422	11,290,556
Discoveries:					
Current year taxes	31,757,043	0.575	182,603	182,603	-
Prior year taxes	63,509,913	various	365,182	365,182	-
Penalties	-		74,315	74,315	-
Total	95,266,956		622,100	622,100	-
Abatements:	(59,269,391)		(340,799)	(292,394)	(48,405)
Total property valuation	<u>\$ 20,391,124,348</u>				
Net levy			117,592,279	106,350,128	11,242,151
Uncollected taxes at June 30, 2023			<u>1,219,758</u>	<u>1,219,758</u>	-
Current year's taxes collected			<u>\$ 116,372,521</u>	<u>\$ 105,130,370</u>	<u>\$ 11,242,151</u>
Current levy collection percentage			<u>98.96%</u>	<u>98.85%</u>	<u>100.00%</u>

Secondary Market Disclosures

Assessed Valuation:	
Assessment Ratio ⁽¹⁾	100%
Real Property	\$ 13,881,215,480
Personal Property	5,331,939,160
Public Service Companies ⁽²⁾	<u>1,177,969,708</u>
Total Assessed Valuation	\$ 20,391,124,348
Tax Rate per \$100	0.575
Net Levy (includes discoveries, releases and abatements) ⁽³⁾	\$ 117,592,279

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

Fire Protection Districts	\$ 8,875,115,329
---------------------------	------------------

⁽¹⁾ Percentage of appraised value has been established by statute.

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

⁽³⁾ The levy includes interest and penalties.

Schedule of Taxes Receivable
June 30, 2023

General Fund	Uncollected Balance June 30, 2022	Additions and Adjustments	Collections and Credits	Uncollected Balance June 30, 2023
2022	\$ -	\$ 117,592,279	\$ 116,372,521	\$ 1,219,758
2021	1,092,010	-	674,260	417,750
2020	437,436	-	208,522	228,914
2019	258,450	-	93,528	164,922
2018	177,880	-	49,480	128,400
2017	106,667	-	32,236	74,431
2016	89,367	-	25,097	64,270
2015	72,085	-	22,367	49,718
2014	78,760	-	19,214	59,546
2013	228,997	-	25,138	203,859
Prior	290,154	-	290,154	-
	<u>\$ 2,831,806</u>	<u>\$ 117,592,279</u>	<u>\$ 117,812,517</u>	<u>\$ 2,611,568</u>
Less allowance for uncollectible taxes	<u>1,880,326</u>			<u>806,261</u>
Taxes receivable -- net	<u>\$ 951,480</u>			<u>\$ 1,805,307</u>

Reconcilement with revenues:

Ad valorem taxes	
General Fund	\$ 117,300,382
Rescue Squad Fund	<u>1,123,970</u>
Total ad valorem taxes	\$ 118,424,352
Reconciling items:	
Penalties and interest collected	(577,470)
Tax on leased vehicle collected	(334,386)
Prior year release/adjustments	9,867
Taxes written off	<u>290,154</u>
Total reconciling items	<u>(611,835)</u>
Total collections	<u>\$ 117,812,517</u>

CATAWBA COUNTY, NORTH CAROLINA
General Long-Term Debt Requirements and Maturity Schedule
June 30, 2023

Schedule J-1

Fiscal Year Ended June 30	Governmental Activities			Business Type Activities		
	Debt Principal	Interest	Total	Debt Principal	Interest	Total
2024	16,972,316	4,478,438	21,450,754	498,608	12,651	511,259
2025	14,005,942	4,160,621	18,166,563	254,710	8,439	263,149
2026	12,585,897	3,747,834	16,333,731	249,756	5,969	255,725
2027	12,276,936	3,361,080	15,638,016	246,449	3,545	249,994
2028	12,064,309	3,017,077	15,081,386	242,507	1,173	243,680
2029-2033	36,657,030	10,458,240	47,115,270	150,000	-	150,000
2034-2038	23,038,000	4,885,972	27,923,972	-	-	-
2039-2043	<u>11,540,000</u>	<u>1,203,938</u>	<u>12,743,938</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 139,140,430</u>	<u>\$ 35,313,200</u>	<u>\$ 174,453,630</u>	<u>\$ 1,642,030</u>	<u>\$ 31,777</u>	<u>\$ 1,673,807</u>

Statistical Section

This part of Catawba County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Catawba County's overall financial health.

Content

Financial Trends (Tables 1 – 4)

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

Revenue Capacity (Tables 5 – 8)

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

Debt Capacity (Tables 9 – 10)

These tables present information to help the reader assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information (Tables 11-12)

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

Operating Information (Tables 13-15)

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

CATAWBA COUNTY, NORTH CAROLINA

Table 1
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Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2023	2022	2021	2020	2019
Governmental activities:					
Net investment in capital assets	\$ 134,654,820	\$ 131,737,711	\$ 124,449,252	\$ 115,574,093	\$ 102,979,361
Restricted	77,672,252	36,821,265	50,609,042	39,677,297	47,104,886
Unrestricted	2,544,137	10,189,348	(35,914,333)	(40,780,172)	(47,734,012)
Total governmental activities net position	<u>214,871,209</u>	<u>178,748,324</u>	<u>139,143,961</u>	<u>114,471,218</u>	<u>102,350,235</u>
Business-type activities:					
Net investment in capital assets	75,539,961	74,283,661	70,980,887	68,855,090	64,560,596
Unrestricted	<u>35,749,473</u>	<u>32,268,436</u>	<u>43,799,475</u>	<u>44,606,556</u>	<u>47,132,939</u>
Total business-type activities net position	<u>111,289,434</u>	<u>106,552,097</u>	<u>114,780,362</u>	<u>113,461,646</u>	<u>111,693,535</u>
Primary government:					
Net investment in capital assets	210,194,781	206,021,372	195,430,139	184,429,183	167,539,957
Restricted	77,672,252	36,821,265	50,609,042	39,677,297	47,104,886
Unrestricted	<u>38,293,610</u>	<u>42,457,784</u>	<u>7,885,142</u>	<u>3,826,384</u>	<u>(601,073)</u>
Total primary government net position	<u>\$ 326,160,643</u>	<u>\$ 285,300,421</u>	<u>\$ 253,924,323</u>	<u>\$ 227,932,864</u>	<u>\$ 214,043,770</u>

Data Source

Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINA

Table 1
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Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2018	2017	2016	2015	2014
Governmental activities:					
Net investment in capital assets	\$ 102,894,759	\$ 92,137,818	\$ 82,024,110	\$ 75,032,918	\$ 73,669,285
Restricted	26,520,247	32,847,390	37,336,072	55,052,023	61,304,988
Unrestricted	<u>(31,770,408)</u>	<u>(20,049,846)</u>	<u>(17,909,411)</u>	<u>(49,201,049)</u>	<u>(70,537,217)</u>
Total governmental activities net position	<u>97,644,598</u>	<u>104,935,362</u>	<u>101,450,771</u>	<u>80,883,892</u>	<u>64,437,056</u>
Business-type activities:					
Net investment in capital assets	60,993,467	57,243,979	53,727,147	51,643,356	49,571,504
Unrestricted	<u>46,791,325</u>	<u>46,440,583</u>	<u>47,385,811</u>	<u>46,123,218</u>	<u>45,362,525</u>
Total business-type activities net position	<u>110,092,779</u>	<u>103,684,562</u>	<u>101,112,958</u>	<u>97,766,574</u>	<u>94,934,029</u>
Primary government:					
Net investment in capital assets	163,888,226	149,381,797	135,751,257	126,676,274	123,240,789
Restricted	28,828,234	32,847,390	37,336,072	55,052,023	61,304,988
Unrestricted	<u>15,020,917</u>	<u>26,390,737</u>	<u>29,476,400</u>	<u>(3,077,831)</u>	<u>(25,174,692)</u>
Total primary government net position	<u>\$ 207,737,377</u>	<u>\$ 208,619,924</u>	<u>\$ 202,563,729</u>	<u>\$ 178,650,466</u>	<u>\$ 159,371,085</u>

