

Annual Comprehensive Financial Report



catawba county
north carolina

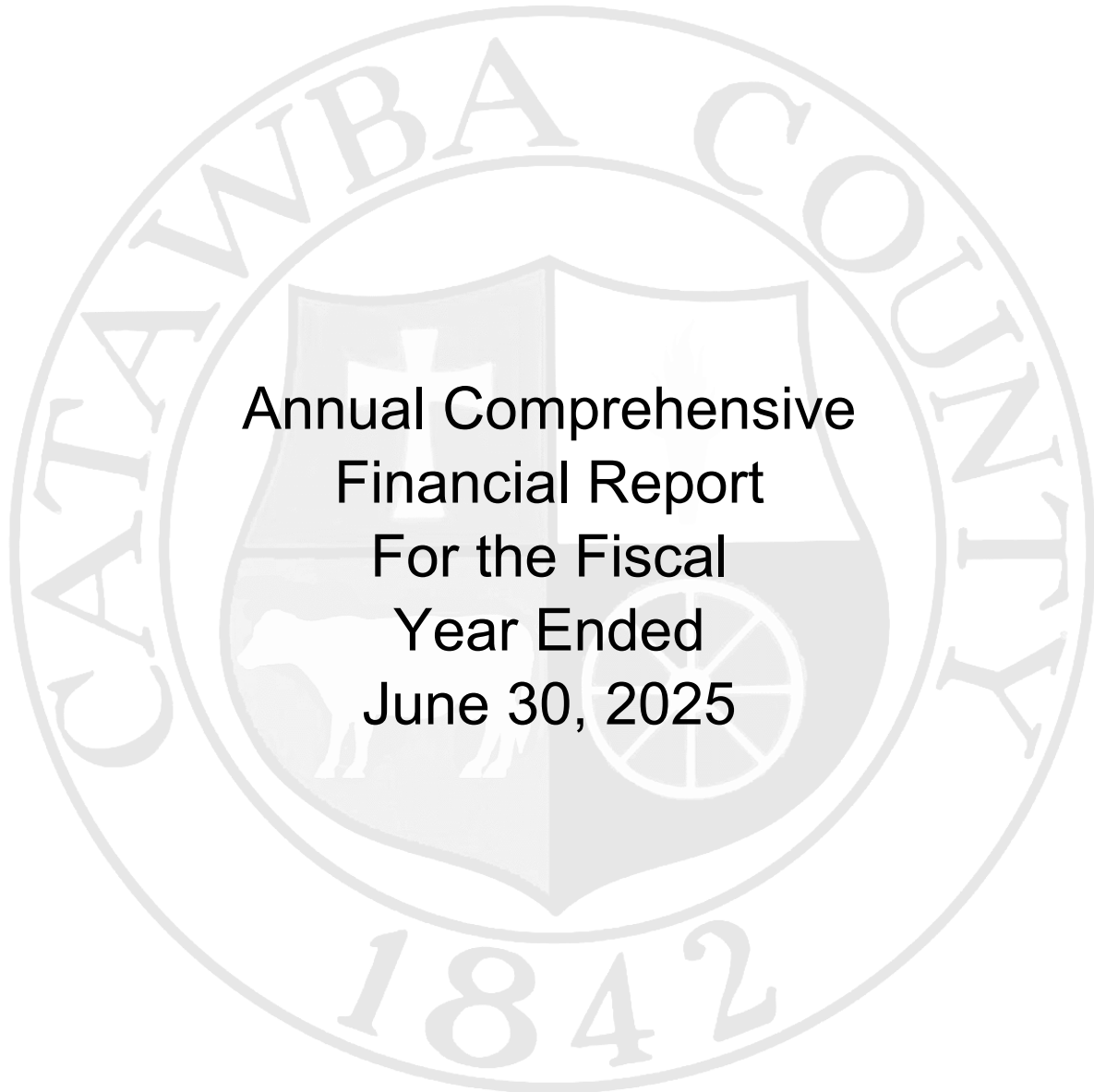
2025



MAKING. LIVING. BETTER.

For the Fiscal Year Ended
June 30, 2025

Catawba County, North Carolina



Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2025

Mary Furtado, County Manager
Mary Morrison, Chief Financial Officer

Prepared by Catawba County Finance Department
Published January 15, 2026



SM

Catawba County, North Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025

Table of Contents

Page

Introductory Section

Letter of Transmittal.....	1
GFOA Certificate of Achievement	7
Organization Chart	8

Financial Section

Report of Independent Certified Public Accountants	9
Management Discussion and Analysis	13

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position	24
Statement of Activities	26

Fund Financial Statements:

Balance Sheet – Governmental Funds	28
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position ...	30
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	32
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	34
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – General Fund	36
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.....	37
Statement of Net Position – Proprietary Funds	38
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	40
Statement of Cash Flows – Proprietary Funds	42
Statement of Fiduciary Net Position – Fiduciary Funds	44
Statement of Changes in Fiduciary Net Position – Fiduciary Funds.....	45
Notes to the Financial Statements	47

Required Supplemental Financial Data:

Other Post Employment Health Care Benefit

Schedule of Changes in Total OPEB Liability	104
---	-----

Local Government Employees' Retirement System

Schedule of Proportionate Share of Net Pension Liability (Asset).....	106
---	-----

Catawba County, North Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025

Table of Contents - continued

	Page
Local Government Employees' Retirement System	
Schedule of Contributions	108
Register of Deeds Supplemental Pension Fund	
Schedule of Proportionate Share of Net Pension Liability (Asset)	110
Register of Deeds Supplemental Pension Fund	
Schedule of Contributions	112
Law Enforcement Officers' Special Separation Allowance	
Schedule of Changes in Pension Liability and Liability as Percentage of Payroll	114
Law Enforcement Officers' Special Separation Allowance	
Notes to the Required Schedules	114
Individual and Combining Fund Financial Statements and Schedules:	
<i>General Fund</i>	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	119
Reappraisal Fund	134
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
American Rescue Plan Act (ARPA) Fund – Major Special Revenue Fund	135
Statement of Revenues, Expenditures, and Changes in Fund Balances -	
Budget and Actual – Opioid Settlement Fund	136
<i>Nonmajor Governmental Funds</i>	
Combining Balance Sheet – Nonmajor Governmental Funds	138
Combining Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Nonmajor Governmental Funds	139
<i>Special Revenue Funds</i>	
Combining Balance Sheet - Nonmajor Special Revenue Funds	142
Subcombining Balance Sheet – Fire District Funds	146
Combining Statement of Revenues, Expenditures, and Changes in	
Fund Balances - Nonmajor Special Revenue Funds	150
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
Emergency Telephone System Fund	154
PSAP Reconciliation	155
State Unauthorized Substance Abuse Fund	156
Narcotics Federal Seized Justice Fund	157
Narcotics Federal Seized Treasury Fund	158
Rescue Squads Fund	159
Library Endowment Fund	160
Gretchen Peed Scholarship Fund	161
Parks/Historic Preservation Trust Fund	162
Stream Debris Removal Fund	163

Catawba County, North Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025

Table of Contents – continued

	Page
Community Development Fund.....	164
Office of State Budget & Management Direct Grants	166
Fines and Forfeitures Fund	167
Representative Payee Fund	168
Deed of Trust Fund	169
Subcombining Schedule of Revenues, Expenditures and Changes in	
Fund Balances – Fire District Funds	170
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
Mountain View Fire District Fund	173
Propst Fire District Fund	174
St. Stephens Fire District Fund.....	175
Conover Rural Fire District Fund	176
Oxford Fire District Fund	177
Sherrills Ford Fire District Fund	178
Bandys Fire District Fund	179
Maiden Fire District Fund	180
Claremont Fire District Fund.....	181
Catawba Fire District Fund	182
Long View Fire District Fund	183
Newton Rural Fire District Fund	184
Cooksville Fire District Fund	185
Hickory Rural Fire District Fund	186
<i>Capital Projects Funds</i>	
Combining Balance Sheet - Nonmajor Capital Projects Funds	188
Combining Statement of Revenues, Expenditures, and Changes in	
Fund Balances - Nonmajor Capital Projects Funds	189
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
General Capital Projects Fund	190
Subdivision Road Improvement Fund.....	192
NC Railroad Projects Fund	193
School Capital Projects Fund.....	194
School Construction Fund	198
Hospital Capital Reserve Fund	200
<i>Enterprise Funds</i>	
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	
Solid Waste Management Fund.....	202

Catawba County, North Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025

Table of Contents – continued

	Page
Solid Waste Management Capital Fund	204
Water and Sewer Fund	206
Water and Sewer Capital Fund	208
<i>Custodial Funds</i>	
Combining Statement of Fiduciary Net Position - All Custodial Funds.....	212
Combining Statement of Changes in Fiduciary Net Position - All Custodial Funds.....	213
Other Schedules:	
Schedule of Cash and Investment Balances	216
Analysis of Current Tax Levy	218
Schedule of Taxes Receivable	219
General Long-Term Debt Requirements and Maturity Schedule.....	220
Statistical Section	
Net Position by Component	222
Changes in Net Position.....	224
Fund Balances, Governmental Funds.....	226
Changes in Fund Balances, Governmental Funds	228
Assessed Valuation and Actual Value of Taxable Property.....	230
Property Tax Rates – Direct and Overlapping Governments	232
Principal Property Taxpayers.....	234
Property Tax Levies and Collections.....	236
Ratios of Outstanding Debt by Type	238
Legal Debt Margin Information.....	240
Demographic and Economic Statistics	242
Principle Employers.....	243
Full Time Equivalent County Employees by Function	244
Operating Indicators by Function.....	246
Capital Asset Statistics by Function.....	248

Catawba County, North Carolina
Board of Commissioners
For the Fiscal Year Ended June 30, 2025

Board of Commissioners

C. Randall Isenhower	Chair
Austin Allran	Vice Chair
Robert C. Abernethy, Jr.	Commissioner
Barbara G. Beatty	Commissioner
Cole Setzer	Commissioner



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

January 15, 2026

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, 2025.

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, 2025, 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, 2025, 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 statement of the County was part of a broader federal and state mandated Single Audit designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent audit 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 grants. 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 requires that management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the 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

Catawba County encompasses a 414-square mile area and is located just east of North Carolina's Blue Ridge Mountains. Nestled in the foothills of the Appalachian Mountains and bordered by the

Catawba River, Catawba County offers the hospitality of a mid-size community with a reach that extends across a fast-growing region. 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 has eight cities and towns within its boundaries, and is home to a population of 168,248 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, Robert Abernethy, Jr., Barbara Beatty, Cole Setzer, who are elected by county wide vote in partisan elections and serve four-year staggered terms.

The County Manager is appointed to serve as the Chief Executive Officer and is responsible for 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 which 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 City, and Newton Conover City Schools, Catawba Valley Community College, Catawba County Economic Development Corporation and the Western Piedmont Council of Governments.

County commissioners adopt an annual budget with

a July 1st effective date. The budget provides the basis for financial planning and control. The budget process begins when county departments are presented with a budget packet along with recommended targets for the upcoming year. Departments complete requests and submit documentation to the Budget Office who then presents a working document to the County Manager as a starting point to develop a proposed budget. Upon evaluating budgetary need, the County Manager develops and submits the recommended budget to the board of commissioners for consideration. The board holds a public hearing to consider public comments on the budget prior to formally adopting the subsequent year's budget prior to June 30th.

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's June 2025 unemployment rate was 3.8%, which is less than the North Carolina rate of 4% and slightly lower than the Hickory MSA rate.

STRONG RETAIL SALES & TOURISM PERFORMANCE

Catawba County remains a retail magnet for the region, capturing 59% of the \$6.3 billion in retail sales from the four-county MSA while accounting for 44% of the population. Catawba County's taxable sales of \$3.8 billion showed an increase from 2023-2024 of 5.2%. Statewide, the County ranks 18th in population but 14th highest in taxable sales.

Catawba County ranks 22nd in the State for tourism, with \$351 million generated in 2024. This represents a 0.8% 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 Aviation Museum
- Hickory Community Theatre
- Hickory Choral Society
- Hickory Crawdads Baseball Team
- Hickory Football Club
- Hickory Metro Convention Center
- Hickory Motor Speedway
- Hickory Museum of Art
- Western Piedmont Symphony

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 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 Financial Services, Aerospace, Biotech, which leverages the County's skilled workforce and high concentration of manufacturing support systems.

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:

DELIBERATELY DRIVING WORKFORCE DEVELOPMENT

While Catawba County's economy is built upon a

large industrial base, with 26.2% of its workforce in manufacturing, the deliberate and targeted growth in several key sectors has resulted in a more balanced economic composition today than what existed a decade ago. From 2014 through 2024, the following sectors have experienced over 25% employment growth collectively comprising 12.7% of the current total employment:

- Transportation and Warehousing
- Construction
- Arts, Entertainment and Recreation
- Information

The growth in these sections represents a 52.1% increase from 2014 employment levels.

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

Steady growth in fiber optic telecommunication investment and employment and continued reinvestment by new industry sectors, Catawba County has been strategic in prioritizing targeted recruitment efforts towards Financial Services, Biotech, and Aerospace, along with site-driven opportunities such as food and beverage and data centers, has brought a more balanced and sustainable economy to the County.

In November 2022, Microsoft Corp. announced its plans to invest a minimum of \$1 billion in the phased development of four data centers over the next 10 years. Construction of the first data center started in April 2024 and Microsoft continues to explore additional investment.

Building upon the core strength 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.

Cross-sector partnerships between local governments, the business community, public education 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 the have emerged from these partnerships are highlighted below:

INVESTING IN EDUCATION AND WORKFORCE DEVELOPMENT



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 3.5 GPA.



Appalachian State University established its Hickory campus in August 2023. The 15.7-acre campus offers more than 100 undergraduate majors along with a host of onsite student services.

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.

CATAWBA VALLEY FURNITURE ACADEMY

The Catawba Valley Furniture Academy housed with 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.

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. Bootcamp is connected with the Manufacturing Skill Standards Council (MSSC), an industry approved third-party credential. Upon successful completion of each module and/or the entire course, students will be awarded a certificate.

MICROSOFT DATACENTER ACADEMY

The Microsoft Datacenter Academy is a workforce

development program in which Microsoft collaborates with CVCC to train students for skills and certifications to enable students to gain employment in the growing cloud computing and IT sectors. Through this program, students receive advanced, practical IT training in state-of-the-art classrooms, complemented by a specialized Datacenter Academy lab.

CORNING FIBER OPTIC TRAINING CENTER

CVCC has partnered with Corning Optical Communications to establish the Corning Fiber Optic Training Center, a first-of-its-kind broadband training facility, housed at CVCC's Corporate Development Center. Trainers from Corning provide hands-on education in skills needed to design, engineer, install, and manage high-speed fiber broadband networks, creating the opportunity to develop the future broadband workforce.

TRIVIMUM 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 aims 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 four companies locating within the park so far for a total of \$352 million in private investment supporting the creation of 635 jobs. Projects include Corning (2 projects), Cataler North America, American Fuji Seal, and Gusmer Enterprises.

In October 2025, both Corning and American Fuji made additional investment commitments within the park. Corning committed to expanding operations with plans to invest an additional \$170-\$267 million and 132 new jobs. American Fuji has committed to \$10-\$35 million in additional investment and 20 new jobs.

Based on the success of the Trivium Corporate Center, Catawba County and the City of Hickory acquired 108 acres directly across from Trivium Corporate Center to develop Trivium Corporate Center East. The site's conceptual plan has allotted six more lots for manufacturing or flex building development.

SOUTHEASTERN CATAWBA COUNTY BUSINESS PARK

Catawba County currently owns 78 acres in the fast-growing 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 received a grant from the Golden Leaf Foundation, which assisted with the completion of the 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 December 2023, the Board of Commissioners assessed the current strategic plan and recognized the significant success in driving economic and population growth in the county. To build upon this progress made through these strategies, the board made a concerted effort to enhance existing strategies while developing a

framework to refine plan objectives. 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 to support five major focus areas as well as general service needs. Some of the highlights of these investments include:



EDUCATION

The Fiscal Year 2025-26 budget provides a 2 percent per pupil current expense increase for the three public school systems. Additionally, the budget funds \$11.1 million in schools and community college annual capital needs and plans for \$12 million in projects for school construction.



HEALTHY, SAFE COMMUNITY

To address public safety needs, the budget includes the addition of four ambulance replacements/remounts totaling \$2 million. In addition, Opioid Settlement funds have been authorized to fund the Post Overdose Response Team and Community Paramedicine program.



COMMUNITY PLANNING AND DEVELOPMENT

The budget includes \$4.9 million for water and sewer projects and \$2.7 million in solid waste capital projects including improvements at the Sherrills Ford convenient center, relocation of the treatment and grinding processing area, and cell construction at the landfill. The budget also includes the addition of one staff engineer and two scale attendant positions for solid waste operations.

The County is able to make these investments within available revenues without adjusting the 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.

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, 2024, the 43rd 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 the 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 submit a Popular Annual Financial Report (PAFR) to GFOA for Fiscal 2024-2025. 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 a supplement 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 sixteen years and hopes to continue with the Fiscal Year 2024-25 entry.

Finally, the County has also received the GFOA's Award for Distinguished Budget Presentation. 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.

ACKNOWLEDEMENTS

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 services 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.

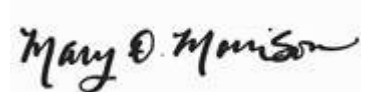
In closing, we thank the Catawba County Board of Commissioners for its leadership and support in positioning Catawba County as a fiscally sound, well-governed

community.

Respectfully submitted,

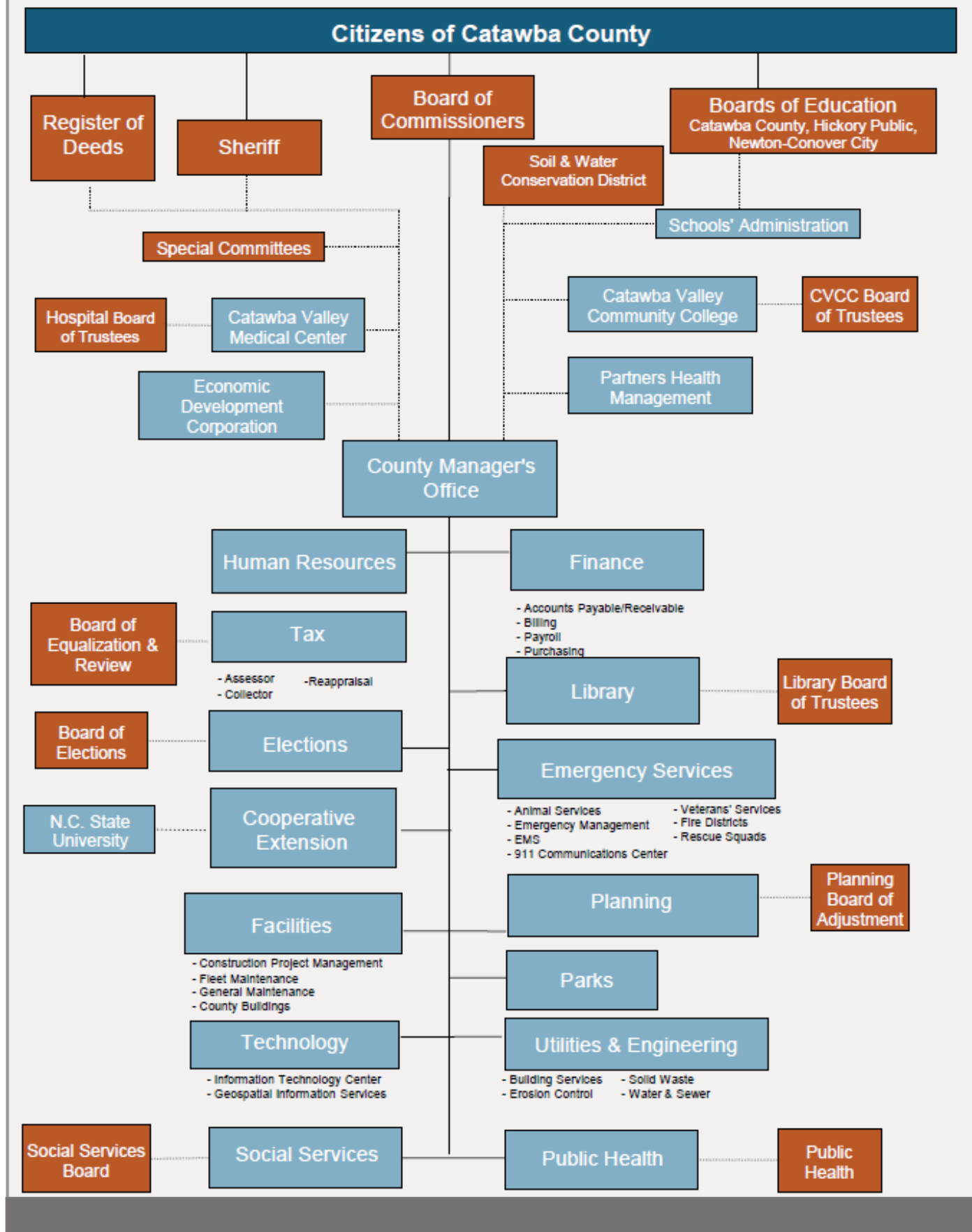


Mary Furtado
County Manager



Mary Morrison
Chief Financial Officer

Catawba County 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, 2025, 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, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Catawba Valley Medical Center, which represents 97.2%, 96.7%, and 94.4%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2025. We did not audit the financial statements of the Catawba County ABC Board, which represents 2.8%, 3.3%, and 5.6%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2025. 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 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.