Data Source

Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINA

Table 2
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Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2023	2022	2021	2020	2019
Expenses					
Governmental activities:					
General government	\$ 14,546,056	\$ 12,447,523	\$ 13,652,217	\$ 12,155,897	\$ 11,645,266
Public safety	62,766,431	52,626,431	51,540,354	50,525,230	42,615,139
Environmental protection	919,966	707,228	632,202	620,215	629,550
Economic and physical development	30,298,998	23,117,588	21,826,814	20,154,248	18,490,744
Human services	54,721,694	48,364,606	48,364,606	46,071,393	44,620,992
Culture and recreation	4,457,230	3,974,978	3,843,536	3,786,087	3,372,144
Education	69,572,807	61,203,839	65,156,094	58,197,754	65,517,013
Interest on long-term debt	3,353,695	2,562,883	3,951,535	4,064,107	4,318,642
Total governmental activities expenses	<u>240,636,877</u>	<u>205,005,076</u>	<u>203,716,266</u>	<u>195,574,931</u>	<u>191,209,490</u>
Business-type activities:					
Solid waste management	7,277,256	6,944,338	6,629,739	8,122,386	6,576,468
Water and sewer	6,963,208	2,786,959	1,624,959	3,040,068	3,210,852
Total business-type activities expenses	<u>14,240,464</u>	<u>9,731,297</u>	<u>9,731,297</u>	<u>11,162,454</u>	<u>9,787,320</u>
Total primary government expenses	<u>254,877,341</u>	<u>214,736,373</u>	<u>213,447,563</u>	<u>206,737,385</u>	<u>200,996,810</u>
Program Revenues					
Governmental activities:					
Fees, fines, and charges for services:					
General government	2,418,527	1,930,031	1,960,548	2,010,935	2,413,382
Public safety	11,163,077	10,767,020	9,794,544	8,325,780	8,753,953
Environmental protection	42,037	30,545	16,175	24,502	40,791
Economic and physical development	6,156,230	5,442,985	4,454,616	3,472,412	2,639,454
Human services	11,158,175	3,012,971	1,927,447	2,199,185	1,986,009
Culture and recreation	43,559	(218,953)	70,270	60,759	63,150
Education	416,781	355,119	344,400	-	-
Operating grants and contributions	43,644,291	59,025,254	36,094,621	31,304,752	29,495,898
Capital grants and contributions	63,712	14,472	14,472	565,040	465,997
Total governmental activities program revenues	<u>75,106,389</u>	<u>68,820,444</u>	<u>80,359,444</u>	<u>47,963,365</u>	<u>45,858,634</u>
Business-type activities:					
Fees, fines, and charges for services	11,939,366	9,772,558	8,777,537	9,225,356	7,972,268
Operating grants and contributions	3,309,523	1,340,993	1,096,384	1,049,294	870,227
Capital grants and contributions	-	-	-	996,137	13,364
Total business-type activities program revenues	<u>15,248,889</u>	<u>11,113,551</u>	<u>9,873,921</u>	<u>11,270,787</u>	<u>8,855,859</u>
Total primary government program revenues	<u>90,355,278</u>	<u>80,934,000</u>	<u>90,233,365</u>	<u>59,234,152</u>	<u>54,714,493</u>
Net (Expenses) Revenues					
Governmental activities	(165,530,488)	(136,184,632)	(154,581,002)	(147,611,566)	(145,350,856)
Business-type activities	1,008,425	1,382,254	1,619,223	108,333	(931,461)
Total primary government net expense	<u>(164,522,063)</u>	<u>(134,802,378)</u>	<u>(152,961,779)</u>	<u>(147,503,233)</u>	<u>(146,282,317)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	129,669,568	125,402,460	120,612,862	115,771,446	107,841,934
Local option sales taxes	57,784,060	53,494,247	46,887,470	39,552,244	37,938,247
Other taxes	2,566,755	2,664,019	2,213,573	1,849,277	1,795,787
Investment earnings, unrestricted	2,107,593	(5,676,338)	(42,857)	2,559,582	4,175,509
Gain (loss) on sales of capital assets	1,936,418	-	8,075	-	-
Transfers	(2,695,027)	8,674,500	700,000	-	(1,694,984)
Total governmental activities	<u>191,369,367</u>	<u>173,019,888</u>	<u>170,379,123</u>	<u>159,732,549</u>	<u>150,056,493</u>
Business-type activities:					
Taxes					
Local option sales taxes	-	-	-	-	900,150
Other taxes	477,064	439,249	397,811	369,136	372,218
Investment earnings	401,863	(1,804,268)	1,682	1,184,091	1,867,691
Gain on sales of capital assets	154,958	429,000	-	106,551	5,161
Transfers	2,695,027	(8,674,500)	(700,000)	-	1,694,984
Total business-type activities	<u>3,728,912</u>	<u>(9,610,519)</u>	<u>(300,507)</u>	<u>1,659,778</u>	<u>4,840,204</u>
Total primary government	<u>195,098,279</u>	<u>173,409,369</u>	<u>170,078,616</u>	<u>161,392,327</u>	<u>154,896,697</u>
Change in Net Position					
Governmental activities	25,838,879	48,372,292	15,798,121	12,120,983	4,705,637
Business-type activities	4,737,337	(8,228,265)	1,318,716	1,768,111	3,908,743
Total primary government	<u>\$ 30,576,216</u>	<u>\$ 40,144,027</u>	<u>\$ 17,116,837</u>	<u>\$ 13,889,094</u>	<u>\$ 8,614,380</u>