Change in Accounting Principle

As discussed in Note 9 to the financial statements, in 2025 the County adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

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 January 15, 2026 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
January 15, 2026

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, 2025. 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 \$372,434,291 (*net position*). Of this figure, approximately \$237 million represents the County's investment in capital assets, which is not available for future spending.
- The government's total net position increased by \$31,348,031 resulting from an increase of \$19,241,175 in governmental activities and an increase of \$12,106,856 in business-type activities. The current year net increase is primarily due to management's focus on prudent spending while maximizing revenue collection. Due to the implementation of GASB 101, *Compensated Absences*, a prior period restatement decreased net position by \$438,604.
- As of the close of the current fiscal year, Catawba County's governmental funds reported combined ending fund balances of \$250,754,688, an increase of \$5,442,016 in comparison with the prior year. Approximately 33.9 percent of this total amount, or \$85,020,404, 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 \$75,851,616 or 33 percent of total general fund expenditures for the fiscal year.

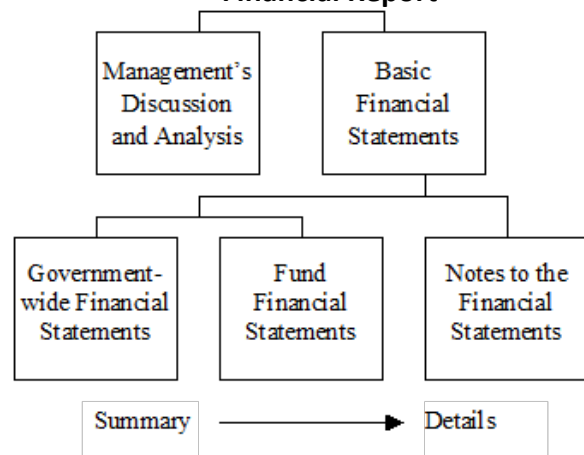
- Catawba County's total long-term debt decreased by \$14,883,537 during the current fiscal year as a result of payments on outstanding debt. Outstanding debt principal is \$145,472,545 and equates to \$865 per capita at the end of the fiscal year.

- In FY2025, Moody's Investors Service maintained Catawba County's issuer bond rating of Aa1 for the thirteen consecutive year. During FY2025 Standard and Poor's maintained Catawba County's issue bond rating of AA for the sixth 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.

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 \$372,434,291 as of June 30, 2025. The County's net position increased by \$31,348,031 for the fiscal year ended June 30, 2025 and a prior period restatement decrease of \$438,604. Additional information can be found in the notes to the financial statements.

The largest portion of net position, 63.63%, reflects the County's investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt outstanding that was issued to acquire those items. Capital assets increased by \$12,894,966 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, 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, 11.2%, represents resources that are subject to external restrictions on how they may be used.

The final component of net position is unrestricted, which is 25.15% 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 position of government and business-type activities.

GOVERNMENTAL ACTIVITIES- Governmental activities increased the County's net position by \$19,241,175. Several particular aspects of the County's financial operations influenced the unrestricted governmental net position.

- Property, sales and other taxes are approximately 67.1% of all revenues and increased by \$10 million from the prior year.
- Investment earnings remain strong with a total of \$10.2 million primarily due to investments in higher yield short-term securities and adjustment to fair market value.

BUSINESS-TYPE ACTIVITIES- Business-type activities increased Catawba County's net position by \$12,106,856. Key elements of this change are as follows:

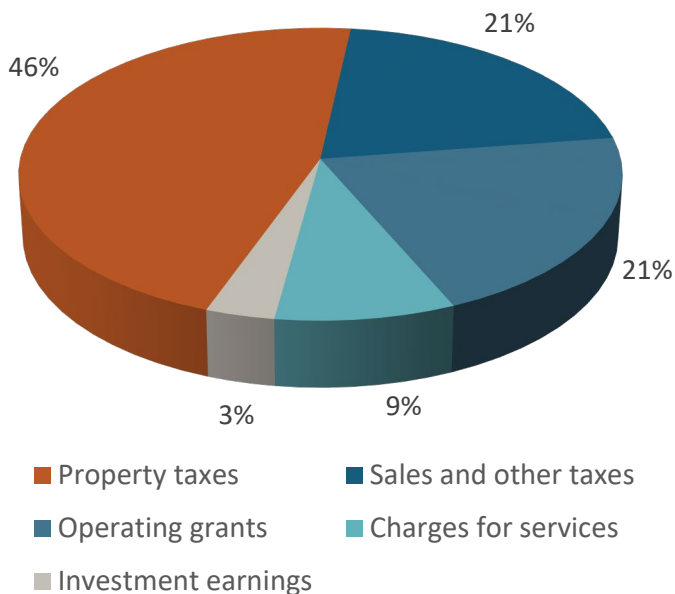
- Increase of \$1 million in operating revenues from solid waste fees due to increased volume and activity.
- Reimbursement of \$4 million from the ARPA grant fund for eligible ARPA water and sewer projects.

Government-Wide Financial Analysis
Catawba County's Net Position

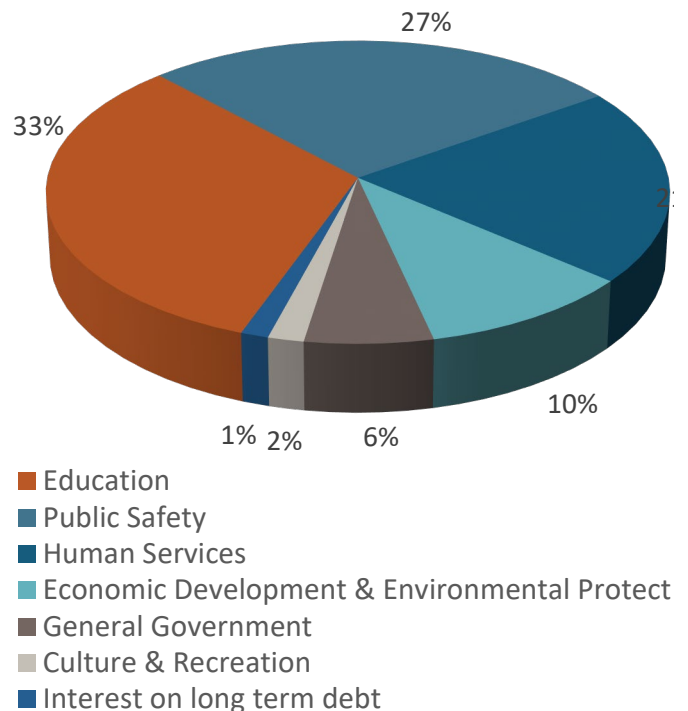
	Governmental Activities		Business-type		Total		Total	
	2025	2024	2025	2024	2025	2024	Dollar Change	Percent Change
Current and other assets	\$ 288,439,914	\$ 287,577,417	\$ 62,517,568	\$ 56,606,946	\$ 350,957,482	\$ 344,184,363	\$ 6,773,119	1.97%
Capital & RTU assets	186,326,675	178,106,268	82,104,913	77,430,354	268,431,588	255,536,622	12,894,966	5.05%
Total assets	474,766,589	465,683,685	144,622,481	134,037,300	619,389,070	599,720,985	19,668,085	3.28%
Deferred outflows of resources	38,877,722	45,396,303	911,299	1,086,543	39,789,021	46,482,846	(6,693,825)	-14.40%
Long-term liabilities	225,390,675	243,156,355	10,466,626	10,528,099	235,857,301	253,684,454	(17,827,153)	-7.03%
Other liabilities	31,159,391	40,852,219	2,510,879	4,444,328	33,670,270	45,296,547	(11,626,277)	-25.67%
Total liabilities	256,550,066	284,008,574	12,977,505	14,972,427	269,527,571	298,981,001	(29,453,430)	-9.85%
Deferred inflows of resources	16,642,671	5,426,063	573,558	271,903	17,216,229	5,697,966	11,518,263	202.15%
Net position:								
Net investment in capital assets	155,762,872	143,222,369	81,216,201	76,286,926	236,979,073	219,509,295	17,469,778	7.96%
Restricted	41,801,096	38,499,089	-	-	41,801,096	38,499,089	3,302,007	8.58%
Unrestricted	42,887,606	39,923,893	50,766,516	43,592,587	93,654,122	83,516,480	10,137,642	12.14%
Total net position	\$ 240,451,574	\$ 221,645,351	\$ 131,982,717	\$ 119,879,513	\$ 372,434,291	\$ 341,524,864	\$ 30,909,427	9.05%

The graphs below 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.

**Revenues by Source
Governmental Activities**



**Expenditures by Function -
Governmental Activities**



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, American Rescue Plan Act Fund, Opioid Settlement Fund, School Construction Fund, and 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, 2025, the governmental funds of the County reported a combined fund balance of \$250,754,688, a 2.2 percent increase from previous year. The primary reason for this change was the increase in property and sales tax revenues.

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

GENERAL FUNDS-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 \$127,479,462 while total fund balance was \$158,806,948. The governing body of Catawba County has determined that the county should

maintain an available fund balance of at least 16% 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 55.60% of total general fund expenditures, while the total fund balance represents 69.27% of that same amount.

The overall fund balance increased by \$10,214,259 due, in part, to the increase in property tax revenues and sales tax revenues.

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 investment interest earnings. The net change in fund balance totaled \$234,321.

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 \$2,041,800.

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 reflects a decrease of \$7,168,330, which is the result of increases in planned school construction expenditures.

Catawba County Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues:						
Charges for services	\$ 25,670,301	\$ 23,146,374	\$ 13,863,248	\$ 13,797,946	\$ 39,533,549	\$ 36,944,320
Operating grants and contributions	62,938,618	49,954,720	1,789,872	1,476,292	64,728,490	51,431,012
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes	139,994,923	135,716,793	-	-	139,994,923	135,716,793
Sales and other taxes	63,178,759	56,482,951	1,928,540	1,824,665	65,107,299	58,307,616
Investment earnings, unrestricted	10,180,539	10,470,691	2,520,331	2,080,025	12,700,870	12,550,716
Gain on sale of capital assets	813,193	122,703	109,000	13,500	922,193	136,203
Total revenues	302,776,333	275,894,232	20,210,991	19,192,428	322,987,324	295,086,660
Expenses						
General government	16,616,975	17,320,359	-	-	16,616,975	17,320,359
Public safety	76,334,923	69,620,374	-	-	76,334,923	69,620,374
Environmental protection	910,171	1,079,964	-	-	910,171	1,079,964
Economic and physical development	27,789,727	27,930,551	-	-	27,789,727	27,930,551
Human services	58,560,006	58,144,330	-	-	58,560,006	58,144,330
Cultural and recreation	4,779,690	3,914,178	-	-	4,779,690	3,914,178
Education	90,803,474	86,471,223	-	-	90,803,474	86,471,223
Interest on long-term debt	3,693,407	4,016,063	-	-	3,693,407	4,016,063
Solid waste management	-	-	8,505,248	8,847,578	8,505,248	8,847,578
Water and sewer	-	-	3,645,672	2,377,819	3,645,672	2,377,819
Total expenses	279,488,373	268,497,042	12,150,920	11,225,397	291,639,293	279,722,439
Increase (decrease) in net position before transfers	23,287,960	7,397,190	8,060,071	7,967,031	31,348,031	15,364,221
Transfers	(4,046,785)	(623,048)	4,046,785	623,048	-	-
Increase (decrease) in net position after transfers	19,241,175	6,774,142	12,106,856	8,590,079	31,348,031	15,364,221
Net position - beginning of year,	221,645,351		119,879,513		341,524,864	-
Restatement	(434,952)	-	(3,652)	-	(438,604)	-
Net position- beginning of year	221,210,399	214,871,209	119,875,861	111,289,434	341,086,260	326,160,643
Net position - end of year	\$ 240,451,574	\$ 221,645,351	\$ 131,982,717	\$ 119,879,513	\$ 372,434,291	\$ 341,524,864

The General Capital Projects Fund is a major governmental fund. This fund accounts for the financing and construction of all general government multi-year capital projects. The net change in fund balance reflects a decrease of \$3,573,931. The net change is the result of increases in planned capital expenditures.

NON- MAJOR FUNDS – Fund balances for non-major funds increased by \$3.6 million to \$31.8 million overall. The primary reason for this increase was \$2.8 million in sales tax revenues.

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 Funds. Total net position of the Enterprise Funds at the end of the fiscal year amounted to \$131 million with \$50.7 million of this amount being unrestricted. The increase in net position in these funds was \$12.1 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 \$7 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 \$32 million. These cost savings resulted mainly from unspent appropriations of \$16 million from changes in federal and state grants for human services operations as well as unspent appropriations of \$8 million in public safety due to delays in receiving equipment and changes in federal and state grants. Further savings are lapsed salaries and benefits from vacant positions and decreases in operating costs in various departments.

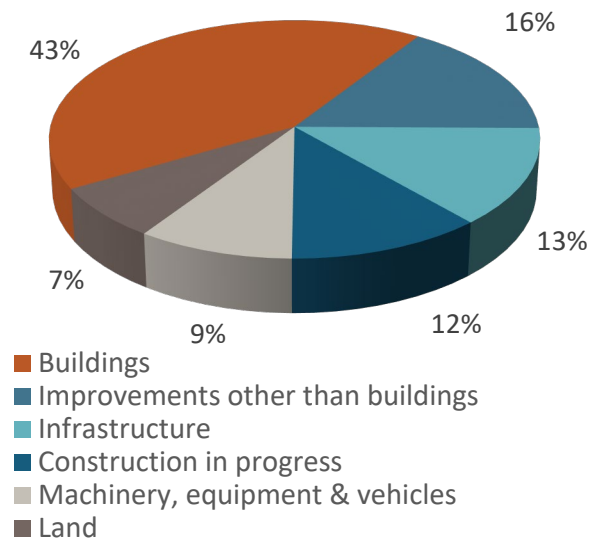
CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets and right-to-use assets- Catawba County's investment in capital assets and right-to-use assets for its governmental and business-type activities as of June 30, 2025, total \$268 million (net of accumulated depreciation and amortization). Capital assets include land, buildings, other improvements, infrastructure, machinery and equipment, and vehicles. Right-to-use assets include leased buildings, office space, office equipment, and subscription-based technology agreements.

Major capital asset transactions during the year include the following:

Construction in progress increased primarily due to the construction of the new Agriculture Resource Center. Other capital asset increases were attributed to business development sites, and public safety equipment. Decreases included retirement of assets and depreciation and amortization.

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



More detailed information on capital assets and right-to-use assets can be found under Note 2.6 of this report.

LONG-TERM DEBT- As of June 30, 2025, Catawba County had outstanding debt of \$145,472,545. The overall change in long-term debt was a net decrease of \$14.8 million due to annual debt service payments.

As mentioned in the financial highlights section of this document, Catawba County has maintained a Moody's 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.

North Carolina general statutes limit the amount of debt that a unit of government can issue. The County's debt limit is \$2,513,800,677. Total applicable debt of \$117,481,804 is 5% of that limit and results in a legal debt margin of \$2,396,318,863. 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	
	2025	2024	2025	2024	2025	2024
Certificates of Participation	\$ -	\$ 930,000	\$ -	\$ -	\$ -	\$ 930,000
Installment Purchases	38,317,288	45,861,146	513,712	691,521	38,831,000	46,552,667
Qualified School Const. Bonds	27,808,553	27,808,553	-	-	27,808,553	27,808,553
Limited Obligation Bonds	69,025,000	74,105,000	-	-	69,025,000	74,105,000
Federal Revolving Loan	-	-	375,000	450,000	375,000	450,000
Leases/SBITAs	1,297,299	1,763,307	-	1,907	1,297,299	1,765,214
Premium on long-term debt	8,135,693	8,744,648	-	-	8,135,693	8,744,648
Total	\$ 144,583,833	\$ 159,212,654	\$ 888,712	\$ 1,143,428	\$ 145,472,545	\$ 160,356,082

ACCOUNTING CHANGE

During fiscal year 2025, the County implemented Government Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. This standard requires governments to recognize a liability for certain types of compensated absences when the leave is earned, rather than when it is taken. The application of GASB 101 resulted in a restatement of \$434,952 and \$3,652 to the beginning net position of the governmental activities and business-type activities, respectively. As a result, amounts reported in the Management's Discussion and Analysis for fiscal year 2025 are not comparable to those reports for fiscal year 2024, which have not been restated in the prior year information. See Note 9 for additional information regarding the impact of this standard on the current year's financial statements.

of \$0.3985/\$100 was below the State average of \$0.6247/\$100 and 8th 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 \$6.3 billion in retail sales from the four-county MSA despite having 44% of the population. Taxable retail sales increased by 5.2% from the prior year.
- The County continues to have a low unemployment rate of 3.8% as of June 2025.

FISCAL YEAR 2024-2025 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 5% of its statutory limit. The property tax

BUDGET HIGHLIGHTS FOR NEXT FISCAL YEAR ENDING JUNE 30, 2026

Governmental Activities-The local economy continues to thrive. Revenue projections for the General Fund include a 3.1 percent increase in property tax revenue and a 2.5 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 3.2 percent in operating expense for all government activities. The total approved budget is \$338,705,936 for fiscal year 2025-2026.

Education continues to represent the largest portion of the local budget, with 40 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 2 percent increase in per pupil funding.

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—24.6 cents of every property tax and sales tax dollar—is spent on public safety.

As a commitment to public safety, in fiscal year 2025-2026 the budget continues to fund the Post-Overdose Response Team utilizing opioid settlement funds. The budget also includes four ambulance replacements and remounts as well as other public safety equipment.

The County continues to review staffing needs annually, rightsizing in some areas while investing in others. The fiscal year 2025-2026 budget results in an increase of 9.9 positions.

In addition to the new positions in public safety, positions were added in public health, utilities and engineering, parks, and library services. The budget includes an annual salary increase based on employee performance with a 2.5% increase for effective performance and an additional \$500 increase to base salary for top performance.