Data Source
Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINA

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Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2018	2017	2016	2015	2014
Expenses					
Governmental activities:					
General government	\$ 10,229,231	\$ 12,702,261	\$ 11,860,452	\$ 9,933,029	\$ 10,807,772
Public safety	40,842,983	39,368,324	34,879,104	32,921,751	32,732,323
Environmental protection	599,963	679,490	585,457	546,444	492,269
Economic and physical development	17,042,823	16,638,619	14,883,762	13,950,985	13,538,407
Human services	43,083,045	48,949,754	46,621,822	47,218,856	47,935,422
Culture and recreation	3,545,635	3,518,210	3,595,626	3,127,165	2,847,558
Education	69,146,541	57,013,840	50,223,611	49,298,062	61,843,087
Interest on long-term debt	3,615,378	3,707,890	3,477,042	3,815,195	3,774,279
Total governmental activities expenses	<u>188,105,599</u>	<u>182,578,388</u>	<u>166,126,876</u>	<u>160,811,487</u>	<u>173,971,117</u>
Business-type activities:				46,123,218	
Solid waste management	5,640,840	5,575,002	5,346,204	4,899,445	5,166,963
Water and sewer	2,289,106	2,074,045	2,279,892	2,291,702	1,612,849
Total business-type activities expenses	<u>7,929,946</u>	<u>7,649,047</u>	<u>7,626,096</u>	<u>7,191,147</u>	<u>6,779,812</u>
Total primary government expenses	<u>196,035,545</u>	<u>190,227,435</u>	<u>173,752,972</u>	<u>168,002,634</u>	<u>180,750,929</u>
Program Revenues					
Governmental activities:					
Fees, fines, and charges for services:					
General government	2,048,789	1,645,516	1,664,523	1,870,508	1,752,070
Public safety	9,082,972	9,062,382	8,617,461	8,747,839	8,068,851
Environmental protection	35,125	33,368	35,269	24,651	5,100
Economic and physical development	2,886,862	2,783,017	2,552,503	2,489,106	2,204,984
Human services	2,104,653	2,777,252	7,390,409	5,279,686	6,762,666
Culture and recreation	60,763	57,805	61,537	66,579	57,436
Education	-	-	-	-	494,298
Operating grants and contributions	29,180,562	33,826,622	33,083,275	37,229,196	29,136,207
Capital grants and contributions	246,568	114,292	250,000	125,000	2,292,224
Total governmental activities program revenues	<u>45,646,294</u>	<u>50,300,254</u>	<u>53,654,977</u>	<u>55,832,565</u>	<u>50,773,836</u>
Business-type activities:					
Fees, fines, and charges for services	7,384,774	6,615,230	6,421,312	6,054,569	5,671,631
Operating grants and contributions	1,500,375	742,079	743,064	606,766	868,759
Capital grants and contributions	-	-	223,191	486,732	126,942
Total business-type activities program revenues	<u>8,885,149</u>	<u>7,357,309</u>	<u>7,387,567</u>	<u>7,148,067</u>	<u>6,667,332</u>
Total primary government program revenues	<u>54,531,443</u>	<u>57,657,563</u>	<u>61,042,544</u>	<u>62,980,632</u>	<u>57,441,168</u>
Net (Expenses) Revenues					
Governmental activities	(142,459,305)	(132,278,134)	(112,471,899)	(104,978,922)	(123,197,281)
Business-type activities	955,203	(291,738)	(238,529)	(43,080)	(112,480)
Total primary government net expense	<u>(141,504,102)</u>	<u>(132,569,872)</u>	<u>(112,710,428)</u>	<u>(105,022,002)</u>	<u>(123,309,761)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	104,070,254	102,512,789	98,691,384	94,200,605	93,649,723
Local option sales taxes	36,065,390	34,612,225	32,903,055	29,962,757	28,027,368
Other taxes	1,848,291	1,768,591	1,590,916	1,652,213	1,494,645
Investment earnings, unrestricted	702,975	209,348	1,470,473	975,564	1,155,474
Gain (loss) on sales of capital assets	-	-	-	-	-
Transfers	(1,653,489)	(1,600,000)	(1,617,050)	(800,000)	(1,601,565)
Total governmental activities	<u>141,033,421</u>	<u>137,502,953</u>	<u>133,038,778</u>	<u>125,991,139</u>	<u>122,725,645</u>
Business-type activities:					
Taxes					
Local option sales taxes	848,925	821,860	870,975	1,451,312	1,359,558
Other taxes	425,298	340,216	327,044	312,429	297,543
Investment earnings	292,600	52,518	715,609	477,221	621,805
Gain on sales of capital assets	54,598	48,748	54,235	2,220	-
Transfers	1,653,489	1,600,000	1,617,050	800,000	1,601,565
Total business-type activities	<u>3,274,910</u>	<u>2,863,342</u>	<u>3,584,913</u>	<u>3,043,182</u>	<u>3,880,471</u>
Total primary government	<u>144,308,331</u>	<u>140,366,295</u>	<u>136,623,691</u>	<u>129,034,321</u>	<u>126,606,116</u>
Change in Net Position					
Governmental activities	(1,425,884)	5,224,819	20,566,879	21,012,217	(471,636)
Business-type activities	4,230,113	2,571,604	3,346,384	3,000,102	3,767,991
Total primary government	<u>\$ 2,804,229</u>	<u>\$ 7,796,423</u>	<u>\$ 23,913,263</u>	<u>\$ 24,012,319</u>	<u>\$ 3,296,355</u>

Data Source
Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINA
Table 3
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Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year				
	2023	2022	2021	2020	2019
General Fund					
Nonspendable					
Inventories	\$ 258,729	\$ 299,636	\$ 319,229	\$ 304,083	\$ 310,198
Prepaid	234,868	61,080	18,419	617,948	595,103
Notes receivable	2,039,100	584,026	913,027	1,195,145	930,261
Leases	14,096	2,036	-	-	-
Restricted					
Stabilization by State Statute	24,393,747	22,335,350	18,655,860	16,340,426	17,310,522
Register of Deeds	142,308	139,535	115,021	43,326	46,265
Debt service	22,984,713	21,122,635	19,265,800	17,412,407	15,552,488
Social Services	236,000	240,000	240,000	243,133	245,354
General Capital Reserve	-	-	-	-	-
Committed					
Tax Reappraisal	57,931	122,185	128,307	95,125	94,005
Assigned					
Public Health	1,774,173	991,262	680,178	662,279	572,272
Social Services	8,419,669	7,125,114	5,149,537	3,892,520	3,434,388
County Manager	653,613	422,335	388,954	263,100	251,336
Human Resources	493,724	361,748	238,628	203,989	210,196
Library	709,882	675,350	693,938	691,398	515,113
Subsequent year's expenditures	9,179,705	11,154,833	8,511,516	6,389,453	7,606,196
Unassigned	70,740,956	65,591,057	57,306,094	49,576,091	41,970,308
Total general fund	142,333,214	131,228,183	112,624,508	97,930,423	89,644,005
Restricted					
Stabilization by State Statute	10,047,553	3,933,063	9,198,727	16,168,544	22,009,972
Public Safety	2,691,485	2,042,228	1,670,080	1,539,652	1,282,323
Human Services	1,726,217	-	25,552	-	-
Fire Protection	2,119,912	2,077,632	1,747,215	1,408,760	1,881,139
Debt service	-	-	-	-	-
Library Endowment	199,671	197,841	225,206	205,165	199,878
Scholarship	55,751	56,244	58,703	58,670	56,815
Parks Preservation	89,905	76,104	55,824	23,032	5,515
Community Development	531	50,694	20,136	19,960	4,408
Representative Payee	87,084	104,255	-	-	-
American Rescue Plan Act	-	-	15,473,757	-	-
CARES Act	-	-	-	4,923	-
General Capital	89,891	89,786	5,022,380	6,946,054	17,884,858
School Capital and Construction	33,392,468	1,816,691	5,795,919	2,717,631	6,066,675
Hospital Capital	2,081,502	2,230,555	2,807,987	3,305,995	3,728,084
Environmental Protection	-	-	-	-	-
Committed					
General Capital	30,569,952	26,902,456	7,471,743	532,909	2,462,695
Subdivision Road Improvement	833,295	565,810	-	-	-
School Capital	11,747,236	9,825,269	8,460,279	8,969,464	6,791,275
School Construction	9,903,730	7,988,924	10,242,253	6,027,961	8,877,798
Hospital Construction	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(1,023,972)	(338,651)	(15,495,456)	(1,106,533)	-
Total fund balances	104,612,211	60,618,901	52,780,305	46,822,187	71,251,435
Total governmental funds	\$ 246,945,425	\$ 191,847,084	\$ 165,404,813	\$ 144,752,610	\$ 160,895,440

Data Source

Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINA

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

	Fiscal Year				
	2018	2017	2016	2015	2014
General Fund					
Nonspendable					
Inventories	\$ 314,246	\$ 315,603	\$ 326,899	\$ 319,059	\$ 327,147
Prepaid	600,017	650,755	791,762	115,502	164,242
Notes receivable	828,179	1,140,298	1,487,417	1,597,343	-
Leases	-	-	-	-	-
Restricted					
Stabilization by State Statute	16,277,027	15,043,605	15,930,246	15,465,797	14,650,010
Register of Deeds	17,382	17,170	5,883	78,807	1,410
Debt service	13,923,346	11,878,801	10,014,375	8,273,296	1,839,350
Social Services	-	-	-	-	-
General Capital Reserve	405,964	404,237	462,531	456,389	452,670
Committed				46,123,218	
Tax Revaluation	119,803	173,005	172,990	165,832	192,437
Assigned					
Public Health	734,665	684,018	376,026	241,739	289,199
Social Services	3,758,037	4,133,196	5,189,684	5,101,867	4,304,485
County Manager	251,049	168,882	165,824	94,899	122,118
Human Resources	323,652	396,894	498,613	582,027	614,061
Library	307,791	127,497	103,073	224,601	400,697
Subsequent year's expenditures	6,809,722	6,196,066	8,740,222	6,144,343	6,471,106
Unassigned	39,478,996	38,512,665	34,098,284	21,646,494	20,734,380
Total general fund	84,149,876	79,842,692	78,363,829	106,631,213	50,563,312
Restricted					
Stabilization by State Statute	2,642,305	9,998,054	13,762,920	21,233,131	28,760,070
Public Safety	934,306	607,282	494,667	2,489,115	2,582,688
Human Services	-	-	-	-	-
Fire Protection	1,487,254	1,521,675	1,370,246	1,258,983	1,145,873
Debt service	-	-	-	-	4,645,650
Library Endowment	193,303	192,424	192,428	187,371	239,217
Scholarship	54,953	53,725	52,740	52,294	46,048
Parks Preservation	5,335	5,312	1,099	50,004	49,596
Community Development	25,764	15,821	-	12,105	17,469
Representative Payee	-	-	-	-	-
American Rescue Plan Act	-	-	-	-	-
CARES Act	-	-	-	-	-
General Capital	30,058,365	452,704	2,231,565	10,604,245	17,957,394
School Capital and Construction	22,578,401	22,019,761	-	224,942	4,726,766
Hospital Capital	4,104,986	4,586,527	5,063,041	5,494,731	5,449,956
Environmental Protection	-	-	-	-	-
Committed					
General Capital	17,584,405	16,137,346	18,875,251	12,203,246	4,543,427
Subdivision Road Improvement	-	-	-	-	-
School Capital	6,116,496	7,159,669	5,499,929	5,900,499	6,465,739
School Construction	7,216,972	12,264,434	6,790,440	6,596,208	-
Hospital Construction	-	-	24,433	24,370	24,171
Assigned	-	-	-	-	-
Unassigned	-	-	(712)	-	(2,380,149)
Total fund balances	93,002,845	75,014,734	54,358,047	66,331,244	74,273,915
Total governmental funds	\$ 177,152,721	\$ 154,857,426	\$ 132,721,876	\$ 172,962,457	\$ 124,837,227

CATAWBA COUNTY, NORTH CAROLINA

Table 4
Page 1 of 2

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

	Fiscal Year				
	2023	2022	2021	2020	2019
Revenues					
Ad valorem taxes	\$ 128,764,971	\$ 125,412,180	\$ 121,024,799	\$ 115,496,421	\$ 108,017,836
Other taxes	\$ 59,483,016	55,315,391	48,220,380	40,497,590	38,794,760
Unrestricted intergovernmental revenues	2,328,801	2,251,449	2,094,948	1,987,827	1,859,693
Tax assessment road improvement	13,586	-	-	-	-
Restricted intergovernmental revenues	48,116,692	51,478,242	40,647,300	35,480,559	33,799,515
Permits and fees	6,416,413	6,183,904	5,352,866	3,678,377	3,648,564
Sales and services	11,289,538	10,128,551	7,780,817	8,079,661	7,679,583
Investment earnings	2,107,593	(5,676,335)	(42,859)	2,559,583	4,175,516
Miscellaneous	4,042,248	3,580,511	3,517,835	3,838,422	3,258,451
Total revenues	262,562,858	248,673,893	228,596,086	211,618,440	201,233,918
Expenditures					
Current:					
General government	15,622,327	14,627,408	14,898,197	13,057,864	13,645,725
Public safety	58,042,095	51,074,409	48,186,161	46,544,256	40,511,383
Environmental protection	884,946	702,965	601,045	594,076	607,125
Economic and physical development	25,781,815	21,894,798	19,023,000	18,731,430	17,619,284
Human services	50,521,075	47,203,285	45,273,661	43,149,372	42,815,566
Culture and recreation	4,117,820	3,992,511	3,496,614	3,492,983	3,603,514
Education	47,969,792	47,384,443	46,477,634	45,497,776	44,679,342
Capital Outlay	29,391,429	26,917,395	30,208,203	37,444,960	34,042,704
Debt service:					
Principal	15,202,850	14,950,643	14,577,808	14,676,883	13,445,368
Interest	3,264,944	3,835,712	4,314,087	4,571,669	4,826,204
Payment to refunded bond escrow agen	-	-	-	-	-
Bond issuance costs	411,276	7,616	145,011	-	-
Total expenditures	251,210,369	232,591,185	227,201,421	227,761,269	215,796,215
Other Financing Sources (uses)					
Transfers from other funds	18,040,339	38,858,350	14,349,626	7,162,914	5,158,796
Transfers to other funds	(20,735,366)	(30,183,850)	(13,649,626)	(7,162,914)	(6,853,780)
Installment purchase obligations issued	-	-	18,550,000	-	-
Lease liabilities issued	119,987	1,579,797	-	-	-
SBITA liabilities issued	1,113,045	-	-	-	-
Premium on installment obligations issued	-	-	-	-	-
Bonds issued	38,480,000	10,757,408	-	-	-
Premium on bonds issued	4,791,431	-	-	-	-
Payment to refunded escrow agent	-	(10,757,408)	-	-	-
Proceeds for sale of properties	1,875,841	-	-	-	-
Sales of capital assets	60,577	-	8,075	-	-
Total other financing sources (uses)	43,745,854	10,254,297	19,258,075	-	(1,694,984)
Net change in fund balances	\$ 55,098,343	\$ 26,337,005	\$ 20,652,740	\$ (16,142,829)	\$ (16,257,281)
Debt service as a percentage of noncapital expenditures	7.5%	8.7%	8.8%	9.5%	9.1%

⁽¹⁾ Note: Beginning FY 2012, current refundings are shown as debt service expenditures rather than other financing use.