Business-type Activities - The 2025-2026 budget includes \$10,680,949 for solid waste operations and \$2,742,000 for capital projects. The budget includes \$6,771,864 for water and sewer operations and \$4,964,000 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 \$13,036,315 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

The 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 the report or request 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, 2025

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
Assets			
Current assets:			
Cash and investments	\$ 179,748,479	\$ 57,269,196	\$ 237,017,675
Taxes receivable - net	3,878,940	-	3,878,940
Due from other governments	32,009,549	1,393,858	33,403,407
Current portion of notes receivable	211,592	351,357	562,949
Current portion of other receivables - net	4,563,589	1,194,099	5,757,688
Current portion of lease receivable	52,252	15,523	67,775
Interest receivable	392,035	103,844	495,879
Lease interest receivable	-	265	265
Inventories	247,683	-	247,683
Prepaid items	76,415	197,283	273,698
Restricted cash and investments	49,776,139	-	49,776,139
Total current assets	270,956,673	60,525,425	331,482,098
Noncurrent assets:			
Noncurrent portion of notes receivable	5,070,991	1,848,335	6,919,326
Noncurrent portion of other receivables - net	12,064,825	-	12,064,825
Noncurrent portion of lease receivable	142,750	143,808	286,558
Net pension asset - RODSPF	204,675	-	204,675
Other assets	-	-	-
Capital assets:			
Land and construction in progress	34,522,827	15,809,484	50,332,311
Other capital assets, net of depreciation	149,907,590	66,295,429	216,203,019
Right to use leases assets, net of amortization	1,896,258	-	1,896,258
Total capital assets	186,326,675	82,104,913	268,431,588
Total noncurrent assets	203,809,916	84,097,056	287,906,972
Total assets	474,766,589	144,622,481	619,389,070
Deferred outflows of resources	38,877,722	911,299	39,789,021
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	13,045,635	2,255,327	15,300,962
Liabilities payable from restricted assets	3,739,111	-	3,739,111
Due within one year	14,374,645	275,971	14,650,616
Total current liabilities	31,159,391	2,531,298	33,690,689
Long-term liabilities:			
Non-current liabilities due in more than one year			
Pension liability	58,419,191	1,226,462	59,645,653
OPEB liability	28,454,427	1,041,047	29,495,474
Due in more than one year	138,517,057	8,178,698	146,695,755
Total long-term liabilities	225,390,675	10,446,207	235,836,882
Total liabilities	256,550,066	12,977,505	269,527,571
Deferred inflows of resources	16,642,671	573,558	17,216,229
Net Position			
Net investment in capital assets	155,762,872	81,216,201	236,979,073
Restricted			
Stabilization by State statute	26,100,935	-	26,100,935
Register of Deeds	87,251	-	87,251
Register of Deeds pension plan	204,675	-	204,675
Public safety	2,285,007	-	2,285,007
Environmental Protection	252,558	-	252,558
Fire Protection	2,458,554	-	2,458,554
Social services	236,000	-	236,000
Library Endowment	218,692	-	218,692
Social services scholarships	59,894	-	59,894
Parks preservation	-	-	-
Community development	195,595	-	195,595
Public Health	7,571,204	-	7,571,204
Representative Payee	39,803	-	39,803
Hospital capital projects	2,047,164	-	2,047,164
Working Capital	-	-	-
Other	43,764	-	43,764
Unrestricted (deficit)	42,887,606	50,766,516	93,654,122
Total net position	\$ 240,451,574	\$ 131,982,717	\$ 372,434,291

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

CATAWBA COUNTY, NORTH CAROLINA

Exhibit 1
Page 2 of 2

**Statement of Net Position
June 30, 2025**

	Component Units	
	Catawba Valley Medical Center	Catawba County ABC Board
Assets		
Cash and investments	\$ 291,048,761	\$ 1,258,703
Taxes receivable - net	-	-
Due from other governments	4,283,370	-
Current portion of notes receivable	-	-
Current portion of other receivables - net	104,386,931	-
Current portion of lease receivable	-	-
Interest receivable	14,525	-
Lease interest receivable	-	-
Inventories	8,954,832	6,355,688
Prepaid items	-	11,223
Restricted cash and investments	2,043,591	-
Total current assets	<u>410,732,010</u>	<u>7,625,614</u>
Noncurrent assets:		
Noncurrent portion of notes receivable	-	-
Noncurrent portion of other receivables - net	-	-
Noncurrent portion of lease receivable	1,662,809	-
Net pension asset - RODSPF	-	-
Other assets	14,348,558	-
Capital assets:		
Land and construction in progress	14,593,266	5,104,489
Other capital assets, net of depreciation	135,472,755	4,157,417
Right to use leases assets, net of amortization	20,242,345	415,418
Total capital assets	<u>170,308,366</u>	<u>9,677,324</u>
Total noncurrent assets	<u>186,319,733</u>	<u>9,677,324</u>
Total assets	<u>597,051,743</u>	<u>17,302,938</u>
Deferred outflows of resources	<u>18,757,083</u>	<u>943,089</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	43,491,165	2,117,570
Liabilities payable from restricted assets	-	-
Due within one year	43,390,546	-
Total current liabilities	<u>86,881,711</u>	<u>2,117,570</u>
Long-term liabilities:		
Non-current liabilities due in more than one year		
Pension liability	24,272,000	1,504,022
OPEB liability	-	-
Due in more than one year	63,893,864	289,097
Total long-term liabilities	<u>88,165,864</u>	<u>1,793,119</u>
Total liabilities	<u>175,047,575</u>	<u>3,910,689</u>
Deferred inflows of resources	<u>21,452,646</u>	<u>1,772</u>
Net Position		
Net investment in capital assets	96,917,568	9,261,906
Restricted		
Stabilization by State statute	-	-
Register of Deeds	-	-
Register of Deeds pension plan	-	-
Public safety	-	-
Environmental Protection	-	-
Fire Protection	-	-
Social services	-	-
Library Endowment	-	-
Social services scholarships	-	-
Parks preservation	-	-
Community development	-	-
American Rescue Plan Act	-	-
Representative Payee	-	-
Hospital capital projects	2,043,591	-
Working Capital	-	923,917
Other	-	-
Unrestricted (deficit)	<u>320,347,446</u>	<u>4,147,743</u>
Total net position	<u>\$ 419,308,605</u>	<u>\$ 14,333,566</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, 2025

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	\$ 16,616,975	\$ 2,587,543	\$ 1,197,213	\$ -
Public safety	76,334,923	13,731,009	9,041,773	-
Environmental protection	910,171	54,087	144,597	-
Economic and physical development	27,789,727	6,973,197	337,897	-
Human services	58,560,006	1,984,755	30,171,979	-
Culture and recreation	4,779,690	43,246	449,635	-
Education	90,803,474	296,458	21,595,524	-
Interest on long-term debt	3,693,407	-	-	-
Total governmental activities	<u>279,488,373</u>	<u>25,670,295</u>	<u>62,938,618</u>	<u>-</u>
Business-type activities				
Solid waste management	8,505,248	11,700,172	49,044	-
Water and sewer	3,645,672	2,163,076	1,740,828	-
Total business-type activities	<u>12,150,920</u>	<u>13,863,248</u>	<u>1,789,872</u>	<u>-</u>
Total primary government	<u>\$ 291,639,293</u>	<u>\$ 39,533,543</u>	<u>\$ 64,728,490</u>	<u>\$ -</u>
Component units				
Catawba Valley Medical Center	\$ 483,944,230	\$ 523,023,331	\$ 952,481	\$ 2,278,742
Catawba County ABC Board	30,589,872	31,268,106	-	-
Total Component Units	<u>\$ 514,534,102</u>	<u>\$ 554,291,437</u>	<u>\$ 952,481</u>	<u>\$ 2,278,742</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, 2025**

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	\$ (12,832,219)	\$ -	\$ (12,832,219)		
Public safety	(53,562,141)	-	(53,562,141)		
Environmental protection	(711,487)	-	(711,487)		
Economic and physical development	(20,478,633)	-	(20,478,633)		
Human services	(26,403,272)	-	(26,403,272)		
Culture and recreation	(4,286,809)	-	(4,286,809)		
Education	(68,911,492)	-	(68,911,492)		
Interest on long-term debt	(3,693,407)	-	(3,693,407)		
Total governmental activities	<u>(190,879,460)</u>	<u>-</u>	<u>(190,879,460)</u>		
Business-type activities					
Solid waste management	-	3,243,968	3,243,968		
Water and sewer	-	258,232	258,232		
Total business-type activities	<u>-</u>	<u>3,502,200</u>	<u>3,502,200</u>		
Total primary government	<u>\$ (190,879,460)</u>	<u>\$ 3,502,200</u>	<u>\$ (187,377,260)</u>		
Component units					
Catawba Valley Medical Center				\$ 42,310,324	\$ -
Catawba County ABC Board				-	678,234
Total Component Units				<u>\$ 42,310,324</u>	<u>\$ 678,234</u>
General Revenues:					
Taxes					
Property taxes, levied for general purposes	139,994,923	-	139,994,923	-	-
Local option sales taxes	60,400,197	1,443,383	61,843,580	-	-
Other taxes	2,778,562	485,157	3,263,719	-	-
Investment earnings, unrestricted	10,180,545	2,520,331	12,700,876	12,209,237	27,071
Gain on sale of capital assets	813,193	109,000	922,193	332,547	4,556
Total general revenues	<u>214,167,420</u>	<u>4,557,871</u>	<u>218,725,291</u>	<u>12,541,784</u>	<u>31,627</u>
Transfers	<u>(4,046,785)</u>	<u>4,046,785</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	19,241,175	12,106,856	31,348,031	54,852,108	709,861
Net position, beginning	<u>221,645,351</u>	<u>119,879,513</u>	<u>341,524,864</u>	<u>364,456,497</u>	<u>13,623,705</u>
Prior Period Restatement (see Note 9)	(434,952)	(3,652)	(438,604)	-	-
Net position, beginning, restated	<u>221,210,399</u>	<u>119,875,861</u>	<u>341,086,260</u>	<u>364,456,497</u>	<u>13,623,705</u>
Net position, ending	<u>\$ 240,451,574</u>	<u>\$ 131,982,717</u>	<u>\$ 372,434,291</u>	<u>\$ 419,308,605</u>	<u>\$ 14,333,566</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, 2025

	Major Funds			
	General Fund	American Rescue Plan Act Fund	Opioid Settlement Fund	School Construction Fund
Assets				
Cash and investments	\$ 115,691,647	\$ 656,620	\$ -	\$ -
Taxes receivable - net	2,242,282	-	-	-
Due from other funds	2,852,032	-	-	-
Due from other governments	18,394,504	3,197	-	9,237,313
Lease receivable	195,002	-	-	-
Notes receivable	5,282,583	-	-	-
Tax assessment receivable	-	-	-	-
Other receivables - net	2,562,240	-	14,066,174	-
Interest receivable	245,414	7,697	14,373	549
Inventories	247,683	-	-	-
Prepaid items	76,415	-	-	-
Restricted cash and investments	27,172,286	2,617,457	7,556,831	11,020,153
Total assets	<u>174,962,088</u>	<u>3,284,971</u>	<u>21,637,378</u>	<u>20,258,015</u>
Liabilities				
Accounts payable and accrued liabilities	11,168,097	39,185	-	1,215,751
Due to General Fund	-	-	-	2,852,032
Advance from grantor payable from restricted assets	-	2,578,272	-	-
Total liabilities	<u>11,168,097</u>	<u>2,617,457</u>	<u>-</u>	<u>4,067,783</u>
Deferred Inflows of Resources	<u>4,987,043</u>	<u>-</u>	<u>14,066,174</u>	<u>-</u>
Fund Balances				
Nonspendable	5,613,084	-	-	-
Restricted	52,859,957	-	7,571,204	11,020,153
Committed	208,353	667,514	-	5,170,079
Assigned	24,273,938	-	-	-
Unassigned	75,851,616	-	-	-
Total fund balances	<u>158,806,948</u>	<u>667,514</u>	<u>7,571,204</u>	<u>16,190,232</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 174,962,088</u>	<u>\$ 3,284,971</u>	<u>\$ 21,637,378</u>	<u>\$ 20,258,015</u>

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, 2025

	<u>Major Funds</u>	<u>Non Major Funds</u>	
	<u>General Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Cash and investments	\$ 35,751,735	\$ 27,648,477	\$ 179,748,479
Taxes receivable - net	-	217,897	2,460,179
Due from other funds	-	-	2,852,032
Due from other governments	248,603	4,125,932	32,009,549
Lease receivable	-	-	195,002
Notes receivable	-	-	5,282,583
Tax assessment receivable	-	1,418,761	1,418,761
Other receivables - net	-	-	16,628,414
Interest receivable	67,814	56,188	392,035
Inventories	-	-	247,683
Prepaid items	-	-	76,415
Restricted cash and investments	90,931	1,318,481	49,776,139
Total assets	<u>36,159,083</u>	<u>34,785,736</u>	<u>291,087,271</u>
Liabilities			
Accounts payable and accrued liabilities	495,474	127,128	13,045,635
Due to General Fund	-	-	2,852,032
Advance from grantor payable from restricted assets	-	1,160,839	3,739,111
Total liabilities	<u>495,474</u>	<u>1,287,967</u>	<u>19,636,778</u>
Deferred Inflows of Resources	<u>-</u>	<u>1,642,588</u>	<u>20,695,805</u>
Fund Balances			
Nonspendable	-	-	5,613,084
Restricted	90,931	7,865,075	79,407,320
Committed	35,572,678	23,990,106	65,608,730
Assigned	-	-	24,273,938
Unassigned	-	-	75,851,616
Total fund balances	<u>35,663,609</u>	<u>31,855,181</u>	<u>250,754,688</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 36,159,083</u>	<u>\$ 34,785,736</u>	<u>\$ 291,087,271</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, 2025**

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)	\$ 250,754,688
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	184,430,417
Right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds.	1,896,258
Charges related to refunding bond issues	39,777
Net pension asset RODSPF	204,675
Net pension liability LGERS	(50,633,382)
Total pension liability LEOSSA	(7,960,122)
Total pension liability OPEB	(29,218,229)
Pension related deferrals LGERS and ROD	25,984,458
Law enforcement separation (LEOSSA) deferrals	999,476
OPEB related deferrals	(4,446,395)
Liabilities for earned revenues considered deferred inflows of resources in fund statements	20,353,541
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>(151,953,587)</u>
Net position of governmental activities (Exhibit 1)	<u>\$ 240,451,574</u>

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



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, 2025**

	Major Funds			
	General Fund	American Rescue Plan Act Fund	Opioid Settlement Fund	School Construction Fund
Revenues				
Ad valorem taxes	\$ 125,788,666	\$ -	\$ -	\$ -
Other taxes	51,635,033	-	-	-
Unrestricted intergovernmental revenues	2,082,260	-	-	-
Tax assessment road improvement	-	-	-	-
Restricted intergovernmental revenues	38,875,121	5,523,852	2,048,660	19,964,979
Permits and fees	6,254,776	-	-	-
Sales and services	12,419,457	-	-	-
Investment earnings	5,801,562	252,988	340,818	697,755
Miscellaneous	4,397,859	-	-	-
Total revenues	<u>247,254,734</u>	<u>5,776,840</u>	<u>2,389,478</u>	<u>20,662,734</u>
Expenditures				
Current				
General government	17,474,464	-	-	-
Public safety	58,160,009	484,190	-	-
Environmental protection	819,015	-	-	-
Economic and physical development	23,682,687	-	-	-
Human services	53,942,606	-	80,000	-
Culture and recreation	4,352,878	-	-	-
Education	52,132,866	-	-	-
Capital outlay	-	-	-	29,408,381
Debt service				
Principal	14,485,695	-	-	-
Interest	4,215,573	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	<u>229,265,793</u>	<u>484,190</u>	<u>80,000</u>	<u>29,408,381</u>
Excess of revenues over (under) expenditures	<u>17,988,941</u>	<u>5,292,650</u>	<u>2,309,478</u>	<u>(8,745,647)</u>
Other Financing Sources (Uses)				
Transfers from other funds	1,835,531	-	-	1,577,317
Transfers to other funds	(10,889,235)	(5,058,329)	(267,678)	-
Sales of capital assets	813,193	-	-	-
SBITA liabilities issued	465,829	-	-	-
Total other financing sources (uses)	<u>(7,774,682)</u>	<u>(5,058,329)</u>	<u>(267,678)</u>	<u>1,577,317</u>
Net change in fund balance	10,214,259	234,321	2,041,800	(7,168,330)
Fund Balances - Beginning of Year	<u>148,592,689</u>	<u>433,193</u>	<u>5,529,404</u>	<u>23,358,562</u>
Fund Balances - End of Year	<u>\$ 158,806,948</u>	<u>\$ 667,514</u>	<u>\$ 7,571,204</u>	<u>\$ 16,190,232</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, 2025**

	<u>Major Funds</u>	<u>Non Major Funds</u>	
	<u>General Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues			
Ad valorem taxes	\$ -	\$ 13,685,951	\$ 139,474,617
Other taxes	491,026	10,299,440	62,425,499
Unrestricted intergovernmental revenues	-	-	2,082,260
Tax assessment road improvement	-	309,259	309,259
Restricted intergovernmental revenues	-	993,947	67,406,559
Permits and fees	-	415,324	6,670,100
Sales and services	-	-	12,419,457
Investment earnings	1,724,080	1,363,343	10,180,546
Miscellaneous	254,423	501,500	5,153,782
Total revenues	<u>2,469,529</u>	<u>27,568,764</u>	<u>306,122,079</u>
Expenditures			
Current			
General government	-	115,866	17,590,330
Public safety	-	14,159,432	72,803,631
Environmental protection	-	58,245	877,260
Economic and physical development	-	253,108	23,935,795
Human services	-	272,953	54,295,559
Culture and recreation	-	5,885	4,358,763
Education	-	296,181	52,429,047
Capital outlay	13,885,773	9,626,493	52,920,647
Debt service			
Principal	-	-	14,485,695
Interest	-	-	4,215,573
Bond issuance costs	-	-	-
Total expenditures	<u>13,885,773</u>	<u>24,788,163</u>	<u>297,912,300</u>
Excess of revenues over (under) expenditures	<u>(11,416,244)</u>	<u>2,780,601</u>	<u>8,209,779</u>
Other Financing Sources (Uses)			
Transfers from other funds	7,842,313	3,104,135	14,359,296
Transfers to other funds	-	(2,190,839)	(18,406,081)
Sales of capital assets	-	-	813,193
SBITA liabilities issued	-	-	465,829
Total other financing sources (uses)	<u>7,842,313</u>	<u>913,296</u>	<u>(2,767,763)</u>
Net change in fund balance	(3,573,931)	3,693,897	5,442,016
Fund Balances - Beginning of Year	<u>39,237,540</u>	<u>28,161,284</u>	<u>245,312,672</u>
Fund Balances - End of Year	<u>\$ 35,663,609</u>	<u>\$ 31,855,181</u>	<u>\$ 250,754,688</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, 2025**

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)	\$ 5,442,016
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.	9,466,013
Net capital assets disposed during the year	(1,245,607)
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.	14,628,820
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)	5,029,487
Law Enforcement Separation Allowance (LEOSSA)	174,313
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	224,361
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.	(14,391,441)
Total changes in net position of governmental activities (Exhibit 2)	<u>\$ 19,241,175</u>

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



CATAWBA COUNTY, NORTH CAROLINAExhibit 5
Page 1 of 2**General Fund****Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over/Under</u>
Revenues				
Ad Valorem taxes	\$ 122,621,000	\$ 122,621,000	\$ 125,788,666	\$ 3,167,666
Other taxes	47,712,500	49,126,569	51,635,033	2,508,464
Unrestricted intergovernmental revenues	2,113,000	2,121,030	2,082,260	(38,770)
Restricted intergovernmental revenues	38,492,399	43,892,109	39,089,713	(4,802,396)
Permits and fees	5,726,209	5,726,209	6,254,776	528,567
Sales and services	10,597,946	10,597,946	12,419,457	1,821,511
Investment earnings	1,001,000	1,001,000	5,776,661	4,775,661
Miscellaneous	3,840,478	4,254,374	4,397,859	143,485
Total revenues	<u>232,104,532</u>	<u>239,340,237</u>	<u>247,444,425</u>	<u>8,104,188</u>
Expenditures				
Current				
General government	17,620,705	18,868,022	16,618,612	2,249,410
Public safety	56,705,809	67,933,588	59,160,009	8,773,579
Environmental protection	962,669	966,722	819,015	147,707
Economic and physical development	24,950,900	27,506,948	23,682,687	3,824,261
Human services	58,785,763	70,029,678	53,942,606	16,087,072
Culture and recreation	4,254,180	5,443,414	4,352,878	1,090,536
Education	52,132,866	52,132,866	52,132,866	-
Debt service				
Principal	14,326,111	14,447,224	14,451,728	(4,504)
Sinking fund payments	1,853,902	1,853,902	1,853,902	-
Interest	4,270,169	4,270,401	4,214,857	55,544
Bond issuance costs	-	-	-	-
Total expenditures	<u>235,863,074</u>	<u>263,452,765</u>	<u>231,229,160</u>	<u>32,223,605</u>
Excess of revenues over (under) expenditures	<u>(3,758,542)</u>	<u>(24,112,528)</u>	<u>16,215,265</u>	<u>40,327,793</u>
Other Financing Sources (Uses)				
Transfers from other funds	1,506,508	2,242,052	1,835,531	(406,521)
Transfers to other funds	(5,954,961)	(11,808,378)	(11,808,378)	-
Sale of capital assets	25,000	675,000	813,193	138,193
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Lease liabilities issued	-	-	-	-
SBITA liabilities issued	-	483,148	465,829	(17,319)
Fund balance appropriated	8,181,995	32,520,706	-	(32,520,706)
Total other financing sources (uses)	<u>3,758,542</u>	<u>24,112,528</u>	<u>(8,693,825)</u>	<u>(32,806,353)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>7,521,440</u>	<u>\$ 7,521,440</u>
Fund Balances - Beginning of Year			<u>144,123,389</u>	
Fund Balances - End of Year			<u>\$ 151,644,829</u>	

General Fund**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025**

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

Investment earnings	24,901
Expenditures	(890,535)
Transfer from other funds	919,143
Fund Balance, Beginning	<u>160,323</u>

Fund Balance, Ending - Budget and Actual	151,644,829
Budget and actual reconciliation	<u>7,162,119</u>
Fund Balance, Ending (Exhibit 4)	<u>158,806,948</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	\$ 7,521,440
Tax Reappraisal Fund	53,509
Contra revenue notes receivable payments	(214,592)
Contra expense for issuance of notes receivable	1,000,000

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

1,853,902

Net change in fund balances - general fund (Exhibit 4)	<u>\$ 10,214,259</u>
---	----------------------

Fund Balance Beginning (Exhibit 4)	<u>148,592,689</u>
Fund Balance Ending (Exhibit 4)	<u>\$ 158,806,948</u>

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

CATAWBA COUNTY, NORTH CAROLINA
Exhibit 6
Page 1 of 2
**Statement of Net Position
Proprietary Funds
June 30, 2025**