CATAWBA COUNTY, NORTH CAROLINA

Table 4
Page 2 of 2

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

	Fiscal Year				
	2018	2017	2016	2015	2014
Revenues					
Ad valorem taxes	\$ 104,028,855	\$ 102,643,115	\$ 98,864,292	\$ 94,982,137	\$ 94,593,965
Other taxes	36,953,090	35,395,806	33,513,929	30,577,418	28,514,821
Unrestricted intergovernmental revenues	1,895,660	1,915,010	1,914,853	1,950,128	1,902,192
Tax assessment road improvement	-	-	-	-	-
Restricted intergovernmental revenues	32,872,765	37,710,248	36,702,096	37,914,903	36,065,434
Permits and fees	3,545,784	3,270,330	2,725,409	2,398,171	2,130,735
Sales and services	7,789,214	7,955,557	9,289,078	10,275,072	11,363,376
Investment earnings	702,974	209,348	1,451,782	975,566	1,155,473
Miscellaneous	3,584,753	3,544,286	7,502,488	6,790,563	3,539,937
Total revenues	191,373,095	192,643,700	191,963,927	185,863,958	179,265,933
Expenditures					
Current:					
General government	12,033,377	12,813,629	12,646,281	10,889,713	11,329,249
Public safety	40,537,103	40,004,086	34,477,572	33,618,405	31,930,143
Environmental protection	581,569	661,156	573,409	545,637	461,359
Economic and physical development	16,222,681	15,493,426	15,010,630	13,813,474	13,573,781
Human services	42,039,157	47,706,576	46,315,883	47,773,150	47,114,736
Culture and recreation	3,397,645	3,407,377	3,513,584	3,109,069	2,769,125
Education	43,331,107	41,012,204	40,239,272	40,394,875	40,004,060
Capital Outlay	35,780,090	27,343,949	26,081,492	18,273,102	33,342,151
Debt service:					
Principal	13,501,848	13,430,361	10,582,661	12,331,427	13,932,346
Interest	3,507,375	3,763,682	3,744,689	4,042,723	3,794,348
Payment to refunded bond escrow agent	-	-	-	-	1,014,000
Bond issuance costs	375,651	115,551	-	-	23,583
Total expenditures	211,307,603	205,751,997	193,185,473	184,791,575	199,288,881
Other Financing Sources (uses)					
Transfers from other funds	6,641,134	10,302,305	8,376,971	5,187,183	2,942,065
Transfers to other funds	(8,294,623)	(11,902,305)	(9,994,021)	(5,987,183)	(4,543,630)
Installment purchase obligations issued	-	50,530,000	570,000	-	20,125,000
Lease liabilities issued	-	-	-	-	-
SBITA liabilities issued	-	-	-	-	-
Premium on installment obligations issued	-	-	-	-	2,161,054
Bonds issued	39,085,000	-	-	-	1,810,000
Premium on bonds issued	4,798,292	-	-	-	39,911
Payment to refunded escrow agent	-	(13,686,153)	-	-	(1,849,125)
Proceeds for sale of properties	-	-	-	-	-
Sales of capital assets	-	-	-	-	-
Total other financing sources (uses)	42,229,803	35,243,847	(1,047,050)	(800,000)	20,685,275
Net change in fund balances	\$ 22,295,295	\$ 22,135,550	\$ (2,268,596)	\$ 272,383	\$ 662,327
Debt service as a percentage of noncapital expenditures	8.6%	8.9%	8.1%	9.4%	9.5%

⁽¹⁾ Note: Beginning FY 2012, current refundings are shown as debt service expenditures rather than other financing use.

CATAWBA COUNTY, NORTH CAROLINA**Table 5****Assessed Valuation and Actual Value of Taxable Property
Last Ten Fiscal Years**

Fiscal Year	Real Property	Personal Property	Public Utility Property	Total Taxable Assessed Value	Total Direct Tax Rate ⁽¹⁾	Estimated Real Market Value
2014	12,224,185,313	3,790,836,072	685,580,853	16,700,602,238	0.530	16,192,168,158
2015	12,267,687,100	3,622,784,098	746,952,594	16,637,423,792	0.530	16,249,070,995
2016 ⁽²⁾	11,564,008,687	3,742,083,773	788,247,696	16,094,340,156	0.575	16,261,837,078
2017	11,682,762,282	3,910,899,616	827,530,781	16,421,192,679	0.575	16,571,997,860
2018	11,821,086,656	4,032,470,698	846,131,001	16,699,688,355	0.575	17,439,106,470
2019	11,984,593,390	4,339,896,854	856,998,611	17,181,488,855	0.575	18,580,608,689
2020 ⁽²⁾	13,101,976,344	4,431,826,297	922,892,477	18,456,695,118	0.575	18,821,838,791
2021	13,386,384,363	4,761,084,974	987,346,080	19,134,815,417	0.575	20,837,215,961
2022	13,586,700,647	5,161,064,795	1,088,939,158	19,836,704,600	0.575	21,309,644,077
2023	13,881,215,480	5,331,939,160	1,177,969,708	20,391,124,348	0.575	22,198,505,303

⁽¹⁾ Tax rate expressed in dollars of tax per \$100 of assessed valuation.

⁽²⁾ Increase as a result of the County 4-year real property revaluation cycle.

Source: Catawba County Property Appraiser



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CATAWBA COUNTY, NORTH CAROLINA

Table 6
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Property Tax Rates - Direct and Overlapping Governments ⁽¹⁾
Last Ten Fiscal Years

	Fiscal Year				
	2023	2022	2021	2020	2019
Catawba County					
Property Tax	0.5750	0.5750	0.5750	0.5750	0.5750
Fire Districts:					
Bandys	0.1150	0.1150	0.1150	0.0780	0.0820
Catawba Rural	0.1300	0.1300	0.1300	0.1300	0.1000
Claremont Rural	0.1300	0.1100	0.1100	0.0900	0.0900
Conover Rural	0.1150	0.1100	0.1100	0.1100	0.1100
Cooksville	0.0750	0.0750	0.0750	0.0750	0.0620
Hickory Rural	0.1500	0.1500	0.1500	0.1500	0.1200
Long View Rural	0.1130	0.0830	0.0830	0.0830	0.0730
Maiden Rural	0.1053	0.0753	0.0753	0.0753	0.0800
Mountain View	0.0770	0.0718	0.0718	0.0718	0.0750
Newton Rural	0.1500	0.1300	0.1300	0.1200	0.1200
Oxford	0.0650	0.0650	0.0650	0.0650	0.0650
Propst	0.0770	0.0620	0.0620	0.0620	0.0620
Sherrills Ford	0.1300	0.1300	0.1300	0.1300	0.1100
St. Stephens	0.1200	0.1200	0.1200	0.1200	0.1200
Municipalities:					
Town of Brookford	0.5200	0.5200	0.5200	0.5200	0.5200
Town of Catawba	0.5800	0.5800	0.5800	0.5800	0.5800
Town of Long View	0.5700	0.5700	0.5700	0.5700	0.5700
Town of Maiden	0.3800	0.3800	0.3800	0.3800	0.3800
City of Claremont	0.4900	0.0490	0.0490	0.0490	0.4900
City of Conover	0.5000	0.0500	0.0500	0.0500	0.5000
City of Hickory	0.6275	0.6275	0.5875	0.5875	0.5665
City of Newton	0.5400	0.5400	0.5400	0.5400	0.5400
Total Maximum Rate - Fire District	0.7250	0.7250	0.7250	0.7250	0.6950
Total Maximum Rate - Municipalities	1.2025	1.2025	1.1625	1.1625	1.1550

⁽¹⁾ All tax rates are expressed in dollars of tax per \$100 of assessed valuation. For the above years, the tax levies were assessed at one hundred percent (100%) of the actual value.