	Business-Type Activities - Enterprise Funds		
	Solid Waste Management Fund	Water and Sewer Fund	Total
Assets			
Current assets			
Cash and investments	\$ 27,337,265	\$ 29,931,931	\$ 57,269,196
Due from other governments	511,827	882,031	1,393,858
Accounts receivables (net of allowance)	1,194,099	-	1,194,099
Current portion of lease receivable	15,522	-	15,522
Current portion of notes receivable	-	351,357	351,357
Accrued interest receivable on leases	265	-	265
Interest receivables	50,035	53,809	103,844
Prepaid items	1,675	195,608	197,283
Total current assets	<u>29,110,688</u>	<u>31,414,736</u>	<u>60,525,424</u>
Noncurrent assets			
Noncurrent portion of lease receivable	143,809	-	143,809
Noncurrent portion of notes receivable	-	1,848,335	1,848,335
Capital assets			
Land and other assets not being depreciated	11,839,379	3,970,105	15,809,484
Buildings, equipment and infrastructure, net of depreciation	30,895,960	35,399,469	66,295,429
Total capital assets	<u>42,735,339</u>	<u>39,369,574</u>	<u>82,104,913</u>
Total noncurrent assets	<u>42,879,148</u>	<u>41,217,909</u>	<u>84,097,057</u>
Total assets	<u><u>71,989,836</u></u>	<u><u>72,632,645</u></u>	<u><u>144,622,481</u></u>
Deferred outflows of resources			
Pension - LGERS	579,111	52,986	632,097
OPEB deferrals	269,817	9,385	279,202
Total deferred outflows of resources	<u>848,928</u>	<u>62,371</u>	<u>911,299</u>
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	1,357,891	897,436	2,255,327
Current portion of installment loan payable	-	249,756	249,756
Current poriton of OPEB liability	20,419	638	21,057
Current portion of compensated absences	5,158	-	5,158
Total current liabilities	<u>1,383,468</u>	<u>1,147,830</u>	<u>2,531,298</u>

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

CATAWBA COUNTY, NORTH CAROLINA

Exhibit 6

Page 2 of 2

**Statement of Net Position
Proprietary Funds
June 30, 2025**

	Business-Type Activities - Enterprise Funds		
	Solid Waste Management Fund	Water and Sewer Fund	Total
Noncurrent liabilities			
Noncurrent portion accrued landfill closure postclosure care	7,697,663	-	7,697,663
Noncurrent portion of installment loan payable	-	638,956	638,956
Noncurrent portion of pension liability, LGERS	1,123,653	102,809	1,226,462
Noncurrent portion of OPEB liability	717,116	25,323	742,439
Noncurrent portion of compensated absences	123,732	16,955	140,687
Total noncurrent liabilities	<u>9,662,164</u>	<u>784,043</u>	<u>10,446,207</u>
Total liabilities	<u>11,045,632</u>	<u>1,931,873</u>	<u>12,977,505</u>
Deferred inflows of resources			
Pension - LGERS	4,352	398	4,750
OPEB deferrals	399,222	12,786	412,008
Lease deferred revenue	156,800	-	156,800
Total deferred inflows of resources	<u>560,374</u>	<u>13,184</u>	<u>573,558</u>
Net Position			
Net investment in capital assets	42,735,339	38,480,862	81,216,201
Unrestricted	<u>18,497,419</u>	<u>32,269,097</u>	<u>50,766,516</u>
Total net position	<u>\$ 61,232,758</u>	<u>\$ 70,749,959</u>	<u>\$ 131,982,717</u>

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, 2025

Business-Type Activities - Enterprise Funds

	Solid Waste Management Fund	Water and Sewer Fund	Total
Operating Revenues			
Charges for services	\$ 10,954,603	\$ -	\$ 10,954,603
Municipal revenue sharing	-	1,740,828	1,740,828
Lease revenue	15,512	-	15,512
Other operating revenues	112,553	-	112,553
Total operating revenues	11,082,668	1,740,828	12,823,496
Operating Expenses			
Administration	797,204	211,506	1,008,710
Recycling	211,720	-	211,720
Solid waste management improvements	6,937	-	6,937
Solid waste code enforcement	88,076	-	88,076
Sanitary landfill	5,650,850	-	5,650,850
Water and sewer	-	423,084	423,084
Landfill closure and postclosure care costs	100,000	-	100,000
Lease amortization expense	1,691	-	1,691
Depreciation and amortization	1,648,765	944,919	2,593,684
Total operating expenses	8,505,243	1,579,509	10,084,752
Operating income (loss)	2,577,425	161,319	2,738,744
Nonoperating Revenues (Expenses)			
Solid waste disposal tax	92,089	-	92,089
Scrap tire disposal tax	307,365	-	307,365
White goods disposal tax	85,703	-	85,703
Scrap tire grant	49,044	-	49,044
Gold Leaf grant	-	98,259	98,259
Electronics management distribution	5,202	-	5,202
Gain on sale of capital asset	109,000	-	109,000
Court fees	588	-	588
Water and sewer	-	(1,585,152)	(1,585,152)
Investment earnings	1,245,415	1,274,916	2,520,331
Insurance settlements	607,625	-	607,625
System development revenues	-	2,064,817	2,064,817
System development banking service fees	-	(81,358)	(81,358)
Sales Taxes - Article 46 - one quarter of one percent	-	1,443,383	1,443,383
Lease interest income	4,089	-	4,089
Lease interest expense	(5)	-	(5)
Interest on long term debt	-	(8,437)	(8,437)
Hickory water and sewer subsidy	-	(391,216)	(391,216)
Total nonoperating revenues (expenses)	2,506,115	2,815,212	5,321,327
Income (loss) before transfers	5,083,540	2,976,531	8,060,071
Transfer from other funds	-	4,046,785	4,046,785
Change in net position	5,083,540	7,023,316	12,106,856
Net Position - Beginning of Year	56,159,220	63,720,293	119,879,513
Restatement (see Note 9)	(10,002)	6,350	(3,652)
Net Position - Beginning of Year Restated	56,149,218	63,726,643	119,875,861
Net Position - End of Year	\$ 61,232,758	\$ 70,749,959	\$ 131,982,717

The accompanying notes are an integral part of the financial statements



CATAWBA COUNTY, NORTH CAROLINA
Exhibit 8
Page 1 of 2
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds		
	Solid Waste Management Fund	Water and Sewer Fund	Total
Cash Flows from Operating Activities			
Cash received from customers	\$ 10,496,239	1,895,271	\$ 12,391,510
Cash paid for goods and services	(6,095,848)	(265,751)	(6,361,599)
Cash paid to employees	(2,377,886)	(196,553)	(2,574,439)
Other operating revenues	112,553	-	112,553
Net cash provided (used) by operating activities	2,135,058	1,432,967	3,568,025
Cash Flows from Noncapital Financing Activities			
Solid waste disposal tax	92,089	-	92,089
Scrap tire disposal tax	307,365	-	307,365
White goods disposal tax	85,703	-	85,703
Scrap tire grant	49,044	-	49,044
Electronics management distribution	5,202	-	5,202
Court Fees	588	-	588
Municipal notes receivable	-	358,050	358,050
Gold leaf grant	-	98,259	98,259
Insurance settlements	607,625	-	607,625
Article 46 sales tax	-	1,443,383	1,443,383
Noncapital project expenses	-	(1,585,152)	(1,585,152)
System development banking service fees	-	(81,358)	(81,358)
Hickory water and sewer subsidy	-	(391,216)	(391,216)
Domestic haulers and capital fees	-	2,064,817	2,064,817
Transfer from American Rescue Plan Act Fund	-	4,046,785	4,046,785
Total cash provided by noncapital financing activities	1,147,616	5,953,568	7,101,184
Cash Flows from Capital and Related Financing Activities			
Principal paid on installment notes payable	-	(252,809)	(252,809)
Interest paid on installment notes payable	-	(8,437)	(8,437)
Acquisition and construction of capital assets	(4,531,436)	(2,738,498)	(7,269,934)
Proceeds from sale of assets	109,000	-	109,000
Lease Payments	(1,907)	-	(1,907)
Net cash provided (used) by capital and related financing activities	(4,424,343)	(2,999,744)	(7,424,087)
Cash Flows from Investing Activities			
Investment earnings	1,249,834	1,269,238	2,519,072
Net increase (decrease) in cash and cash equivalents	108,165	5,656,029	5,764,194
Cash and cash equivalents - beginning of year	27,229,100	24,275,902	51,505,002
Cash and cash equivalents - end of year	\$ 27,337,265	\$ 29,931,931	\$ 57,269,196

The accompanying notes are an integral part of the financial statements

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2025

	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)	\$ 2,577,425	\$ 161,319	\$ 2,738,744
Adjustments to reconcile operating income to net cash provided (used) by operating activities			
Depreciation and amortization	1,648,765	944,919	2,593,684
Lease amortization expense	1,691	-	1,691
Increase (decrease) in landfill closure and postclosure care costs	100,000	-	100,000
Increase (decrease) in landfill closure and postclosure care costs (C&I)	(2,631,653)	-	(2,631,653)
Changes in assets and liabilities, and deferred outflows and inflows of resources:			
(Increase) decrease in refundable sales tax	(166,186)	154,443	(11,743)
(Increase) decrease in other receivables	(306,015)	-	(306,015)
(Increase) decrease in prepaid	(1,675)	(195,608)	(197,283)
(Increase) decrease in deferred outflows of resources - pensions	113,682	2,815	116,497
(Increase) decrease in deferred outflows of resources - OPEB	56,968	1,780	58,748
Increase (decrease) in accounts payable and other liabilities	755,792	352,941	1,108,733
Increase (decrease) in lease liability	1,907	-	1,907
Increase (decrease) in compensated absences	(17,042)	(1,126)	(18,168)
Increase (decrease) in accrued salaries and other benefits	84	(138)	(54)
Increase (decrease) in pension liability	(14,344)	11,150	(3,194)
Increase (decrease) in OPEB liability	(288,503)	(9,015)	(297,518)
Increase (decrease) in deferred inflows of resources - pensions	(1,326)	(59)	(1,385)
Increase (decrease) in deferred inflows of resources - OPEB	305,488	9,546	315,034
Total adjustments	(442,367)	1,271,648	829,281
Net cash provided (used) by operating activities	\$ 2,135,058	\$ 1,432,967	\$ 3,568,025

The accompanying notes are an integral part of the financial statements

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	<u>Custodial Funds</u>
Assets	
Cash and investments	\$ 99,899
Taxes receivable for other governments, net	<u>3,646,742</u>
Total assets	<u>3,746,641</u>
Liabilities	
Due to other governments	<u>13,169</u>
Total liabilities	<u>13,169</u>
Net Position	
Individuals, organizations, and other governments	<u>3,733,472</u>
Total fiduciary net position	<u>\$ 3,733,472</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, 2025

	<u>Custodial Funds</u>
Additions	
Ad valorem taxes collected for other governments	\$ 66,662,813
Collections on behalf of inmates	<u>735,390</u>
Total additions	<u>67,398,203</u>
Deductions	
Tax distributions to other governments	66,306,157
Payments on behalf of inmates	<u>742,257</u>
Total deductions	<u>67,048,414</u>
Net increase (decrease) in fiduciary net position	349,789
Net Position	
Net position - beginning	<u>3,383,683</u>
Net position - ending	<u>\$ 3,733,472</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, 2025

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, 2025

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 non-profit corporation is governed by a board of directors comprised of the County Manager, Assistant County Manager, and the County Chief Financial Officer appointed by the Board of Commissioners. The Board can remove any director of the Corporation with or without cause.	None Issued
Southeastern Catawba County Water District	Blended	The district is a separate legal entity that operates as an enterprise fund, with a separate governing body comprised of the Board of Commissioners.	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, 2025

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, 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, 2025

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, 2025

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, Office of State Budget and Management Direct Grant Fund, ARPA Special Revenue Fund, and Opioid Settlement 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 Balance

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 mutual fund shares when the mutual fund is certified by the Local Government Commission..

The County's investments are carried at fair value as determined by quoted market prices. The North Carolina Capital Management Trust (NCCMT) Government Portfolio is a SEC-registered money market mutual fund that is certified by the Local Government Commission under the provision of G.S. 159-30(c)(8) and the North Carolina Administrative Code. The Government Portfolio is a 2a7 fund that invests in treasuries, government agencies, and repurchase agreements collateralized by treasuries. It is rated AAAm by S&P and AAAMf by Moody Investor Services and reported at fair value. The County participates in two local government investment pools certified by the Local Government Commissions under the provision of G.S. 160A-460 through 160A-464. The North Carolina Investment Pool is a short-term liquid portfolio rated AAAm by S&P and AAAMmf by Fitch. The North Carolina Cooperative Liquid Assets Securities System local government investment pool is a short-term liquid portfolio rated AAAm by S&P.

2. Cash and Cash Equivalents

A cash and investment pool is maintained by the County to facilitate disbursement and investment and to maximize

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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 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 funds from both the Office of State Budget and Management grant and NC Railroad grant are restricted for purposes specific to the grant awards. The unexpended Opioid Settlement Fund proceeds are classified as restricted for the purpose for which the funds were awarded. 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.

Catawba County Restricted Cash

Governmental Activities		
General Fund	Debt service reserve	\$ 26,693,442
General Fund	Unexpended debt proceeds	6,373
General Fund	Social services	236,000
General Fund	Tax reappraisal	236,471
Office of State Budget & Management Fund	Unexpended grant funds	777,524
American Rescue Plan Act Fund	Unexpended grant funds	2,617,457
Opioid Settlement Fund	Unexpended settlement funds	7,556,831
General Capital Projects Fund	Unexpended debt proceeds	90,931
NC Railroad Project Fund	Unexpended grant funds	540,957
School Construction Fund	Unexpended debt proceeds	11,020,153
Total Governmental Activities		<u>\$ 49,776,139</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, 2024.

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.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2025

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 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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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.

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 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. Any unused sick leave accumulated for employees that leave the county before retirement is forfeited. The county uses a three-year look-back period to estimate the amount of sick leave that has been earned and will be used as sick leave over the employee's service period. The liability for sick leave is based on this estimate. The County's liability for accumulated earned vacation and sick leave, as well as the salary-related payments, as of June 30, 2025, 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.

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 has received \$7,443,475 as a part of this settlement as of Fiscal Year 2025. 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. Funds are restricted until expended.

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 \$5,523,852 for eligible projects in fiscal year 2025 and has expended \$28,412,640 in total funds. The County plans on using the remaining funds for ARPA eligible projects.

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.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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 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.

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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.

Education - portion of fund balance that is restricted by revenue source from fine and forfeitures for education current expense.

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

NC Railroad - portion of fund balance that is restricted by revenue source for business park/economic development rail park expenditures.

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 (\$37,810,899) and the Register of Deeds pension plan of \$204,675.

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.

Public Safety-portion of fund balance that can only be used for public safety.

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.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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 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.

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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 (\$10,303,114) 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)	\$ 284,703,652
Less accumulated depreciation	(100,273,235)
Net capital assets	<u>184,430,417</u>
Right to use assets used in government activities are not financial resources and are therefore not reported in the funds	3,939,370
Less accumulated amortization	<u>(2,043,112)</u>
Net right to use assets	<u>1,896,258</u>
Charges related to debt refunding issued - included on government-wide statement of net position but are not current financial resources	39,777
Net pension asset RODSPF	204,675
LGERS and ROD pension related deferrals	25,984,457
LEOSSA related deferrals	999,476
OPEB related deferrals	(4,446,395)
Deferred inflows of resources reported in the fund statements but not the government-wide	20,353,541
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	-
Installment purchase	(38,317,288)
Qualified zone academy bonds	
Qualified school construction bonds	(27,808,553)
Build America bonds	
Limited obligation bonds	(69,025,000)
NC Department of Commerce	-
Premium on long-term debt	(8,135,693)
Long-Term Leases	(465,652)
Long-Term Subscription-Based IT Agreements	(831,647)
Compensated absences	(7,369,754)
Net pension liability LGERS	(50,633,382)
Total pension liability LEOSSA	(7,960,122)
Total other post employment liability	<u>(29,218,229)</u>
	<u>(239,765,320)</u>
Total adjustment	<u>\$ (10,303,114)</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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 (\$13,799,159) 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	\$ 18,095,848
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	(8,629,834)
Net capital assets disposed during the year	(1,245,607)
Subscription-Based IT Liabilities Issued	(465,829)
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	930,000
Installment purchases	7,543,858
Limited obligation bonds	5,080,000
Leases	245,736
Subscription-Based IT Agreements	686,101
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)	10,263,142
Law Enforcement Separation Allowance (LEOSSA)	174,313
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	(16,190,263)
OPEB expense	(2,766,286)
Amortization of deferred interest	(86,787)
Net (increase) decrease in compensated absences	(668,549)
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	608,955
Net increase (decrease) in receivables and deferred revenue	224,361
Total adjustment	<u>\$ 13,799,159</u>

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2025

NOTE 2 – 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, 2025, the County's deposits had a carrying amount of \$56,191,126 and a bank balance of \$47,171,919. Of the bank balance, \$986,000 was covered by federal depository insurance and \$170,815 in non-interest bearing deposits and \$46,015,104 in interest bearing deposits was covered by collateral held under the Pooling Method.

At June 30, 2025, Catawba County had \$9,618 cash on hand.

2. Investments

As of June 30, 2025 the County had the following investments and maturities.

Investment Type	Valuation Measurement	Fair Value	Less than 6		
	Method		months	6-12 months	1-5 years
U.S. Government Agencies*	Fair Value-Level 2	\$ 67,784,136	\$ 32,240,250	\$ 8,253,557	\$ 27,290,329
U.S. Treasury	Fair Value-Level 2	33,206,879	1,500,885	6,976,020	24,729,974
		-			-
NC Capital Trust Management Trust					
Government Portfolio	Fair Value-Level 1	121,660,024	121,660,024	-	-
NC Investment Pool					
Government Portfolio	Fair Value-Level 1	4,019,640	4,019,640	-	-
NC Cooperative Liquid Assets					
Securities System, Govt Portfol	Fair Value-Level 1	4,022,290	4,022,290	-	-
Total:		<u>\$ 230,692,969</u>	<u>\$ 163,443,089</u>	<u>\$ 15,229,577</u>	<u>\$ 52,020,303</u>

*\$26,519,037 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, 2025, the North Carolina Capital Management Trust (NCCMT), which consists of an SEC

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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. As of June 30, 2025, the North Carolina Investment Pool and the North Carolina Cooperative Liquid Assets Securities local government investment pools are authorized by G.S. 159-30(c)(10). Both investment pools are rated AAAM by S&P. The Government Portfolio, as well as both local government investment pools, are 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, 2025. The County's investment in the NC Investment Pool carried a credit rating of AAAM by Standard & Poor's and a credit rating of AAAMmf by Fitch as of June 30, 2025. The County's investment in the NC Cooperative Liquid Assets Securities System local government investment pool carried a credit rating of AAAM by Standard & Poor's as of June 30, 2025. 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.

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 29% of the County's investments are in United States government-sponsored enterprises while 14% are in United States Treasury. Investments in Federal Farm Credit are 8%, Federal Home Loan Bank are 15%, Federal Home Loan Mortgage Corporation are 5%, and Federal National Mortgage Agency are 1% 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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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
2022	1,429,512	468,165	1,897,677
2023	1,432,331	340,179	1,772,510
2024	1,319,681	194,653	1,514,334
2025	1,322,321	76,033	1,398,354
Total	<u>\$ 5,503,845</u>	<u>\$ 1,079,030</u>	<u>\$ 6,582,875</u>

4. Receivables

Receivables at the government-wide level at June 30, 2025 were as follows:

	Governmental activities			
	General	American Rescue Plan Act Fund	Opioid Settlement Fund	General Capital Projects Fund
Receivables				
Accounts	\$ 3,477,871	\$ -	\$ -	\$ -
Taxes	3,175,377	-	-	-
Due from other governments	18,394,504	3,197	-	248,603
Leases	195,002	-	-	-
Notes	5,282,583	-	-	-
Tax assessment	-	-	-	-
Other	22,922	-	17,582,717	-
Interest	<u>245,414</u>	<u>7,697</u>	<u>14,373</u>	<u>67,814</u>
Gross Receivables	30,793,673	10,894	17,597,090	316,417
Allowance for uncollectibles	<u>(1,871,648)</u>	<u>-</u>	<u>(3,516,543)</u>	<u>-</u>
Net total receivables	<u>\$ 28,922,025</u>	<u>\$ 10,894</u>	<u>\$ 14,080,547</u>	<u>\$ 316,417</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ 5,213,741</u>	<u>\$ -</u>	<u>\$ 12,064,825</u>	<u>\$ -</u>

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

	Governmental activities		
	School		Total
	Construction	Non-major	Governmental
	Fund	Funds	Activities
Receivables			
Accounts	\$ -	\$ -	\$ 3,477,871
Taxes	-	368,988	3,544,365
Due from other governments	9,237,313	4,125,932	32,009,549
Leases	-	-	195,002
Notes	-	-	5,282,583
Tax assessment	-	1,418,761	1,418,761
Other	-	-	17,605,639
Interest	549	56,188	392,035
Gross Receivables	9,237,862	5,969,869	63,925,805
Allowance for uncollectibles	-	(151,091)	(5,539,282)
Net total receivables	<u>\$ 9,237,862</u>	<u>\$ 5,818,778</u>	<u>\$ 58,386,523</u>

Amounts not scheduled for collection
during the subsequent year

\$ -	\$ -	\$ 17,278,566
------	------	---------------

	Solid Waste	Water and	Total
	Management	Sewer	Business-type
	Fund	Fund	Activities
Receivables			
Accounts	\$ 1,194,099	\$ -	\$ 1,194,099
Taxes	-	-	-
Notes	-	2,199,692	2,199,692
Due from other governments	511,827	882,031	1,393,858
Leases	159,331	-	159,331
Leases interest	265	-	265
Interest	50,035	53,809	103,844
Gross Receivables	1,915,557	3,135,532	5,051,089
Allowance for uncollectibles	-	-	-
Net total receivables	<u>\$ 1,915,557</u>	<u>\$ 3,135,532</u>	<u>\$ 5,051,089</u>

Amounts not scheduled for collection
during the subsequent year

\$ 143,809	\$ 1,848,335	\$ 1,992,144
------------	--------------	--------------

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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

	Governmental	Business-type
	Activities	Activities
Local option sales tax	\$ 15,561,778	\$ 388,616
White goods disposal tax	-	21,512
Scrap tire tax	-	80,695
Solid waste disposal tax	-	21,993
Federal and state grants	14,851,674	321,026
Refundable sales tax	1,596,097	560,016
	<u>\$ 32,009,549</u>	<u>\$ 1,393,858</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 Cellco 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 2025, Verizon Wireless paid the County \$30,402.48. 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 1.059%, which is the determined incremental borrowing rate.

In fiscal year 2025, the County recognized \$29,157.92 of lease revenue and \$438.90 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 2025, the annual payment was \$2,032.57. 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 2025, the County recognized \$1,790.65 of lease revenue and \$157.35 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 2025, the County recognized \$2,856.35 of lease revenue and \$148.18 of interest revenue under the lease.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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 2025, the County recognized \$2,458.41 of lease revenue and \$127.52 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 2025 the lease payments received totaled \$7,892.85. 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 2025, the County recognized \$6,996.80 of lease revenue and \$1,399.82 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 2025, the County recognized \$4,299.93 of lease revenue and \$2,783.27 of interest revenue under the lease.

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 2025, the County recognized \$21,081.53 of lease revenue and \$4,471.32 of interest revenue under the lease.

	Governmental Activities		Business-Type Activities	
	Lease Receivable	Interest Income	Lease Receivable	Interest Income
2026	52,252	4,244	15,523	4,090
2027	22,660	3,497	10,309	3,711
2028	23,314	2,907	10,555	3,466
2029	23,987	2,300	10,806	3,214
2030	22,323	1,677	11,064	2,956
2031-2035	50,465	1,535	55,406	10,686
2036-2040	-	-	24,507	5,493
2041-2044	-	-	21,162	1,338
Total lease receivable	<u>\$ 195,002</u>		<u>\$ 159,331</u>	
Total interest income		<u>\$ 16,160</u>		<u>\$ 34,954</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

6. Capital Assets

Capital asset activity for the year ended June 30, 2025 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	\$ 6,431,084	\$ 3,691,229	\$ (134,839)	\$ 9,987,474
Construction in progress	17,920,238	6,849,183	(234,068)	24,535,353
Total capital assets, not being depreciated	<u>24,351,322</u>	<u>10,540,412</u>	<u>(368,907)</u>	<u>34,522,827</u>
Capital assets, being depreciated				
Buildings	177,844,672	479,710	(159,326)	178,165,056
Other improvements	27,091,906	298,346	(1,044,942)	26,345,310
Equipment and vehicles	42,402,723	6,545,619	(3,277,883)	45,670,459
Total capital assets, being depreciated	<u>247,339,301</u>	<u>7,323,675</u>	<u>(4,482,151)</u>	<u>250,180,825</u>
Less accumulated depreciation for				
Buildings	(65,131,381)	(3,485,572)	141,260	(68,475,693)
Other improvements	(7,256,460)	(530,734)	417,163	(7,370,031)
Equipment and vehicles	(23,408,699)	(3,831,772)	2,812,960	(24,427,511)
Total accumulated depreciation	<u>(95,796,540)</u>	<u>(7,848,078)</u>	<u>3,371,383</u>	<u>(100,273,235)</u>
Total capital assets, being depreciated, net	<u>151,542,761</u>	<u>(524,403)</u>	<u>(1,110,768)</u>	<u>149,907,590</u>
Right to use lease assets				
Buildings	1,045,412	-	(181,178)	864,234
Equipment	546,350	-	(534,263)	12,087
Subscription-Based Software	1,881,779	465,829	(36,241)	2,311,367
Total right to use assets being amortized	<u>3,473,541</u>	<u>465,829</u>	<u>(751,682)</u>	<u>3,187,688</u>
Less amortization for				
Buildings	(279,705)	(93,235)	181,178	(191,762)
Equipment	(463,931)	(70,332)	534,263	-
Subscription-Based Software	(517,720)	(618,189)	36,241	(1,099,668)
Total amortization	<u>(1,261,356)</u>	<u>(781,756)</u>	<u>751,682</u>	<u>(1,291,430)</u>
Total right to use assets being amortized, net	<u>2,212,185</u>	<u>(315,927)</u>	<u>-</u>	<u>1,896,258</u>
Governmental activities capital assets, net	<u>\$ 178,106,268</u>	<u>\$ 9,700,082</u>	<u>\$ (1,479,675)</u>	<u>\$ 186,326,675</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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

Governmental activities-Capital Assets

General government	\$	423,048
Public safety		5,487,714
Environmental protection		7,447
Economic & physical development		1,289,388
Human services		1,212,558
Culture and recreation		209,679
Total depreciation/amortization expense	\$	<u>8,629,834</u>

Business-type activities	Beginning Balance	Increases	Decreases	Ending Balance
Solid Waste Management				
Capital assets, not being depreciated				
Land	\$ 8,176,394	\$ -	\$ -	\$ 8,176,394
Construction in progress	298,897	3,364,088	-	3,662,985
Total capital assets, not being depreciated	<u>8,475,291</u>	<u>3,364,088</u>	<u>-</u>	<u>11,839,379</u>
Capital assets, being depreciated				
Buildings	5,178,750	-	-	5,178,750
Other improvements	39,948,441	-	-	39,948,441
Equipment and vehicles	11,765,809	1,167,348	(1,352,751)	11,580,406
Total capital assets, being depreciated	<u>56,893,000</u>	<u>1,167,348</u>	<u>(1,352,751)</u>	<u>56,707,597</u>
Less accumulated depreciation for				
Buildings	(1,154,670)	(103,764)	-	(1,258,434)
Other improvements	(16,188,312)	(446,030)	-	(16,634,342)
Equipment and vehicles	(8,172,641)	(1,098,971)	1,352,751	(7,918,861)
Total accumulated depreciation	<u>(25,515,623)</u>	<u>(1,648,765)</u>	<u>1,352,751</u>	<u>(25,811,637)</u>
Total capital assets, being depreciated, net	<u>31,377,377</u>	<u>(481,417)</u>	<u>-</u>	<u>30,895,960</u>
Right to use lease assets				
Equipment	11,562	-	(11,562)	-
Total right to use assets being amortized	<u>11,562</u>	<u>-</u>	<u>(11,562)</u>	<u>-</u>
Less amortization for				
Equipment	(9,871)	(1,691)	11,562	-
Total amortization	<u>(9,871)</u>	<u>(1,691)</u>	<u>11,562</u>	<u>-</u>
Total right to use assets being amortized, net	<u>1,691</u>	<u>(1,691)</u>	<u>-</u>	<u>-</u>
Solid Waste Management capital assets, net	<u>\$ 39,854,359</u>	<u>\$ 2,880,980</u>	<u>\$ -</u>	<u>\$ 42,735,339</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Water & Sewer				
Capital assets, not being depreciated				
Land	\$ 877,160	\$ 66,936	\$ -	\$ 944,096
Construction in progress	355,338	2,670,671	-	3,026,009
Total capital assets, not being depreciated	<u>1,232,498</u>	<u>2,737,607</u>	<u>-</u>	<u>3,970,105</u>
Capital assets, being depreciated				
Plant and distribution systems/water lines	45,224,613	891	-	45,225,504
Total capital assets, being depreciated	<u>45,224,613</u>	<u>891</u>	<u>-</u>	<u>45,225,504</u>
Less accumulated depreciation for				
Plant and distribution systems/water lines	(8,881,116)	(944,919)	-	(9,826,035)
Total accumulated depreciation	<u>(8,881,116)</u>	<u>(944,919)</u>	<u>-</u>	<u>(9,826,035)</u>
Total capital assets, being depreciated, net	<u>36,343,497</u>	<u>(944,028)</u>	<u>-</u>	<u>35,399,469</u>
Water & Sewer capital assets, net	<u>\$ 37,575,995</u>	<u>\$ 1,793,579</u>	<u>\$ -</u>	<u>\$ 39,369,574</u>

Construction Commitments

The County has active construction and other capital projects as of June 30, 2025. The government's commitments with contractors and vendors are composed of numerous projects within the following funds:

	Project Authorization	Expended to June 30, 2025	Committed
Governmental activities			
General Capital Projects	\$ 134,572,172	\$ 102,043,977	32,528,195
Schools Capital Projects	66,754,489	51,454,920	15,299,569
School Construction	170,987,650	131,331,473	39,656,177
Total governmental activities	<u>\$ 372,314,311</u>	<u>\$ 284,830,370</u>	<u>\$ 87,483,941</u>
Business-type activities			
Solid Waste Management Fund	\$ 21,598,687	\$ 15,824,957	5,773,730
Water and Sewer Fund	56,914,452	17,525,927	39,138,525
Total business-type activities	<u>\$ 78,513,139</u>	<u>\$ 33,350,884</u>	<u>\$ 44,912,255</u>

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2025

B. Liabilities

1. Payables

Payables at the government-wide level at June 30, 2025 were as follows:

	Vendors	Salaries and Benefits	Other	Total
Governmental activities				
General	\$ 6,922,509	\$ 3,891,203	\$ 354,385	\$ 11,168,097
American Rescue Plan Act	39,185	-	2,578,272	2,617,457
General Capital Projects	495,474	-	-	495,474
School Construction	1,215,751	-	-	1,215,751
Non-major Funds	127,128	-	1,160,839	1,287,967
Total governmental activities	<u>\$ 8,800,047</u>	<u>\$ 3,891,203</u>	<u>\$ 4,093,496</u>	<u>\$ 16,784,746</u>
Business-type Activities				
Solid Waste Management	\$ 1,280,448	\$ 75,296	2,147	1,357,891
Water and Sewer	874,762	6,733	15,941	897,436
Total business-type activities	<u>\$ 2,155,210</u>	<u>\$ 82,029</u>	<u>\$ 18,088</u>	<u>\$ 2,255,327</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, firefighters and rescue squad workers. 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, disability 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. General employee plan members are eligible to retire with unreduced 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. General employee plan members are eligible to retire with reduced 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 and rescue squad workers). Disabled members may qualify for disability benefits at earlier ages. Survivor benefits are available to eligible beneficiaries of general employee plan 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 workers 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 in lieu of the return of the member's contributions that is generally available to beneficiaries of deceased members. The plan does not provide for automatic postretirement benefit increases. Cost of living benefit Increases are contingent upon investment gains of the plan at the discretion of the LGERS Board of Trustees, except as authorized by the General Assembly.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

LGERS plan members who are Law Enforcement Officers (LEO) are eligible to retire with unreduced 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 reduced retirement benefits at age 50 with 15 years of creditable service as an officer. LEOs who complete 25 years of creditable service with 15 years as an officer are eligible to retire with reduced retirement benefits. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit in lieu of the return of the member's contributions that is generally available to beneficiaries of deceased members.

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, 2025, was 15.1% of compensation for law enforcement officers and 13.6% 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 \$10,494,768 for the year ended June 30, 2025.

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 include interest (currently 4% per year) regardless of the number of years of retirement service credit or for the reason for separation from service. 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, 2025, the County reported a liability of \$51,859,844 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. The total pension liability was then rolled forward to the measurement date of June 30, 2024 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, 2025, the County's proportion was .76927% (measured as of June 30, 2024), which was a decrease of .00058% from its proportion as of June 30, 2024 (measured as of June 30, 2023).

For the year ended June 30, 2025, the County recognized pension expense of \$15,626,361. At June 30, 2025, 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, 2025

	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental Activities		
Differences between expected and actual experience	\$ 8,872,886	\$ 59,658
Change of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	6,883,578	-
Changes in proportion and differences between County contributions and proportionate share of contributions	92,490	136,465
County contributions subsequent to the measurement date	10,246,571	-
Total	<u>\$ 26,095,525</u>	<u>\$ 196,123</u>
Business-Type Activities		
Solid Waste Management		
Differences between expected and actual experience	\$ 196,907	\$ 1,324
Change of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	152,760	-
Changes in proportion and differences between County contributions and proportionate share of contributions	2,052	3,028
County contributions subsequent to the measurement date	227,392	-
Total	<u>\$ 579,111</u>	<u>\$ 4,352</u>
Business-Type Activities		
Water & Sewer		
Differences between expected and actual experience	\$ 18,016	\$ 121
Change of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	13,977	-
Changes in proportion and differences between County contributions and proportionate share of contributions	189	277
County contributions subsequent to the measurement date	20,804	-
Total	<u>\$ 52,986</u>	<u>\$ 398</u>
Governmental Activities - Total	<u>\$ 26,095,525</u>	<u>\$ 196,123</u>
Business-Type Activities - Total	<u>632,097</u>	<u>4,750</u>
Total deferred	<u>\$ 26,727,622</u>	<u>\$ 200,873</u>

\$10,494,767 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, 2026. 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, 2025

Year ending June 30:

2026	\$ 4,980,779
2027	10,179,772
2028	1,668,621
2029	(797,190)
2030	-
Thereafter	-

Actuarial Assumptions. The total pension liability in the December 31, 2023 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, 2023 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, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33.0%	2.4%
Global Equity	38.0%	6.9%
Real Estate	8.0%	6.0%
Alternatives	8.0%	8.6%
Opportunistic Fixed Income	7.0%	5.3%
Inflation Sensitive	<u>6.0%</u>	4.3%
Total	<u>100.0%</u>	

The information above is based on 30 year expectations developed with an investment consulting firm. 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 2.38%.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2025

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 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)	\$ 91,897,162	\$ 51,859,844	\$ 18,923,644

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, 2023, the Separation Allowance’s membership consisted of:

Inactive Members Currently Receiving Benefits	19
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	<u>164</u>
	<u>183</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 fund 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, 2025

Actuarial Assumptions

The entry age normal actuarial cost method was used in the December 31, 2023 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	4.28% 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, 2023 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

Mortality Assumption: All mortality rates use Pub-2010 amount-weighted tables.

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

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

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

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

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 \$260,370 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, 2025, the County reported a total pension liability of \$7,960,122. The total pension liability was measured as of December 31, 2024 based on a December 31, 2023 actuarial valuation. The total pension liability was rolled forward to December 31, 2024 utilizing update procedures incorporating the actuarial assumption. For the year ended June 30, 2025, the County recognized pension expense of \$1,022,611.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experiences	\$ 1,144,186	\$ -
Changes of assumptions	452,188	771,211
County benefit payments and plan administrative expenses made subsequent to the measurement date	174,313	-
Total	<u>\$ 1,770,687</u>	<u>\$ 771,211</u>

The County paid \$174,313 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, 2026. 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:

2026	\$ 382,914
2027	130,882
2028	65,581
2029	187,825
2030	57,961
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 4.28 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 (3.28 percent) or 1-percentage-point higher (5.28 percent) than the current rate:

	1% Decrease (3.28%)	Discount Rate (4.28%)	1% Increase (5.28%)
Total pension liability	\$ 8,624,167	\$ 7,960,122	\$ 7,356,292

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

	2025
Total Pension Liability as of December 31, 2023	\$ 7,248,041
Service Cost	321,456
Interest on the total pension liability	284,714
Changes of benefit terms	-
Differences between expected and actual experience	545,962
Changes of assumptions and other inputs	(179,681)
Benefit payments	(260,370)
Other changes	-
Total Pension Liability as of December 31, 2024	<u>\$ 7,960,122</u>

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 4.00 percent at June 30, 2024 to 4.28 percent at June 30, 2025.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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 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, 2025 were \$701,171 which consisted of \$537,564 from the County and \$163,607 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 and has met statutory eligibility requirements. 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. The plan does not provide for automatic post-retirement benefit increases.

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 \$16,565 for the year ended June 30, 2025.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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

At June 30, 2025, the County reported an asset of \$204,675 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2024. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2023. The total pension liability was then rolled forward to the measurement date of June 30, 2024 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, 2024, the County's proportion was 1.77623%, which was an increase of .02389% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the County recognized pension expense of \$26,377. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Register of Deeds	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,494	\$ 3,659
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	79,042	-
Changes in proportion and differences between County contributions and proportionate share of contributions	-	11,386
County contributions subsequent to the measurement date	16,565	-
Total	<u>\$ 100,101</u>	<u>\$ 15,045</u>

\$16,565 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, 2026.

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:	
2026	\$ 28,382
2027	32,649
2028	7,176
2029	284
2030	-
Thereafter	-

Actuarial Assumptions. The total pension liability in the December 31, 2023 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.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2025

The actuarial assumptions used in the December 31, 2023 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 99.8% 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, 2024 is 2.4%.

The information above is based on 30 year expectations developed with an investment consulting firm. 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 2.38%. 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)	\$ (135,615)	\$ (204,675)	\$ (262,847)

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, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as December 31, 2023. The total pension liability for LEOSA was measured as of December 31, 2024, with an actuarial valuation date of December 31, 2023.

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:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
Proportionate Share of Net Pension Liability (Asset)	\$51,859,844	\$(204,675)	\$ -	\$51,655,169
Proportion of the Net Pension Liability (Asset)	0.76927%	1.77623%	n/a	
Total Pension Liability	-	-	\$7,960,122	\$ 7,960,122
Pension Expense	\$15,626,361	\$ 26,377	\$1,022,611	\$16,675,349

At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 9,087,809	\$ 4,494	\$1,144,186	\$10,236,489
Changes of assumptions	-	-	452,188	452,188
Net difference between projected and actual earnings on pension plan investments	7,050,315	79,042	-	7,129,357
Changes in proportion and differences between County contributions and proportionate share of contributions	94,731	-	-	94,731
County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	10,494,767	16,565	174,313	10,685,645
<u>Deferred Inflows of Resources</u>				
Difference between expected and actual experience	\$ 61,103	\$ 3,659	\$ -	\$ 64,762
Changes of assumptions	-	-	771,211	771,211
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
Changes in proportion and differences between County contributions and proportionate share of contributions	139,770	11,386	-	151,156

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.

CATAWBA COUNTY, NORTH CAROLINA

**Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2025**

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, 2024, the date of the latest actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	65
Inactive members entitled to but not yet receiving benefits	-
Active employees	<u>1,127</u>
Total	<u><u>1,192</u></u>

Total OPEB Liability

The County's total OPEB liability (TOL) of \$29,981,724 was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2024.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2024 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	3.65%
Measurement Date	3.93%
Heath Care Cost Trend Rates	
Pre-Medicare Medical and Prescription Drug	7.00% for 2024 decreasing to an ultimate rate of 4.50% by 2034

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.

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

Changes in the Total OPEB Liability

	Governmental Activities	Business-Type Activities		
		Solid Waste Management	Water & Sewer	Total
Total OPEB Liability as of June 30, 2023	\$ 40,010,060	\$ 1,026,038	\$ 34,976	\$ 41,071,074
Changes for the year:				
Service Cost at the end of the year*	1,768,668	47,282	1,478	1,817,428
Interest on TOL and Cash Flows	1,512,396	40,432	1,263	1,554,091
Change in benefit terms	-	-	-	-
Difference between expected and actual experience	(13,905,923)	(371,754)	(11,617)	(14,289,294)
Changes of assumptions or other inputs	443,167	11,848	370	455,385
Benefit payments	(610,139)	(16,311)	(510)	(626,960)
Other	-	-	-	-
Net changes	\$ (10,791,831)	\$ (288,503)	\$ (9,016)	\$ (11,089,350)
Total OPEB Liability as of June 30, 2024	\$ 29,218,229	\$ 737,535	\$ 25,960	\$ 29,981,724

*The service cost includes interest for the year

Changes in assumptions and other inputs reflect a change in the discount rate from 3.65% to 3.93%.