Source: Catawba County Tax Collector

CATAWBA COUNTY, NORTH CAROLINATable 6
Page 2 of 2**Property Tax Rates - Direct and Overlapping Governments ⁽¹⁾
Last Ten Fiscal Years**

	Fiscal Year				
	2018	2017	2016	2015	2014
Catawba County					
Property Tax	0.5750	0.5750	0.5750	0.5300	0.5300
Fire Districts:					
Bandys	0.0820	0.0820	0.0820	0.0700	0.0700
Catawba Rural	0.1000	0.1000	0.0850	0.0700	0.0700
Claremont Rural	0.0900	0.0800	0.0800	0.0700	0.0700
Conover Rural	0.0900	0.0900	0.0900	0.0700	0.0700
Cooksville	0.0620	0.0620	0.0620	0.0617	0.0617
Hickory Rural	0.1200	0.0900	0.0900	0.0700	0.0700
Long View Rural	0.0730	0.0730	0.0730	0.0650	0.0546
Maiden Rural	0.0800	0.0800	0.0750	0.0700	0.0600
Mountain View	0.0750	0.0750	0.0600	0.0600	0.0600
Newton Rural	0.0900	0.0900	0.0900	0.0850	0.0700
Oxford	0.0650	0.0650	0.0650	0.0558	0.0558
Propst	0.0620	0.0620	0.0620	0.0615	0.0615
Sherrills Ford	0.1100	0.1100	0.0810	0.0800	0.0700
St. Stephens	0.1200	0.1200	0.0900	0.0900	0.0700
Municipalities:					
Town of Brookford	0.5200	0.5200	0.5200	0.5200	0.5200
Town of Catawba	0.4800	0.4800	0.4800	0.4800	0.4800
Town of Long View	0.5200	0.5200	0.4200	0.4200	0.4200
Town of Maiden	0.3800	0.3800	0.3800	0.3800	0.3800
City of Claremont	0.4900	0.4900	0.4900	0.4600	0.4600
City of Conover	0.4700	0.4700	0.4700	0.4300	0.4000
City of Hickory	0.5665	0.5665	0.5665	0.5000	0.5000
City of Newton	0.5400	0.5400	0.5400	0.5100	0.4800
Total Maximum Rate - Fire District	0.6950	0.6950	0.6650	0.6200	0.6000
Total Maximum Rate - Municipalities	1.1415	1.1415	1.1415	1.0500	1.0500

⁽¹⁾ All tax rates are expressed in dollars of tax per \$100 of assessed valuation. For the above years, the tax levies were assessed at one hundred percent (100%) of the actual value.

CATAWBA COUNTY, NORTH CAROLINATable 7
Page 1 of 2**Principal Property Taxpayers
Current Year and Nine Years Ago**

Fiscal Year 2023				
Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Apple, Inc.	Computer Server	\$ 1,294,005,887	1	6.35
Duke Energy Carolinas, LLC	Electric Utility	959,881,974	2	4.71
GKN Driveline Newton, LLC	Gears Mfg.	240,223,461	3	1.18
Corning Incorporated Prysmian Cables and Systems	Cable Mfg.	207,385,496	4	1.02
LLC/Claremont Na Cable Systems, LLC	Cable Mfg.	152,973,237	5	0.75
CommScope Inc of North Carolina	Cable Mfg.	141,309,933	6	0.69
Piedmont Natural Gas Co, Inc.	Gas Utility	82,409,267	7	0.40
Target Corporation	Warehouse/Retail	78,815,261	8	0.39
Shurtape Technologies, Inc.	Manufacturing	78,700,396	9	0.39
Duke LifePoint (Frye)	Medical Care	76,306,733	10	0.37
		<u>\$ 3,312,011,645</u>		<u>16.24</u>
Total Assessed Valuation		<u>\$ 20,391,124,348</u>		

Source: Catawba County Tax Collector

CATAWBA COUNTY, NORTH CAROLINA

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**Principal Property Taxpayers
Current Year and Nine Years Ago**

Fiscal Year 2014				
Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Apple, Inc.	Computer Server	\$ 916,657,031	1	5.49
Duke Energy Carolinas, LLC	Electric Utility	543,682,658	2	3.26
GKN Driveline Newton, LLC	Gears Mfg.	110,760,920	3	0.66
Target Corporation	Warehouse/Retail	106,285,005	4	0.64
CommScope Inc. of North Carolina	Cable Mfg.	105,740,567	5	0.63
Draka Comteq Americas, Inc.	Cable Mfg.	75,211,095	6	0.45
Amireit (Frye) Inc./American Medical	Medical Care	72,845,890	7	0.44
Corning Cable Systems	Cable Mfg.	67,781,685	8	0.41
HSM Solutions	Furniture supplies	53,958,836	9	0.32
Valley Hills Mall, LLC	Retail	45,873,677	10	0.27
		<u>\$ 2,098,797,364</u>		<u>12.57</u>
Total Assessed Valuation		<u>\$ 16,700,602,238</u>		

Source: Catawba County Tax Collector

CATAWBA COUNTY, NORTH CAROLINA
Table 8
Property Tax Levies and Collections
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Tax Year	Total Tax Levy for Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2014	2013	88,513,192	85,800,420	96.94	2,508,913	88,309,333	99.77
2015	2014	88,178,346	86,413,676	98.00	1,705,124	88,118,800	99.93
2016	2015	92,542,456	90,856,714	98.18	1,636,024	92,492,738	99.95
2017	2016	94,639,996	93,070,059	98.34	1,505,667	94,575,726	99.93
2018	2017	96,140,422	94,571,921	98.37	1,494,070	96,065,991	99.92
2019	2018	99,113,042	97,751,358	98.63	1,233,284	98,984,642	99.87
2020	2019	106,244,575	104,660,807	98.51	1,418,846	106,079,653	99.84
2021	2020	110,229,070	109,080,596	98.96	919,560	110,000,156	99.79
2022	2021	114,633,420	113,541,410	99.05	674,260	114,215,670	99.64
2023	2021	117,592,279	113,541,410	96.56	-	116,372,521	98.96

⁽¹⁾ Includes discoveries, releases and abatements

Source: Catawba County Tax Collector



Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Governmental Activities								
Fiscal Year	General Obligation Bonds	Certificates of Participation	Installment Purchases	Qualified Zone Academy Bonds	Qualified School Construction Bonds	Build America Bonds	Limited Obligation Bonds	Long-Term Leases/ SBITAs
2014	799,341	12,208,902	44,692,131	400,000	27,808,553	6,663,443	63,119,732	-
2015	-	11,885,455	40,764,047	350,000	27,808,553	6,084,013	57,768,142	-
2016	-	10,582,008	37,299,345	300,000	27,808,553	5,504,583	52,638,035	-
2017	-	9,293,560	72,741,291	250,000	27,808,553	-	47,533,477	-
2018	-	8,020,112	65,653,300	200,000	27,808,553	-	86,320,939	-
2019	-	6,776,664	58,593,253	150,000	27,808,553	-	80,993,922	-
2020	-	5,558,217	51,671,667	100,000	27,808,553	-	74,282,234	-
2021	-	4,369,770	63,366,667	50,000	27,808,553	-	67,583,819	-
2022	-	2,880,000	66,675,408	-	27,808,553	-	48,816,483	1,229,837
2023	-	1,890,000	56,134,456	-	27,808,553	-	88,528,602	1,940,973