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, 2024 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, 2024 valuation were based on a review of recent plan experience performed concurrently with the June 30, 2024 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 3.93%:

	1% Decrease (2.93%)	Discount (3.93%)	1% Increase (4.93%)
Total OPEB Liability \$	\$ 33,221,240	\$ 29,981,724	\$ 27,108,700

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 \$	\$ 26,540,676	\$ 29,981,724	\$ 34,066,083

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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

For the year ended June 30, 2025, the County recognized OPEB expense of \$3,627,409. At June 30, 2025, the County reported deferred outflows or resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental Activities		
Differences between expected and actual experience	\$ 7,236,839	\$ 12,314,594
Changes of assumptions or other inputs	2,871,250	3,003,434
Benefit payments for the OPEB plan paid subsequent to measurement date	763,543	-
Total	<u>\$ 10,871,632</u>	<u>\$ 15,318,028</u>
Business-Type Activities		
Solid Waste Management		
Differences between expected and actual experience	\$ 174,042	\$ 328,925
Changes of assumptions or other inputs	75,168	70,296
Benefit payments for the OPEB plan paid subsequent to measurement date	20,607	-
Total	<u>\$ 269,817</u>	<u>\$ 399,221</u>
Business-Type Activities		
Water & Sewer		
Differences between expected and actual experience	\$ 6,128	\$ 10,288
Changes of assumptions or other inputs	2,548	2,498
Benefit payments for the OPEB plan paid subsequent to measurement date	709	-
Total	<u>\$ 9,385</u>	<u>\$ 12,786</u>
Governmental Activities - Total	<u>\$ 10,871,632</u>	<u>\$ 15,318,028</u>
Business-Type Activities - Total	<u>279,202</u>	<u>412,007</u>
Total deferred	<u>\$ 11,150,834</u>	<u>\$ 15,730,035</u>

\$784,859 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, 2026. Other amounts reported as deferred inflows or outflows of resources related to OPEB will be recognized in OPEB expense as follows:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

Year ending June 30:

2026	\$	275,080
2027		84,554
2028		(74,599)
2029		(852,830)
2030		(1,314,262)
Thereafter		(3,482,003)

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, 2025

3. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Exhibit 1		
Charge on refunding of debt	\$ 39,777	\$ -
(Pensions, OPEB) - difference between expected and actual experience	17,653,498	12,718,569
(Pensions, OPEB) - difference between projected and actual investment earnings	7,129,357	-
(Pensions) - change in proportion and difference between employer contributions and proportionate share of contributions	94,731	151,156
(Pensions, OPEB) - change in assumptions	3,401,154	3,847,439
Contributions to pension plan subsequent to measurement date (LGERS, ROD)	10,511,332	-
Benefit payments for the OPEB plan paid subsequent to measurement date	784,859	-
Benefit payments and admin costs paid subsequent to the measurement date (LEOSSA)	174,313	-
Leases	-	345,400
Prepaid taxes not yet earned (General)	-	147,735
Prepaid taxes not yet earned (Special Revenue)	-	5,930
Total - Exhibit 1	<u>\$ 39,789,021</u>	<u>\$ 17,216,229</u>
Exhibit 3		
Prepaid taxes not yet earned (General)	\$ -	\$ 147,735
Prepaid taxes not yet earned (Special Revenue)	-	5,930
Unavailable revenue - Opioid Settlement (Special Revenue)	-	14,066,174
Unavailable revenue - tax road assessment (Special Revenue)	-	1,418,761
Leases	-	188,599
Taxes receivable, net (General)	-	2,242,282
Taxes receivable, net (Special Revenue)	-	217,897
Ambulance receivable, net (General)	-	2,327,113
Human resource receivable, net (General)	-	81,314
Total - Exhibit 3	<u>\$ -</u>	<u>\$ 20,695,805</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 \$7,697,663 reported as landfill closure and postclosure care liability as of June 30, 2025 represents a cumulative amount reported to date based on the use of 77.4% of the total estimated capacity of the municipal solid waste operating cell. The County will recognize the remaining estimated cost of closure and postclosure care of \$23,415,348 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2025. 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, 2025

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 \$50,000 each occurrence, and purchases excess liability insurance with limits of \$9 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 \$500,000 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 Poole (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 \$400,000 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 prepaays a reserve held by the risk pool to cover any incurred but not reported (IBNR) claims as of June 30, 2025.

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, 2024 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, 2025, 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. 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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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 \$2,066,667 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, 2025, including \$243,040 of interest are:

	Governmental Activities	
	Principal	Interest
2026	2,066,667	121,520
2027	2,066,667	81,013
2028	2,066,666	40,507
Total principal payments	<u>\$ 6,200,000</u>	
Total interest payments		<u>\$ 243,040</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.

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, 2025, including \$911,504 of interest are:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

	Governmental Activities	
	Principal	Interest
2026	2,720,000	263,824
2027	2,455,000	215,952
2028	2,455,000	172,744
2029	2,455,000	129,536
2030	2,455,000	86,328
2031	2,450,000	43,120
Total principal payments	<u>\$ 14,990,000</u>	
Total interest payments		<u>\$ 911,504</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, 2025, including \$1,316,409 of interest are:

	Governmental Activities	
	Principal	Interest
2026	1,237,000	228,510
2027	1,237,000	206,738
2028	1,237,000	184,967
2029	1,237,000	163,196
2030	1,237,000	141,424
2031-2035	6,181,000	380,697
2036	1,236,000	10,877
Total principal payments	<u>\$ 13,602,000</u>	
Total interest payments		<u>\$ 1,316,409</u>

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, 2025, including \$84,021 of interest are:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
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>\$ 3,525,288</u>		<u>\$ 513,712</u>	
Total interest payments		<u>\$ 73,334</u>		<u>\$ 10,687</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.

For Catawba County, the future sinking fund payments as of June 30, 2025, including \$30,650 of interest are:

	Governmental Activities	
	Principal	Interest
2026	698,355	30,650
Total principal payments	<u>\$ 698,355</u>	
Total interest payments		<u>\$ 30,650</u>

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 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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

sequestration reduction rate was applicable until the end of the federal fiscal year.

For Catawba County, the future sinking fund payments as of June 30, 2025, including \$19,822 of interest are:

	Governmental Activities	
	Principal	Interest
2026	419,315	19,822
Total principal payments	<u>\$ 419,315</u>	
Total interest payments		<u>\$ 19,822</u>

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, 2025, including \$1,202,987 of interest are:

	Governmental Activities	
	Principal	Interest
2026	1,185,000	335,744
2027	1,185,000	276,493
2028	1,185,000	236,500
2029	1,185,000	177,250
2030	1,185,000	118,000
2031	1,175,000	59,000
Total principal payments	<u>\$ 7,100,000</u>	
Total interest payments		<u>\$ 1,202,987</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, 2025, including \$8,006,845 of interest are:

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

	Governmental Activities	
	Principal	Interest
2026	1,960,000	1,169,862
2027	1,960,000	1,071,863
2028	1,955,000	973,988
2029	1,950,000	876,363
2030	1,950,000	778,863
2031-2035	9,750,000	2,547,594
2036-2039	7,770,000	588,312
Total principal payments	<u>\$ 27,295,000</u>	
Total interest payments		<u>\$ 8,006,845</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, 2025, including \$14,873,300 of interest are:

	Governmental Activities	
	Principal	Interest
2026	1,930,000	1,567,850
2027	1,930,000	1,471,350
2028	1,930,000	1,423,100
2029	1,930,000	1,326,600
2030	1,930,000	1,230,100
2031-2035	9,620,000	4,897,500
2036-2040	9,600,000	2,496,000
2041-2043	5,760,000	460,800
Total principal payments	<u>\$ 34,630,000</u>	
Total interest payments		<u>\$ 14,873,300</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 \$663,909 at June 30, 2025. 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 \$20,650 at June 30, 2025. The right to use asset is

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

discussed in more detail in the right to use section of this note.

Governmental Activities		
Lease Payments		
	Principal	Interest
2026	116,501	11,184
2027	83,981	9,019
2028	86,150	6,850
2029	88,376	4,624
2030	90,644	2,342
Total principal payments	<u>\$ 465,652</u>	
Total interest payments		<u>\$ 34,019</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.

In February 2024, the County entered into a 3-year subscription agreement with Software One for the purposes of a Microsoft Enterprise agreement to support technology infrastructure and applications. In February 2025, the contract was amended to include Office 365 licensing. The subscription liability is \$395,852 as of June 30, 2025. 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 \$637,270 at June 30, 2025. 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 \$354,222 as of June 30, 2025. 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 \$341,761 at June 30, 2025. 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. As of June 30, 2025 there is no remaining liability. As a result of the subscription agreement, the County has recorded a right to use asset with a net book value of \$8,951 at June 30, 2025. The right to use asset is discussed in more detail in the right to use section of this note.

In March 2024, the County entered into a 3-year subscription agreement with Northwoods Consulting Partners, Inc. for the purpose of a cloud-based case management solution for Social Services to support adult services. The subscription liability is \$81,572 as of June 30, 2025. The liability is measured at a discount rate of 2.363% 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 \$223,717 at June 30, 2025. The right to use asset is discussed in more detail in the right to use section of this note.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

Governmental Activities

	SBITA Payments	
	Principal	Interest
2026	648,909	11,282
2027	182,738	4,324
Total principal payments	<u>\$ 831,647</u>	
Total interest payments		<u>\$ 15,606</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, 2025 are:

	Business-type Activities	
	Principal	Interest
2026	75,000	-
2027	75,000	
2028	75,000	
2029	75,000	
2030	75,000	-
Total principal payments	<u>\$ 375,000</u>	
Total interest payments		<u>\$ -</u>

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

Bonds and Notes Outstanding at June 30, 2025 consist of the following:

	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate
Governmental Activities				
Direct Placement Installment Purchases				
2013 installment purchase	Public school and community college construction/renovation, County animal shelter	31,000,000	6,200,000	1.96%
2016 installment purchase	Public school and community college construction/renovation, refunding	50,530,000	14,990,000	1.76%
2020 installment purchase	Public school construction/renovation	18,550,000	13,602,000	1.76%
2021 installment purchase	Refunding debt for public schools, community college	<u>12,325,000</u>	<u>3,525,288</u>	1.40%
Total installment purchases		<u>112,405,000</u>	<u>38,317,288</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>	
Limited Obligation Bonds				
2014 LOB	Refunding debt for public schools, community college, new debt Justice Center	21,935,000	7,100,000	2.00-5.00%
2018 LOB	Public school and community college construction/renovations, County park, jail expansion	39,085,000	27,295,000	3.125-5.00%
2023 LOB	Public school construction and renovations	<u>38,480,000</u>	<u>34,630,000</u>	2.50-5.00%
Total limited obligation bonds		<u>99,500,000</u>	<u>69,025,000</u>	

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

Lease Liabilities Issued

2022 Building Leases	Building and office space leases for governmental activities	1,033,472	431,032
2023 Building Leases	Building and office space leases for governmental activities	119,987	34,635
2023 Software Leases	Subscription-Based Software Agreements	1,113,045	354,222
2024 Software Leases	Subscription-Based Software Agreements	<u>745,753</u>	<u>477,424</u>
Total Lease Liabilities		<u>2,266,504</u>	<u>1,297,313</u>
Total Governmental Activities		<u>241,980,057</u>	<u>136,448,154</u>

Business-type activities

Direct Placement Installment Purchases

2021 Installment purchase	Refunding debt for sanitary sewer	<u>1,567,592</u>	<u>513,712</u>	1.40%
---------------------------	-----------------------------------	------------------	----------------	-------

Direct Borrowing Federal Revolving Loan

2010 loan	Water improvements	<u>3,000,000</u>	<u>375,000</u>	0.00%
Total Business-type activities		<u>4,567,592</u>	<u>888,712</u>	

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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, 2025:

	Balance			Balance	Current
	June 30, 2024	Increases	Decreases	June 30, 2025	Portion of Balance
Governmental activities					
Certificates of participation	\$ 930,000		\$ (930,000)	\$ -	\$ -
Direct placement installment purchase	45,861,146		(7,543,858)	38,317,288	7,222,910
Direct placement Qualified School Const. Bond	27,808,553	-	-	27,808,553	
Limited obligation bonds	74,105,000	-	(5,080,000)	69,025,000	5,075,000
Premium on long-term debt	8,744,648	-	(608,955)	8,135,693	
Long-Term Leases	711,388		(245,736)	465,652	116,501
Long-Term Software Agreements	1,051,919	465,829	(686,101)	831,647	648,909
Compensated absences	6,701,205	668,549	-	7,369,754	373,210
Net pension liability (LGERS)	49,757,583	875,799	-	50,633,382	-
Total pension liability (LEOSSA)	7,248,041	712,081	-	7,960,122	174,313
Total OPEB liability	40,010,060	-	(10,791,831)	29,218,229	763,802
Total governmental activities	<u>\$ 262,929,543</u>	<u>\$ 2,722,258</u>	<u>\$ (25,886,481)</u>	<u>\$ 239,765,320</u>	<u>\$ 14,374,645</u>
Business-type activities					
Solid-Waste Management					
Accrued landfill closure and postclosure costs	\$ 10,229,316	\$ 100,000	\$ (2,631,653)	\$ 7,697,663	\$ -
Long-Term Leases	\$ 1,907	\$ -	\$ (1,907)	\$ -	\$ -
Compensated absences	111,848	17,042	-	128,890	5,158
Net pension liability (LGERS)	1,137,997	-	(14,344)	1,123,653	-
Total OPEB liability	1,026,038	-	(288,503)	737,535	20,419
Total Solid Waste Management	<u>\$ 12,507,106</u>	<u>\$ 117,042</u>	<u>\$ (2,936,407)</u>	<u>\$ 9,687,741</u>	<u>\$ 25,577</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

	Balance			Balance	Current
	June 30, 2024	Increases	Decreases	June 30, 2025	Portion of Balance
Water & Sewer					
Direct placement Installment purchase	\$ 691,521		\$ (177,809)	\$ 513,712	\$ 174,756
Direct borrowing federal revolving loan	450,000	-	(75,000)	375,000	75,000
Compensated absences	15,829	1,126	-	16,955	-
Net pension liability (LGERS)	91,659	11,150	-	102,809	-
Total OPEB liability	34,976	-	(9,015)	25,961	638
Total Water & Sewer	\$ 1,283,985	\$ 12,276	\$ (261,824)	\$ 1,034,437	\$ 250,394
Total business-type activities	\$ 13,791,091	\$ 129,318	\$ (3,198,231)	\$ 10,722,178	\$ 275,971

Compensated absences 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 \$373,210 for governmental activities and \$5,158 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 \$30,563,803 relates to assets the County holds title. Unexpended debt proceeds related to capital debt are \$89,859 for governmental activities and \$0 for business-type activities.

Net investment in capital assets for June 30, 2025 was calculated as follows:

	Governmental activities	Business-type activities
Capital assets	\$ 186,326,675	\$ 82,104,913
Long term debt outstanding	(136,448,157)	(888,712)
School debt for which County does not hold asset title	108,510,987	-
Premium on long term debt, net of school related debt	(2,751,132)	-
Deferred outflows, net of school related debt	34,640	-
Unexpended proceeds - net of school related debt	89,859	-
Total related debt	(30,563,803)	(888,712)
Net investment in capital assets	\$ 155,762,872	\$ 81,216,201

I. Legal Debt Margin

At June 30, 2025, Catawba County had a legal debt margin of \$2,396,318,863.

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

2016B (the "Series 2016B Bonds") through BB&T (now Truist) totaling \$18,340,000 for the purpose of refunding Series 2010 Bonds. Total 2016A Hospital Refunding Bonds outstanding at June 30, 2025 were \$18,780,280. Total 2016B Hospital Refunding Bonds outstanding at June 30, 2025 were \$2,499,751.

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, 2025 were \$32,570,736

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, 2025.

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

Catawba Valley Medical Center ("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, 2025, the right-to-use leased assets, net of amortization, had a carrying value of \$16,412,079 and lease liabilities totaling \$16,410,761.

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, 2025, Subscription assets, net of amortization, had a carrying value of \$3,830,266 and a subscription liability totaling \$3,129,270.

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

C. Interfund Balances and Activity

Transfers to/from other funds for the year ending June 30, 2025, consist of the following:

The composition of interfund balances as of June 30, 2025 are as follows:

Due to General Fund from the School Construction Fund for the advance of funds for expenditures prior to needs-base grant reimbursement	\$ <u>2,852,032</u>
---	---------------------

Transfers to/from other funds at June 30, 2025 consists of the following:

General Fund

From the General fund to the Stream Debris Removal Fund to provide grant matching funds and stream rehabilitation projects.	75,000
From the General fund to the Emergency Telephone fund to supplement other funding sources	14,135
From the General fund to the General Capital Projects fund for new construction and various capital improvement projects	7,678,724
From the General fund to the School Construction fund for various construction and capital improvement projects	106,376
From the General fund to the School Capital Projects fund for various school capital improvement projects	<u>3,015,000</u>
Subtotal General Fund	<u>10,889,235</u>

Other Governmental Funds

From the Hospital Capital Reserve fund to the General fund to support the school nurse initiative	360,009
From the ARPA Fund to the General Fund for expenses related to the Coronavirus pandemic	1,011,544
From the Opioid Settlement Fund to the General Fund for expense to support opioid abatement and remediation	267,678
From the Parks Historic Preservation Fund to the General Fund for park expenses	124,792
From the Rescue Squads Fund to the General Fund for current rescue squad expenses	71,508
From the Rescue Squads Fund to the General Capital Projects Fund for future public safety needs	163,589
From the School Capital Projects fund to the School Construction fund for various school renovations	<u>1,470,941</u>
Subtotal Other Governmental Funds	<u>3,470,061</u>

From the ARPA Fund to the Water and Sewer Capital Fund for ARPA eligible projects	<u>4,046,785</u>
Subtotal Enterprise Funds	<u>4,046,785</u>
Total Interfund Transfers	<u>\$ 18,406,081</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

D. Fund Balance

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

	Major Funds					Major Funds	
	General Fund	American Rescue Plan Act Fund	Opioid Settlement Fund	School Construction Fund	General Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
FUND BALANCES							
Nonspendable:							
Inventories	\$ 247,683	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 247,683
Prepaid	76,415	-	-	-	-	-	76,415
Notes receivable	5,282,583	-	-	-	-	-	5,282,583
Leases	6,403	-	-	-	-	-	6,403
Restricted:							
Stabilization by State Statute	25,714,402	-	-	-	-	386,533	26,100,935
Register of Deeds	87,251	-	-	-	-	-	87,251
Public Safety	122,489	-	-	-	-	2,162,518	2,285,007
Public Health	-	-	7,571,204	-	-	-	7,571,204
Fire Protection	-	-	-	-	-	2,458,554	2,458,554
Debt Service	26,699,815	-	-	-	-	-	26,699,815
Environmental Protection	-	-	-	-	-	252,558	252,558
Social Services	236,000	-	-	-	-	-	236,000
Library Endowment	-	-	-	-	-	218,692	218,692
Scholarship	-	-	-	-	-	59,894	59,894
Community Development	-	-	-	-	-	195,595	195,595
Education	-	-	-	-	-	1,791	1,791
Representative Payee	-	-	-	-	-	39,803	39,803
General Capital	-	-	-	-	90,931	-	90,931
School Capital and Construction	-	-	-	11,020,153	-	-	11,020,153
NC Railroad	-	-	-	-	-	41,973	41,973
Hospital Capital	-	-	-	-	-	2,047,164	2,047,164
Committed:							
Tax Reappraisal	208,353	-	-	-	-	-	208,353
Public Safety	-	667,514	-	-	-	-	667,514
Subdivision Road Improvement	-	-	-	-	-	934,632	934,632
General Capital	-	-	-	-	35,572,678	-	35,572,678
School Capital	-	-	-	-	-	23,055,474	23,055,474
School Construction	-	-	-	5,170,079	-	-	5,170,079
Assigned:							
Public Health	2,092,414	-	-	-	-	-	2,092,414
Social Services	11,510,988	-	-	-	-	-	11,510,988
County Manager	826,335	-	-	-	-	-	826,335
Human Resources	454,685	-	-	-	-	-	454,685
Library	725,105	-	-	-	-	-	725,105
Subsequent year's expenditures	8,664,411	-	-	-	-	-	8,664,411
Unassigned	75,851,616	-	-	-	-	-	75,851,616
Total fund balances	<u>\$ 158,806,948</u>	<u>\$ 667,514</u>	<u>\$ 7,571,204</u>	<u>\$ 16,190,232</u>	<u>\$ 35,663,609</u>	<u>\$ 31,855,181</u>	<u>\$ 250,754,688</u>

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

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

Total fund balance - General Fund	\$ 158,806,948
Less:	
Inventories	247,683
Prepaid	76,415
Notes receivable	5,282,583
Leases	6,403
Stabilization by State Statute	25,714,402
Fund Balance Available	<u>127,479,462</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 Special Revenue Funds	Non-Major Capital Projects Funds	Enterprise Funds
Encumbrances	\$ 4,068,639	\$ 7,469	\$ -	\$ 259,471	\$ -	\$ 951,983

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 \$8,733,362.39 are outstanding at June 30, 2025. The County made debt service payments of \$1,807,374 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 \$5,300,000 and \$700,000 to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2025. 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, 2025. 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 partners. The Commissioners have committed to provide a level of funding as specific goals are met and certain programs are

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2025

implemented. The County contributed \$100,000 to K-64 during the fiscal year ended June 30, 2025.

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 \$37,000 to the Lake Norman Marine Commission for operating expenses during the fiscal year ended June 30, 2025. An additional payment was provided for lyngbya containment and eradication for participating counties with Catawba County's portion totaling \$10,000. Complete financial statements for the Commission can be obtained from the Lake Norman Marine Commission, PO Box 2454, Cornelius, NC 28031.

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 \$85,904 to the Council during the fiscal year ended June 30, 2025.

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 101

For the year ended June 30, 2025, the County implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time owed to employees upon termination, the County now recognizes an estimated amount of sick leave earned as of year-end that will be used in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the GASB 101 Implementation-Restatement column in the table below.

	Net Position 6/30/2024 as previously reported	GASB 101 Implementation- Restatement	Net Position 6/30/2024 as Restated
Governmental Activities	\$ 221,645,351	\$ (434,952)	\$ 221,210,399
Total Governmental Activities	<u>\$ 221,645,351</u>	<u>\$ (434,952)</u>	<u>\$ 221,210,399</u>
Business-Type Activities			\$ -
Water and Sewer Fund	\$ 63,720,293	\$ 6,350	\$ 63,726,643
Solid Waste Fund	\$ 56,159,220	\$ (10,002)	\$ 56,149,218
Total Business Type Activities	<u>\$ 119,879,513</u>	<u>\$ (3,652)</u>	<u>\$ 119,875,861</u>



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, 2025*
Last Eight Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Total OPEB Liability				
Service Cost	\$ 1,817,428	\$ 1,804,127	\$ 1,764,334	\$ 1,778,672
Interest	1,554,091	1,440,163	753,432	705,957
Current-period benefit changes	-	-	-	-
Differences between expected and actual experience	(14,289,294)	(77,400)	8,499,000	(204,550)
Changes of assumptions	455,385	(456,177)	(4,331,323)	1,364,627
Benefit payments	(626,960)	(1,027,254)	(824,784)	(562,621)
Net change in total OPEB liability	(11,089,350)	1,683,459	5,860,659	3,082,085
Total OPEB liability - beginning	41,071,074	39,387,615	33,526,956	30,444,871
Total OPEB liability - ending	\$ 29,981,724	\$ 41,071,074	\$ 39,387,615	\$ 33,526,956
 Covered-employee payroll	 \$ 65,149,412	 \$ 54,806,180	 \$ 54,806,180	 \$ 52,032,994
Total OPEB liability as a percentage of covered-employee payroll	 46.02%	 74.94%	 71.87%	 64.43%

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>
2025	3.93%
2024	3.65%
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
Schedule 11
Page 2 of 2
**Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2025*
Last Eight Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service Cost	\$ 1,035,331	\$ 954,524	\$ 810,810	\$ 878,210
Interest	755,582	724,417	560,351	466,530
Current-period benefit changes	(24,416)	-	-	-
Differences between expected and actual experience	4,649,863	185,125	1,339,405	703,309
Changes of assumptions	3,843,738	825,667	880,348	(958,259)
Benefit payments	<u>(729,603)</u>	<u>(788,262)</u>	<u>(630,877)</u>	<u>(1,064,618)</u>
Net change in total OPEB liability	9,530,495	1,901,471	2,960,037	25,172
Total OPEB liability - beginning	<u>20,914,376</u>	<u>19,012,905</u>	<u>16,052,868</u>	<u>16,027,696</u>
Total OPEB liability - ending	<u><u>\$ 30,444,871</u></u>	<u><u>\$ 20,914,376</u></u>	<u><u>\$ 19,012,905</u></u>	<u><u>\$ 16,052,868</u></u>
 Covered-employee payroll	 \$ 52,032,994	 \$ 48,146,318	 \$ 48,146,318	 \$ 45,889,403
Total OPEB liability as a percentage of covered-employee payroll	58.51%	43.44%	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*

	2025	2024	2023	2022	2021
County's proportion of the net pension liability (asset) %	0.76927%	0.76984%	0.77626%	0.76773%	0.76954%
County's proportionate share of the net pension liability (asset)	\$ 51,859,844	\$ 50,987,239	\$ 43,792,149	\$ 11,773,877	\$ 27,370,299
County's covered payroll	\$ 71,317,216	\$ 66,194,911	\$ 58,538,462	\$ 56,412,509	\$ 53,799,929
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	72.72%	77.03%	74.81%	20.87%	50.87%
Plan fiduciary net position as a percentage of the total pension liability **	83.30%	82.49%	84.14%	95.51%	88.61%

* 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*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
County's proportion of the net pension liability (asset) %	0.75972%	0.79633%	0.80961%	0.83854%	0.81784%
County's proportionate share of the net pension liability (asset)	\$ 20,747,361	\$ 18,891,671	\$ 12,368,598	\$ 17,796,628	\$ 3,670,431
County's covered payroll	\$ 51,972,953	\$ 50,767,144	\$ 50,968,956	\$ 48,079,853	\$ 47,791,623
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	39.92%	37.21%	24.27%	37.01%	7.68%
Plan fiduciary net position as a percentage of the total pension liability **	90.86%	91.63%	94.18%	91.47%	98.09%

* 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 13

Page 1 of 2

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

	2025	2024	2023	2022	2021
Contractually required contribution	\$ 10,494,768	\$ 9,420,787	\$ 8,187,414	\$ 6,783,530	\$ 5,827,222
Contributions in relation to the contractually required contribution	10,494,768	9,420,787	8,187,414	6,783,530	5,827,222
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 75,091,503	\$ 71,317,216	\$ 66,194,911	\$ 58,538,462	\$ 56,412,509
Contributions as a percentage of covered payroll	13.98%	13.21%	12.37%	11.59%	10.33%

CATAWBA COUNTY, NORTH CAROLINA

Schedule 13

Page 2 of 2

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 4,927,547	\$ 4,145,168	\$ 3,946,861	\$ 3,798,830	\$ 3,272,052
Contributions in relation to the contractually required contribution	<u>4,927,547</u>	<u>4,145,168</u>	<u>3,946,861</u>	<u>3,798,830</u>	<u>3,272,052</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 53,799,929	\$ 51,972,953	\$ 50,767,144	\$ 50,968,956	\$ 48,079,853
Contributions as a percentage of covered payroll	9.16%	7.98%	7.77%	7.45%	6.81%

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

	2025	2024	2023	2022	2021
County's proportion of the net pension liability (asset) %	1.77623%	1.75234%	1.61895%	1.51969%	1.57266%
County's proportionate share of the net pension liability (asset)	\$ (204,675)	\$ (210,579)	\$ (214,349)	\$ (291,978)	\$ (360,422)
Plan fiduciary net position as a percentage of the total pension liability **	133.61%	135.74%	139.04%	156.53%	173.62%

* 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 ROD 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>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
County's proportion of the net pension liability (asset) %	1.42572%	1.61832%	1.64463%	1.68672%	1.65814%
County's proportionate share of the net pension liability (asset)	\$ (281,466)	\$ (268,042)	\$ (280,722)	\$ (315,346)	\$ (384,257)
Plan fiduciary net position as a percentage of the total pension liability **	164.11%	153.31%	153.77%	160.17%	197.29%

* 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 ROD plan.

CATAWBA COUNTY, NORTH CAROLINA

Schedule 15

Page 1 of 2

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

	2025	2024	2023	2022	2021
Contractually required contribution	\$ 16,565	\$ 15,283	\$ 15,639	\$ 18,559	\$ 18,238
Contributions in relation to the contractually required contribution	16,565	15,283	15,639	18,559	18,238
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule 15

Page 2 of 2

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

	<u>2020</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 15,058	\$ 12,629	\$ 14,289	\$ 13,779	\$ 13,268
Contributions in relation to the contractually required contribution	<u>15,058</u>	<u>12,629</u>	<u>14,289</u>	<u>13,779</u>	<u>13,268</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 Nine Fiscal Years

	2025	2024	2023	2022	2021
Total pension liability - beginning	\$ 7,248,041	\$ 6,116,355	\$ 6,637,702	\$ 6,352,087	\$ 4,190,800
Service cost at end of year	321,456	273,838	348,686	349,034	203,422
Interest on the total pension liability	284,714	259,025	146,972	120,840	134,056
Differences between expected and actual experience in the measurement of the total pension liability	545,962	645,622	314,842	178,937	225,161
Changes of assumptions or other inputs	(179,681)	166,189	(1,120,606)	(181,286)	1,755,968
Benefit payments	(260,370)	(212,988)	(211,241)	(181,910)	(157,320)
Net changes	712,081	1,131,686	(521,347)	285,615	2,161,287
Total pension liability - ending	<u>\$ 7,960,122</u>	<u>\$ 7,248,041</u>	<u>\$ 6,116,355</u>	<u>\$ 6,637,702</u>	<u>\$ 6,352,087</u>
Covered-employee payroll	10,580,930	9,669,211	8,294,232	8,113,038	7,445,935
Total pension liability as percentage of covered-employee payroll	75.23%	74.96%	73.74%	81.82%	85.31%

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, 2024 Measurement Date: The Municipal Bond Index Rate decreased from 4.00% to 4.28%.

December 31, 2023 Measurement Date: The Municipal Bond Index Rate decreased from 4.31% to 4.00%.

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 Nine Fiscal Years

	2020	2019	2018	2017
Total pension liability - beginning	\$ 3,817,860	\$ 3,715,011	\$ 3,344,006	\$ 3,245,785
Service cost at end of year	176,222	194,334	170,110	171,342
Interest on the total pension liability	136,083	115,531	127,178	114,108
Differences between expected and actual experience in the measurement of the total pension liability	89,070	77,270	(92,418)	-
Changes of assumptions or other inputs	130,193	(166,363)	264,596	(88,280)
Benefit payments	<u>(158,628)</u>	<u>(117,923)</u>	<u>(98,461)</u>	<u>(98,949)</u>
Net changes	<u>372,940</u>	<u>102,849</u>	<u>371,005</u>	<u>98,221</u>
Total pension liability - ending	<u>\$ 4,190,800</u>	<u>\$ 3,817,860</u>	<u>\$ 3,715,011</u>	<u>\$ 3,344,006</u>
Covered-employee payroll	6,841,603	7,131,126	6,979,639	6,548,828
Total pension liability as percentage of covered-employee payroll	61.25%	53.54%	53.23%	51.06%



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

Page 1 of 15

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			
	Final Budget	Actuals	Over/Under	Actual Prior Year
REVENUES				
Ad Valorem Taxes				
Current year taxes	120,456,000	123,546,609		
Prior year taxes	1,315,000	1,286,790		
Penalties and interest	550,000	611,504		
Tax leased vehicles and equipment	300,000	343,763		
Total ad valorem taxes	122,621,000	125,788,666	3,167,666	122,692,446
Other Taxes				
Local Option Sales Taxes				
Article 39 (1%)	21,610,000	23,212,391		
Article 40 (1/2%)	11,234,000	10,847,569		
Article 42 (1/2%)	5,290,000	5,610,759		
Article 44 (1/2%)	-	556		
Article 46 (1/4%)	7,096,000	7,525,529		
Medicaid Hold Harmless	2,412,927	2,412,927		
Subtotal local option sales taxes	47,642,927	49,609,731	1,966,804	44,482,398
Other Taxes and Licenses				
Real estate excise stamps	1,400,000	1,943,689		
ABC 5 cents per bottle	76,142	75,033		
Privilege licenses	7,500	6,580		
Subtotal other taxes and licenses	1,483,642	2,025,302	541,660	1,294,317
Total other taxes	49,126,569	51,635,033	2,508,464	45,776,715
Unrestricted Intergovernmental Revenues				
Beer & Wine Tax	350,000	349,231		
Video Programming fees	478,000	404,029		
Catawba County ABC profit distribution	1,293,030	1,329,000		
Total unrestricted intergovernmental revenues	2,121,030	2,082,260	(38,770)	2,380,950
Restricted Intergovernmental Revenues				
State grants	7,941,420	6,830,687		
Federal grants	23,247,426	18,755,916		
State and federal grants shared	6,256,137	6,632,248		
Local/Other	6,447,126	6,870,862		
Total restricted intergovernmental revenues	43,892,109	39,089,713	(4,802,396)	37,616,730
Permits and Fees				
Building permits	3,587,687	4,172,084		
Register of deeds	1,026,500	1,039,275		
Environmental health fees	420,000	347,968		
Other permits and fees	692,022	695,449		
Total permits and fees	5,726,209	6,254,776	528,567	5,889,418
Sales and Services				
Human resources services	1,494,200	1,358,589		
Services to municipalities	890,136	897,285		
Ambulance services	7,545,525	9,474,115		

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 2 of 15

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			
	Final Budget	Actuals	Over/Under	Actual Prior Year
Other sales and services	668,085	689,468		
Total sales and services	10,597,946	12,419,457	1,821,511	10,780,323
Investment Earnings	1,001,000	5,776,661	4,775,661	5,679,375
Miscellaneous				
Rental fees	37,304	60,264		
Donations and local grants	606,246	389,220		
Insurance premiums	2,947,000	2,999,264		
Other	663,824	949,111		
Total miscellaneous	4,254,374	4,397,859	143,485	4,263,584
Total revenues	239,340,237	247,444,425	8,104,188	235,079,541
EXPENDITURES				
General Government				
Board of Commissioners				
Salaries & employee benefits	136,728	136,591		
Other operating	136,100	72,550		
	272,828	209,141	63,687	202,701
Administration				
County Manager				
Salaries & employee benefits	1,276,535	1,267,660		
Other operating	131,439	96,279		
Non-operating	674,814	-		
	2,082,788	1,363,939	718,849	1,298,831
Legal Services				
Salaries & employee benefits	525,349	512,732		
Other operating	68,548	26,358		
	593,897	539,090	54,807	524,540
Budget				
Salaries & employee benefits	306,625	305,019		
Other operating	13,329	5,200		
	319,954	310,219	9,735	293,439
Total Administration	2,996,639	2,213,248	783,391	2,116,810
Tax Administration				
Tax Assessor				
Salaries & employee benefits	692,820	675,299		
Other operating	218,200	198,466		
Non-operating tax refunds	11,125	8,077		
	922,145	881,842	40,303	857,101
Tax Collector				
Salaries & employee benefits	778,340	722,390		
Other operating	699,825	573,923		

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 3 of 15

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			
	Final Budget	Actuals	Over/Under	Actual Prior Year
	<u>1,478,165</u>	<u>1,296,313</u>	<u>181,852</u>	<u>1,358,595</u>
Total Tax Administration	<u>2,400,310</u>	<u>2,178,155</u>	<u>222,155</u>	<u>2,215,696</u>
Board of Elections				
Salaries & employee benefits	680,741	678,295		
Other operating	<u>369,093</u>	<u>358,590</u>		
	<u>1,049,834</u>	<u>1,036,885</u>	<u>12,949</u>	<u>970,133</u>
Human Resources				
Human Resources				
Salaries & employee benefits	1,033,769	997,896		
Other operating	<u>150,886</u>	<u>50,629</u>		
Capital outlay	9,500	909		
Non-operating	<u>308,892</u>	<u>-</u>		
	<u>1,503,047</u>	<u>1,049,434</u>	<u>453,613</u>	<u>907,019</u>
Risk Management				
Salaries & employee benefits	173,421	172,779		
Other operating	<u>15,272</u>	<u>12,554</u>		
	<u>188,693</u>	<u>185,333</u>	<u>3,360</u>	<u>313,528</u>
Total Human Resources	<u>1,691,740</u>	<u>1,234,767</u>	<u>456,973</u>	<u>1,220,547</u>
Register of Deeds				
Salaries & employee benefits	854,467	819,515		
Other operating	<u>427,262</u>	<u>415,976</u>		
Capital outlay	<u>6,435</u>	<u>6,405</u>		
	<u>1,288,164</u>	<u>1,241,896</u>	<u>46,268</u>	<u>1,064,113</u>
Finance				
Administration and Accounting				
Salaries & employee benefits	1,233,287	1,179,356		
Other operating	<u>375,235</u>	<u>259,552</u>		
	<u>1,608,522</u>	<u>1,438,908</u>	<u>169,614</u>	<u>1,243,430</u>
Purchasing				
Salaries & employee benefits	358,456	358,122		
Other operating	<u>45,249</u>	<u>34,113</u>		
	<u>403,705</u>	<u>392,235</u>	<u>11,470</u>	<u>376,944</u>
Total Finance	<u>2,012,227</u>	<u>1,831,143</u>	<u>181,084</u>	<u>1,620,374</u>
Other General Government Programs				
Government Agencies - Justice Center				
Other operating	<u>15,500</u>	<u>-</u>		
	<u>15,500</u>	<u>-</u>	<u>15,500</u>	<u>10,500</u>
Other Government Costs				
Salaries & employee benefits	229,605	155,560		
Other operating	<u>524,775</u>	<u>508,253</u>		

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 4 of 15

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			
	Final Budget	Actuals	Over/Under	Actual Prior Year
	<u>754,380</u>	<u>663,813</u>	<u>90,567</u>	<u>507,006</u>
Self Insurance				
Wellness	543,450	496,044		
Premiums	3,827,050	3,727,769		
Liability	1,480,900	1,400,410		
Workers Compensation	535,000	385,341		
	<u>6,386,400</u>	<u>6,009,564</u>	<u>376,836</u>	<u>5,780,761</u>
Total Other General Government Programs	<u>7,156,280</u>	<u>6,673,377</u>	<u>482,903</u>	<u>6,298,267</u>
Total General Government	<u>18,868,022</u>	<u>16,618,612</u>	<u>2,249,410</u>	<u>15,708,641</u>
Public Safety				
Sheriff and Law Enforcement				
Administration and Law Enforcement				
Salaries & employee benefits	7,318,512	7,223,005		
Other operating	2,765,171	2,409,483		
Capital outlay	1,252,397	1,217,654		
	<u>11,336,080</u>	<u>10,850,142</u>	<u>485,938</u>	<u>10,365,543</u>
Catawba Valley Community College -				
Resource Officers				
Salaries & employee benefits	286,571	282,051		
Other operating	3,000	3,000		
	<u>289,571</u>	<u>285,051</u>	<u>4,520</u>	<u>250,670</u>
School Resource Officers				
Salaries & employee benefits	2,626,546	2,612,493		
Other operating	135,463	134,988		
	<u>2,762,009</u>	<u>2,747,481</u>	<u>14,528</u>	<u>2,545,419</u>
Records				
Salaries & employee benefits	414,700	408,188		
Other operating	28,841	22,815		
	<u>443,541</u>	<u>431,003</u>	<u>12,538</u>	<u>428,651</u>
Narcotics				
Salaries & employee benefits	1,097,887	1,063,069		
Other operating	133,027	120,350		
	<u>1,230,914</u>	<u>1,183,419</u>	<u>47,495</u>	<u>1,272,310</u>
Detectives				
Salaries & employee benefits	1,743,135	1,732,306		
Other operating	115,596	113,067		
	<u>1,858,731</u>	<u>1,845,373</u>	<u>13,358</u>	<u>1,564,427</u>
Lake Norman Water Patrol				
Salaries & employee benefits	315,417	300,805		
Other operating	86,841	69,594		
	<u>402,258</u>	<u>370,399</u>	<u>31,859</u>	<u>367,162</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 5 of 15

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			
	Final Budget	Actuals	Over/Under	Actual Prior Year
Court Security				
Salaries & employee benefits	1,306,408	1,252,369		
Other operating	20,000	19,013		
	<u>1,326,408</u>	<u>1,271,382</u>	<u>55,026</u>	<u>1,282,408</u>
Newton Detention Center				
Salaries & employee benefits	7,778,872	7,610,460		
Other operating	3,580,159	3,358,109		
Capital outlay	327,726	297,810		
	<u>11,686,757</u>	<u>11,266,379</u>	<u>420,378</u>	<u>10,019,810</u>
Prisoner Food Services				
Other operating	913,916	895,529		
	<u>913,916</u>	<u>895,529</u>	<u>18,387</u>	<u>764,583</u>
Total Sheriff and Law Enforcement	<u>32,250,185</u>	<u>31,146,158</u>	<u>1,104,027</u>	<u>28,860,983</u>
Emergency Services				
Emergency Services Administration				
Salaries & employee benefits	510,420	489,865		
Other operating	235,978	160,910		
Capital outlay	91,792	91,792		
	<u>838,190</u>	<u>742,567</u>	<u>95,623</u>	<u>651,817</u>
Veterans Services				
Salaries & employee benefits	198,970	197,272		
Other operating	36,789	15,558		
	<u>235,759</u>	<u>212,830</u>	<u>22,929</u>	<u>182,126</u>
Fire Marshal				
Salaries & employee benefits	493,486	462,505		
Other operating	95,606	94,701		
Capital outlay	249,000	240,865		
	<u>838,092</u>	<u>798,071</u>	<u>40,021</u>	<u>466,885</u>
Emergency Medical Services				
Salaries & employee benefits	12,021,078	11,689,852		
Other operating	2,853,147	2,371,877		
Capital outlay	5,732,076	3,717,285		
	<u>20,606,301</u>	<u>17,779,014</u>	<u>2,827,287</u>	<u>15,237,013</u>
Community Para-Medicine Program				
Salaries & employee benefits	352,250	106,872		
Other operating	96,750	32,250		
	<u>449,000</u>	<u>139,122</u>	<u>309,878</u>	<u>-</u>
Animal Control				
Salaries & employee benefits	384,834	383,184		
Other operating	44,615	30,836		
Capital outlay	78,000	-		