N/A = Not available

Sources:

¹ U.S. Department of Commerce Bureau of Economic Analysis² Population based on estimates issued by the Bureau of the Census

CATAWBA COUNTY, NORTH CAROLINA

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**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Year	North Carolina Department of Commerce	Business Type				Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽²⁾
		Installment Purchases	Limited Obligation Bonds	Revolving Loan	Long-Term Leases/ SBITAs			
2014	2,600,000	7,397,122	5,401,752	1,200,000	-	172,290,976	3.15	1,109
2015	2,600,000	6,783,333	5,097,634	1,125,000	-	160,266,177	2.93	1,031
2016	2,600,000	6,158,434	4,562,032	1,050,000	-	148,502,990	2.59	953
2017	2,100,388	5,522,224	4,030,882	975,000	-	170,255,375	2.71	1,092
2018	1,590,784	4,874,499	3,501,003	900,000	-	198,869,190	3.07	1,274
2019	1,070,988	4,215,049	2,972,398	825,000	-	183,405,827	2.67	1,165
2020	540,796	3,543,664	2,528,372	750,000	-	166,783,503	2.32	1,052
2021	-	2,860,127	2,086,253	675,000	-	168,800,189	2.27	1,052
2022	-	1,567,592	-	600,000	12,151	149,590,024	1.89	931
2023	-	1,111,877	-	525,000	5,167	177,944,628	N/A	1,081

N/A = Not available

Sources:

¹ U.S. Department of Commerce Bureau of Economic Analysis

² Population based on estimates issued by the Bureau of the Census

CATAWBA COUNTY, NORTH CAROLINA
Table 10
Page 1 of 2
**Legal Debt Margin Information
Last Ten Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Assessed value (after exemption)	20,391,124,348	19,836,704,600	19,134,815,417	18,456,695,118	17,181,488,855
Debt limit rate	8%	8%	8%	8%	8%
Debt limit	1,631,289,948	1,586,936,368	1,530,785,233	1,476,535,609	1,374,519,108
Less: Total net debt applicable to limit	153,017,789	129,084,877	149,537,030	149,376,135	167,855,980
Legal debt margin	<u>1,478,272,159</u>	<u>1,457,851,491</u>	<u>1,381,248,203</u>	<u>149,376,135</u>	<u>1,206,663,128</u>
Total net debt applicable to the limit as a percentage of debt limit	9%	8%	10%	10%	12%

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed value (after exemptions)	\$ 20,391,124,348
Debt limit (8% of assessed value)	1,631,289,948
Debt applicable to limit:	
Certificates of participation	1,890,000
Installment purchase	57,246,333
Qualified School Construction Bonds	27,808,553
Limited Obligation Bonds	88,528,602
Federal Revolving Loan	525,000
Less: Statutory deductions	
Sinking Funds	<u>(22,980,699)</u>
Total net debt applicable to limit	<u>153,017,789</u>
Legal debt margin	<u>\$ 1,478,272,159</u>

CATAWBA COUNTY, NORTH CAROLINA

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**Legal Debt Margin Information
Last Ten Fiscal Years**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Assessed value (after exemption)	16,699,988,355	16,421,192,679	16,094,340,156	16,637,423,792	16,700,602,238
Debt limit rate	<u>8%</u>	<u>8%</u>	<u>8%</u>	<u>8%</u>	<u>8%</u>
Debt limit	1,335,999,068	1,313,695,414	1,287,547,212	1,330,993,903	1,336,048,179
Less: Total net debt applicable to limit	<u>198,869,191</u>	<u>170,255,375</u>	<u>148,502,990</u>	<u>152,703,618</u>	<u>158,887,591</u>
Legal debt margin	<u>198,869,191</u>	<u>1,143,440,039</u>	<u>1,139,044,222</u>	<u>1,178,290,285</u>	<u>1,177,160,588</u>
Total net debt applicable to the limit as a percentage of debt limit	15%	13%	12%	11%	12%

CATAWBA COUNTY, NORTH CAROLINA**Table 11****Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year	Population Estimate ⁽¹⁾	Personal Income	Per Capita Income ⁽²⁾	Median Age ⁽³⁾	School Enrollment ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2014	155,411	5,478,237,750	35,250	40.47	24,204	7.10
2015	155,832	5,725,579,344	36,742	40.67	23,889	6.00
2016	156,182	6,243,298,000	40,265	40.82	23,679	4.90
2017	156,106	6,489,428,000	41,477	41.06	23,509	4.00
2018	157,424	6,895,726,000	43,651	41.20	23,203	3.80
2019	158,579	7,193,629,000	45,342	41.25	22,705	4.20
2020	160,504	7,397,881,000	46,367	39.23	22,593	8.30
2021	160,732	7,886,011,000	49,193	41.70	21,701	4.7
2022	161,909	8,625,094,000	53,333	41.40	21,636	3.8
2023	164,642	N/A	N/A	41.70	21,870	3.4

N/A = Not available

Sources:¹ NC Budget and Management Office of State Planning - Based upon estimates issued by the U.S. Census Bureau² Bureau of Economic Analysis³ NC Budget and Management Office of State Planning⁴ North Carolina Department of Public Instruction⁵ United States Department of Labor - Bureau of Labor Statistics

CATAWBA COUNTY, NORTH CAROLINA**Table 12****Principal Employers
Current Year and Nine Years Ago**

Employer	Industry	2023		2014	
		Employees	Rank	Employees	Rank
Catawba County Schools	Education & Health Services	1,000+	1	1,000+	1
Corning Optical Communications, LLC	Manufacturing	1,000+	2	1,000+	7
Target Stores Div	Transportation and Warehousing	1,000+	3	-	-
Catawba Valley Medical Center	Health Care & Social Assistance	1,000+	4	1,000+	2
CommScope	Manufacturing	1,000+	5	1,000+	3
Wal-Mart Associates, LLC	Retail Trade	1,000+	6	-	-
Catawba County Government	Public Administration	1,000+	7	1,000+	6
Dip Partner Frye, LLC	Health Care & Social Assistance	1,000+	8	1,000+	4
Century Furniture LLC	Manufacturing	500-999	9	-	-
Gkn Driveline Newton LLC	Manufacturing	500-999	10	-	-
Hickory Springs Manufacturing Co., Inc.	Manufacturing	-	-	1,000+	5
Heritage Home Group LLC	Manufacturing	-	-	500-999	8
Sherrill Furniture Company	Manufacturing	-	-	500-999	9
Ethan Allen, Inc.	Manufacturing	-	-	500-999	10

CATAWBA COUNTY, NORTH CAROLINA
Full Time Equivalent County Employees by Function
Last Ten Fiscal Years

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	Full-time Equivalent Employees as of June 30				
	2023	2022	2021	2020	2019
Function					
Governmental activities:					
General government	84	81	82	81	80
Public safety	447	442	439	425	374
Environmental protection	5	5	5	5	5
Economic and physical development	111	108	97	91	91
Human services	541	519	516	516	515
Culture and recreation	38	38	38	38	38
Total governmental activities	<u>1,226</u>	<u>1,193</u>	<u>1,177</u>	<u>1,156</u>	<u>1,103</u>
Business-type activities:					
Water sewer	1	1	1	1	1
Solid waste management	29	30	30	29	29
Total business-type activities	<u>30</u>	<u>31</u>	<u>31</u>	<u>30</u>	<u>30</u>
Total primary government	<u>1,256</u>	<u>1,224</u>	<u>1,208</u>	<u>1,186</u>	<u>1,133</u>

Source: Catawba County Human Resources Department

CATAWBA COUNTY, NORTH CAROLINA
Full Time Equivalent County Employees by Function
Last Ten Fiscal Years

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Full-time Equivalent Employees as of June 30					
	2018	2017	2016	2015	2014
Function					
Governmental activities:					
General government	82	82	81	83	84
Public safety	370	358	355	347	345
Environmental protection	4	4	4	4	5
Economic and physical development	86	84	78	76	76
Human services	510	505	541	548	551
Culture and recreation	37	36	35	35	35
Total governmental activities	<u>1,089</u>	<u>1,069</u>	<u>1,093</u>	<u>1,093</u>	<u>1,096</u>
Business-type activities:					
Water sewer	1	1	1	1	1
Solid waste management	29	27	26	26	27
Total business-type activities	<u>30</u>	<u>28</u>	<u>27</u>	<u>27</u>	<u>28</u>
Total primary government	<u>1,120</u>	<u>1,097</u>	<u>1,120</u>	<u>1,120</u>	<u>1,124</u>

Source: Catawba County Human Resources Department

CATAWBA COUNTY, NORTH CAROLINA**Table 14****Page 1 of 2****Operating Indicators by Function
Last Ten Fiscal Years**

Function	Fiscal Year				
	2023	2022	2021	2020	2019
Governmental activities:					
General government					
Number of registered voters	109,754	110,265	107,141	106,113	99,706
Number of marriage licenses issued	1,065	1,035	1,091	995	964
Number of tax bills issued	117,237	111,937	116,095	114,422	111,625
Public safety					
Number of 911 dispatch/calls	97,782	94,350	94,507	89,553	89,712
Sheriff Department offenses reported	4,036	2,265	4,273	2,697	9,417
Environmental protection					
Cooperative extension agent contacts	103,900	93,842	123,654	265,124	170,863
Economic and physical development					
Number of commercial permits issued	599	614	590	605	506
Number of residential permits issued	2,749	2,348	2,210	1,576	1,515
Human services					
Households received assistance with energy bills	1,683	2,653	3,341	3,706	3,681
Medicaid transportation provided (round trips)	13,779	15,225	14,751	17,941	21,368
Child support services cases currently open	5,090	5,482	5,886	6,139	6,512
Public health clients served	43,260	39,451	44,616	42,100	40,768
Restaurant inspections	1,408	1,406	1,386	1,303	1,374
Culture and recreation					
Total circulation for library system	480,600	493,586	535,336	426,914	476,434
Number of patrons visiting parks	509,650	278,253	151,326	208,492	166,853
Education					
Public school student enrollment K-12	21,870	21,636	21,701	22,593	22,705
Business-type activities:					
Solid waste management					
Tons buried - MSW	200,167	173,994	167,940	159,100	157,312
Tons buried - C&D	54,410	49,399	47,974	45,316	34,384
Tons recycled	24,129	20,875	24,597	19,255	19,685

⁽¹⁾ The State of North Carolina implemented combined motor vehicle registration renewal and property tax collection system whereby the State issues the bills for motor vehicle taxes

Sources: Catawba County Departments, NC Department of Public Instruction

Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year				
	2018	2017	2016	2015	2014⁽¹⁾
Governmental activities:					
General government					
Number of registered voters	105,035	101,790	101,330	98,344	101,442
Number of marriage licenses issued	1,081	1,081	1,074	1,017	1,009
Number of tax bills issued	106,065	104,928	104,396	103,835	99,196
Public safety					
Number of 911 dispatch/calls	90,118	92,049	93,089	89,426	84,974
Sheriff Department offenses reported	5,914	6,054	6,169	4,866	4,823
Environmental protection					
Cooperative extension agent contacts	46,075	46,997	41,348	22,733	28,860
Economic and physical development					
Number of commercial permits issued	602	605	631	603	598
Number of residential permits issued	1,467	1,398	1,182	1,098	993
Human services					
Households received assistance with energy bills	2,628	3,344	3,550	3,501	2,994
Medicaid transportation provided (round trips)	25,679	27,235	27,590	23,810	26,279
Child support services cases currently open	6,501	6,562	6,682	6,849	6,847
Public health clients served	17,148	9,037	10,958	13,887	18,698
Restaurant inspections	1,434	1,353	1,347	1,344	1,333
Culture and recreation					
Total circulation for library system	468,898	525,988	555,132	572,569	585,517
Number of patrons visiting parks	160,803	166,319	170,295	104,330	109,550
Education					
Public school student enrollment K-12	23,203	23,509	23,679	23,889	24,204
Business-type activities:					
Solid waste management					
Tons buried - MSW	153,207	139,638	133,843	123,325	120,579
Tons buried - C&D	33,858	33,041	32,819	27,638	28,670
Tons recycled	20,256	21,761	19,737	21,135	24,228

⁽¹⁾ The State of North Carolina implemented combined motor vehicle registration renewal and property tax collection system whereby the State issues the bills for motor vehicle taxes

Sources: Catawba County Departments, NC Department of Public Instruction

CATAWBA COUNTY, NORTH CAROLINA

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**Capital Asset Statistics by Function
Last Ten Fiscal Years**

Function	Fiscal Year				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Governmental activities:					
General government					
Buildings	6	5	5	5	5
Vehicles	7	7	5	8	5
Public safety					
Buildings	15	15	14	14	14
Vehicles	277	258	260	233	225
Environmental protection					
Buildings	2	2	2	2	2
Vehicles	3	3	3	3	3
Economic and physical development					
Buildings	2	2	2	2	2
Vehicles	79	71	74	60	66
Human services					
Buildings	34	37	38	38	38
Vehicles	27	28	41	37	35
Culture and recreation					
Buildings	5	5	5	5	5
Vehicles	2	2	2	2	2
Business-type activities:					
Solid waste management					
Buildings	10	10	10	10	10
Vehicles	25	23	26	25	24
Water and sewer					
Buildings	0	0	0	0	0
Vehicles	0	0	0	0	0

N/A = Not available

Sources: Catawba County Departments

CATAWBA COUNTY, NORTH CAROLINA
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**Capital Asset Statistics by Function
Last Ten Fiscal Years**

Function	Fiscal Year				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Governmental activities:					
General government					
Buildings	6	6	6	6	6
Vehicles	6	4	5	6	8
Public safety					
Buildings	13	12	11	10	10
Vehicles	247	230	221	218	216
Environmental protection					
Buildings	2	2	2	2	2
Vehicles	3	2	2	2	2
Economic and physical development					
Buildings	2	2	2	2	2
Vehicles	62	58	48	43	42
Human services					
Buildings	38	37	38	38	38
Vehicles	39	40	41	41	38
Culture and recreation					
Buildings	5	5	5	6	5
Vehicles	1	1	1	1	1
Business-type activities:					
Solid waste management					
Buildings	10	10	10	10	10
Vehicles	26	24	23	24	25
Water and sewer					
Buildings	0	0	0	0	0
Vehicles	0	0	0	0	0

N/A = Not available

Sources: Catawba County Departments



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