General Fund

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

For the Fiscal Year Ended June 30, 2025

With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			Actual Prior Year
	Final Budget	Actuals	Over/Under	
	507,449	414,020	93,429	460,173
Animal Shelter				
Salaries & employee benefits	1,178,702	994,502		
Other operating	235,003	207,411		
Capital outlay	160,000	97,089		
	1,573,705	1,299,002	274,703	1,156,333
Total Emergency Services	25,048,496	21,384,626	3,663,870	18,154,347
Communication Center				
Salaries & employee benefits	2,932,257	2,689,700		
Other operating	395,801	250,103		
Capital outlay	78,565	78,556		
	3,406,623	3,018,359	388,264	2,733,173
Other Public Safety				
Other operating	5,864,318	2,253,391	3,610,927	3,319,409
Rescue Squads	1,363,966	1,357,475	6,491	-
Total Public Safety	67,933,588	59,160,009	8,773,579	53,067,912
Environmental Protection				
Cooperative Extension				
Salaries & employee benefits	171,303	133,640		
Other operating	445,354	367,246		
	616,657	500,886	115,771	569,957
Soil & Water Conservation				
Salaries & employee benefits	226,276	224,179		
Other operating	10,503	9,707		
	236,779	233,886	2,893	229,188
Forest Ranger				
Other operating	113,286	84,243	29,043	69,127
Total Environmental Protection	966,722	819,015	147,707	868,272
Economic and Physical Development				
Technology				
Information Technology Center				
Salaries & employee benefits	2,789,285	2,771,838		
Other operating	2,631,169	2,330,815		
Capital outlay	483,148	465,830		
	5,903,602	5,568,483	335,119	5,116,363
Geospatial Information Services				
Salaries & employee benefits	956,223	938,109		
Other operating	175,437	110,720		
	1,131,660	1,048,829	82,831	1,020,175

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 7 of 15

General Fund

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

For the Fiscal Year Ended June 30, 2025

With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			
	Final Budget	Actuals	Over/Under	Actual Prior Year
Total Technology	7,035,262	6,617,312	417,950	6,136,538
Economic Development and Planning				
Planning & Zoning				
Salaries & employee benefits	611,298	608,635		
Other operating	300,426	98,615		
	911,724	707,250	204,474	664,099
County Parks				
Salaries & employee benefits	1,213,519	1,187,481		
Other operating	386,739	209,169		
	1,600,258	1,396,650	203,608	1,269,959
Other Economic and Physical Development				
Other operating	8,103,774	5,686,605	2,417,169	6,523,176
Total Economic Development and Planning	10,615,756	7,790,505	2,825,251	8,457,234
Utilities & Engineering				
Utilities & Engineering Administration				
Salaries & employee benefits	205,353	203,966		
Other operating	16,092	10,294		
	221,445	214,260	7,185	214,614
Building Inspection				
Salaries & employee benefits	3,203,662	3,015,145		
Other operating	600,359	508,006		
Capital outlay	189,830	99,716		
	3,993,851	3,622,867	370,984	3,586,108
Permit Center				
Salaries & employee benefits	477,282	469,573		
Other operating	127,972	116,374		
	605,254	585,947	19,307	579,144
Local Code Compliance				
Salaries & employee benefits	87,437	82,792		
Other operating	12,422	6,760		
	99,859	89,552	10,307	89,545
Total Utilities & Engineering	4,920,409	4,512,626	407,783	4,469,411
Facilities Division				
Construction Manager				
Salaries & employee benefits	314,733	312,378		
Other operating	3,018	2,754		
	317,751	315,132	2,619	295,720
Garage				
Salaries & employee benefits	362,075	360,691		

CATAWBA COUNTY, NORTH CAROLINA
Schedule A-1
Page 8 of 15
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			
	Final Budget	Actuals	Over/Under	Actual Prior Year
Other operating	527,781	528,285		
Capital outlay	59,986	55,233		
	<u>949,842</u>	<u>944,209</u>	<u>5,633</u>	<u>872,378</u>
General maintenance				
Salaries & employee benefits	1,058,207	1,053,638		
Other operating	85,364	73,285		
Capital outlay	45,564	45,563		
	<u>1,189,135</u>	<u>1,172,486</u>	<u>16,649</u>	<u>1,090,240</u>
General Buildings				
Other operating	603,564	577,843		
Capital outlay	28,900	28,900		
	<u>632,464</u>	<u>606,743</u>	<u>25,721</u>	<u>509,862</u>
Justice Buildings				
Other operating	1,426,711	1,339,787		
	<u>1,426,711</u>	<u>1,339,787</u>	<u>86,924</u>	<u>1,261,550</u>
Library Buildings				
Other operating	120,399	107,378		
	<u>120,399</u>	<u>107,378</u>	<u>13,021</u>	<u>115,451</u>
Leased Buildings				
Other operating	33,490	29,412		
	<u>33,490</u>	<u>29,412</u>	<u>4,078</u>	<u>29,032</u>
Social Services Buildings				
Other operating	68,975	56,562		
Capital outlay	25,530	25,530		
	<u>94,505</u>	<u>82,092</u>	<u>12,413</u>	<u>68,243</u>
Public Health Buildings				
Other operating	40,929	37,825		
	<u>40,929</u>	<u>37,825</u>	<u>3,104</u>	<u>31,980</u>
Family Services Center				
Other operating	14,285	14,156		
	<u>14,285</u>	<u>14,156</u>	<u>129</u>	<u>7,641</u>
Agriculture Resource/CREC Building				
Other operating	95,900	95,804		
	<u>95,900</u>	<u>95,804</u>	<u>96</u>	<u>-</u>
Street Signs				
Other operating	20,110	17,220		
	<u>20,110</u>	<u>17,220</u>	<u>2,890</u>	<u>14,142</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 9 of 15

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			
	Final Budget	Actuals	Over/Under	Actual Prior Year
Total Facilities Division	4,935,521	4,762,244	173,277	4,296,239
Total Economic & Physical Development	27,506,948	23,682,687	3,824,261	23,359,422
Human Services				
Medical Examiner				
Other operating	250,000	228,975		
	250,000	228,975	21,025	181,350
Mental Health Services				
General Administration				
Partners Behavioral Health Management	324,172	323,063		
	324,172	323,063	1,109	692,512
Social Services Department				
Administration				
Salaries & employee benefits	1,984,274	1,954,346		
Other operating	1,503,541	1,318,562		
Non-operating	10,351,001	-		
Capital outlay	175,000	134,588		
	14,013,816	3,407,496	10,606,320	3,601,432
CQI Quality Team				
Salaries & employee benefits	551,514	514,835		
Other operating	2,000	-		
	553,514	514,835	38,679	564,488
Child Protective Services Investigations				
Salaries & employee benefits	5,227,638	5,207,547		
Other operating	281,000	255,523		
Social Services assistance	5,000	-		
	5,513,638	5,463,070	50,568	4,845,234
Department of Human Resources Teams				
Salaries & employee benefits	750	750		
	750	750	-	155,538
Children's Day Care				
Salaries & employee benefits	570,712	559,915		
Other operating	500	162		
	571,212	560,077	11,135	542,222
Family Children Teams / Family Preservation				
Salaries & employee benefits	5,060,371	5,044,903		
Social Services assistance	221,085	88,058		
	5,281,456	5,132,961	148,495	4,815,557
Duke Endowment Family Children Project				
Salaries & employee benefits	373,800	365,210		
Other operating	70,105	54,484		
Social Services assistance	16,125	7,045		

General Fund

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

For the Fiscal Year Ended June 30, 2025

With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			Actual Prior Year
	Final Budget	Actuals	Over/Under	
	460,030	426,739	33,291	121,599
Community Services Block Grant				
Salaries & employee benefits	242,849	236,407		
Other operating	5,903	3,779		
Social Services assistance	104,800	90,312		
	353,552	330,498	23,054	237,345
Adoptions				
Salaries & employee benefits	2,197,973	2,194,725		
Other operating	6,000	1,449		
Social Services assistance	17,000	3,263		
	2,220,973	2,199,437	21,536	2,224,049
Post Adoption State Region				
Salaries & employee benefits	510,272	497,225		
Other operating	34,200	21,469		
Social Services assistance	34,125	22,335		
	578,597	541,029	37,568	570,628
Child Advocacy				
Salaries & employee benefits	619,756	602,765		
Other operating	7,673	6,177		
	627,429	608,942	18,487	570,996
FamilyNet Administration				
Salaries & employee benefits	313,556	303,238		
Other operating	118,972	87,503		
Social Services assistance	500	-		
	433,028	390,741	42,287	383,822
FamilyNet In-home Services				
Salaries & employee benefits	411,240	405,230		
Other operating	3,000	566		
	414,240	405,796	8,444	300,955
FamilyNet ECST				
Salaries & employee benefits	642,006	623,131		
Other operating	35,546	35,765		
	677,552	658,896	18,656	661,687
Work First				
Salaries & employee benefits	482,614	469,812		
Other operating	439,393	120,590		
Social Services assistance	212,472	10,362		
	1,134,479	600,764	533,715	843,720
Adult Services				
Social Services assistance	365,857	295,125		
	365,857	295,125	70,732	231,868

General Fund

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

For the Fiscal Year Ended June 30, 2025

With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Adult Social Work				
Salaries & employee benefits	2,538,536	2,529,360		
Other operating	43,700	37,298		
Social Services assistance	15,000	8,739		
	<u>2,597,236</u>	<u>2,575,397</u>	<u>21,839</u>	<u>2,368,232</u>
Medicaid Administration				
Salaries & employee benefits	2,228,417	2,149,187		
Other operating	1,000	762		
	<u>2,229,417</u>	<u>2,149,949</u>	<u>79,468</u>	<u>2,073,565</u>
Transportation				
Salaries & employee benefits	486,678	472,302		
Other operating	60,930	59,603		
	<u>607,608</u>	<u>531,905</u>	<u>75,703</u>	<u>593,938</u>
Nutrition				
Salaries & employee benefits	671,079	644,075		
Other operating	447,253	379,063		
Social Services assistance	624,005	545,566		
	<u>1,742,337</u>	<u>1,568,704</u>	<u>173,633</u>	<u>1,643,557</u>
Public Assistance Administration				
Salaries & employee benefits	3,552,393	3,491,910		
Other operating	19,700	2,013		
	<u>3,572,093</u>	<u>3,493,923</u>	<u>78,170</u>	<u>3,311,125</u>
Food Stamps				
Salaries & employee benefits	3,046,893	2,973,942		
Other operating	87,000	70,779		
	<u>3,133,893</u>	<u>3,044,721</u>	<u>89,172</u>	<u>2,860,604</u>
Child Support				
Salaries & employee benefits	1,757,134	1,727,163		
Other operating	293,500	266,556		
	<u>2,050,634</u>	<u>1,993,719</u>	<u>56,915</u>	<u>1,955,579</u>
General Assistance				
Other operating	41,660	33,567		
Social Services assistance	182,477	147,354		
	<u>224,137</u>	<u>180,921</u>	<u>43,216</u>	<u>150,073</u>
Public Assistance Payments				
Social Services assistance	1,044,568	1,031,853		
	<u>1,044,568</u>	<u>1,031,853</u>	<u>12,715</u>	<u>932,502</u>
Children's Purchase Services				
Social Services assistance	5,133,793	3,335,284		
	<u>5,133,793</u>	<u>3,335,284</u>	<u>1,798,509</u>	<u>3,479,280</u>
Total Social Services	<u>55,535,839</u>	<u>41,443,532</u>	<u>14,092,307</u>	<u>40,039,595</u>

General Fund

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

For the Fiscal Year Ended June 30, 2025

With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			Actual Prior Year
	Final Budget	Actuals	Over/Under	
Public Health Department				
Health Administration				
Salaries & employee benefits	980,472	979,037		
Other operating	335,262	261,570		
	<u>1,315,734</u>	<u>1,240,607</u>	<u>75,127</u>	<u>1,895,295</u>
Environmental Health				
Salaries & employee benefits	1,921,851	1,891,049		
Other operating	214,505	154,337		
Capital Outlay	17,805	17,805		
	<u>2,154,161</u>	<u>2,063,191</u>	<u>90,970</u>	<u>1,977,427</u>
Maternal Health				
Other operating	141,018	135,858		
	<u>141,018</u>	<u>135,858</u>	<u>5,160</u>	<u>144,732</u>
Pregnancy Care Management				
Salaries & employee benefits	461,268	365,636		
Other operating	12,060	9,001		
	<u>473,328</u>	<u>374,637</u>	<u>98,691</u>	<u>493,995</u>
Laboratory				
Salaries & employee benefits	123,292	122,937		
Other operating	40,106	21,682		
	<u>163,398</u>	<u>144,619</u>	<u>18,779</u>	<u>145,319</u>
Child Health - Smart Start				
Salaries & employee benefits	238,462	236,139		
Other operating	17,988	15,740		
	<u>256,450</u>	<u>251,879</u>	<u>4,571</u>	<u>245,304</u>
Care Coordination for Children				
Salaries & employee benefits	456,498	382,530		
Other operating	16,553	6,955		
	<u>473,051</u>	<u>389,485</u>	<u>83,566</u>	<u>364,730</u>
School Nurse Fund Initiative				
Salaries & employee benefits	2,848,220	2,722,876		
Other operating	103,241	79,996		
	<u>2,951,461</u>	<u>2,802,872</u>	<u>148,589</u>	<u>2,707,572</u>
Dental Health				
Other operating	12,150	7,256		
	<u>12,150</u>	<u>7,256</u>	<u>4,894</u>	<u>8,589</u>
Bioterrorism Grant				
Salaries & employee benefits	90,447	89,872		
Other operating	9,780	9,586		
	<u>100,227</u>	<u>99,458</u>	<u>769</u>	<u>89,829</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 13 of 15

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			
	Final Budget	Actuals	Over/Under	Actual Prior Year
OBCM Grant				
Salaries & employee benefits	96,937	95,885		
Other operating	2,627	1,513		
	<u>99,564</u>	<u>97,398</u>	<u>2,166</u>	<u>94,718</u>
Opioind Settlement/Coordination				
Salaries & employee benefits	115,318	114,297		
Other operating	39,682	14,258		
	<u>155,000</u>	<u>128,555</u>	<u>26,445</u>	<u>-</u>
CDC PH Infrastructure Grant				
Salaries & employee benefits	76,577	18,533		
Other operating	318,423	24		
	<u>395,000</u>	<u>18,557</u>	<u>376,443</u>	<u>73,169</u>
Healthy Promotion and Strategy				
Salaries & employee benefits	421,462	411,857		
Other operating	224,997	140,698		
	<u>646,459</u>	<u>552,555</u>	<u>93,904</u>	<u>406,203</u>
Clinical Services				
Salaries & employee benefits	2,302,513	1,798,763		
Other operating	961,679	601,276		
Capital outlay	20,480	-		
	<u>3,284,672</u>	<u>2,400,039</u>	<u>884,633</u>	<u>2,658,919</u>
Women Infants Children Program				
Salaries & employee benefits	1,160,651	1,112,737		
Other operating	45,506	36,791		
Capital outlay	91,837	90,542		
	<u>1,297,994</u>	<u>1,240,070</u>	<u>57,924</u>	<u>1,086,466</u>
Total Public Health	<u>13,919,667</u>	<u>11,947,036</u>	<u>1,972,631</u>	<u>12,392,267</u>
Total Human Services	<u>70,029,678</u>	<u>53,942,606</u>	<u>16,087,072</u>	<u>53,305,724</u>
Culture and Recreation				
County Library				
Library Administration - Main Library				
Salaries & employee benefits	1,563,998	1,533,642		
Other operating	521,925	491,274		
Non-operating	728,775	-		
	<u>2,814,698</u>	<u>2,024,916</u>	<u>789,782</u>	<u>1,929,455</u>
Pop Up Library				
Salaries & employee benefits	86,725	84,307		
Other operating	9,200	7,664		
	<u>95,925</u>	<u>91,971</u>	<u>3,954</u>	<u>88,502</u>
Sherrills Ford Branch				

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 14 of 15

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			
	Final Budget	Actuals	Over/Under	Actual Prior Year
Salaries & employee benefits	360,241	356,658		
Other operating	113,312	96,063		
	<u>473,553</u>	<u>452,721</u>	<u>20,832</u>	<u>410,049</u>
Maiden Branch				
Salaries & employee benefits	125,484	122,740		
Other operating	34,105	27,574		
	<u>159,589</u>	<u>150,314</u>	<u>9,275</u>	<u>140,669</u>
St. Stephens Branch				
Salaries & employee benefits	269,807	254,904		
Other operating	60,580	55,801		
	<u>330,387</u>	<u>310,705</u>	<u>19,682</u>	<u>321,435</u>
Southwest Branch Library				
Salaries & employee benefits	303,673	286,767		
Other operating	54,010	43,464		
	<u>357,683</u>	<u>330,231</u>	<u>27,452</u>	<u>335,010</u>
Conover Branch Library				
Salaries & employee benefits	173,906	169,553		
Other operating	24,344	17,596		
	<u>198,250</u>	<u>187,149</u>	<u>11,101</u>	<u>142,793</u>
Claremont Branch Library				
Salaries & employee benefits	66,857	65,936		
Other operating	19,830	13,244		
	<u>86,687</u>	<u>79,180</u>	<u>7,507</u>	<u>75,098</u>
Library Digital Champions Grant				
Salaries & employee benefits	134,528	79,211		
Other operating	165,472	19,838		
	<u>300,000</u>	<u>99,049</u>	<u>200,951</u>	<u>-</u>
Total County Library	<u>4,816,772</u>	<u>3,726,236</u>	<u>1,090,536</u>	<u>3,443,011</u>
Arts-Administration				
Other operating	626,642	626,642	-	633,736
Total Culture and Recreation	<u>5,443,414</u>	<u>4,352,878</u>	<u>1,090,536</u>	<u>4,076,747</u>
Education				
Current expense				
Catawba County Schools	33,425,082	33,425,082		
Hickory Public Schools	7,791,615	7,791,615		
Newton-Conover City Schools	5,516,169	5,516,169		
Catawba Valley Community College	5,300,000	5,300,000		
K64 Initiative	100,000	100,000		
Total Education	<u>52,132,866</u>	<u>52,132,866</u>	<u>-</u>	<u>49,768,076</u>

Debt Service

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 15 of 15

General Fund

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

For the Fiscal Year Ended June 30, 2025

With Comparative Actual Amounts for Fiscal Year June 30, 2024

	2025			
	Final Budget	Actuals	Over/Under	Actual Prior Year
Principal retirement	14,447,224	14,451,728		
Sinking fund payments	1,853,902	1,853,902		
Interest and other charges	4,270,401	4,214,857		
Total Debt Service	<u>20,571,527</u>	<u>20,520,487</u>	<u>51,040</u>	<u>23,410,913</u>
 Total expenditures	<u>263,452,765</u>	<u>231,229,160</u>	<u>32,223,605</u>	<u>223,565,707</u>
 Revenues over (under) expenditures	<u>(24,112,528)</u>	<u>16,215,265</u>	<u>40,327,793</u>	<u>11,513,834</u>
 Other financing sources (uses)				
Transfers from				
Hospital Capital Reserve	500,000	360,009	(139,991)	337,454
Opioid Settlement Fund	534,000	267,678	(266,322)	-
American Rescue Plan Act Fund	1,011,544	1,011,544	-	3,389,793
General Capital Projects Fund	-	-	-	170,913
School Construction Fund	-	-	-	973,687
Parks/Historic Preservation Fund	125,000	124,792	(208)	-
Rescue Squad Fund	71,508	71,508	-	-
 Transfers to				
Reappraisal Fund	(919,143)	(919,143)	-	(947,327)
Emergency Telephone System	(14,135)	(14,135)	-	(6,853)
Stream Debris Removal Fund	(75,000)	(75,000)	-	(103,240)
General Capital Projects Fund	(7,678,724)	(7,678,724)	-	(13,068,816)
School Capital Fund	(3,015,000)	(3,015,000)	-	(1,100,000)
School Construction Fund	(106,376)	(106,376)	-	-
 Proceeds from sale of assets	675,000	813,193	138,193	122,703
SBITA liabilities issued	483,148	465,829	(17,319)	573,331
Fund Balance appropriated	<u>32,520,706</u>	<u>-</u>	<u>(32,520,706)</u>	<u>-</u>
 Total other financing sources (uses)	<u>24,112,528</u>	<u>(8,693,825)</u>	<u>(32,806,353)</u>	<u>(9,658,355)</u>
 Net change in fund balance	<u>-</u>	<u>7,521,440</u>	<u>7,521,440</u>	<u>1,855,479</u>
 Fund Balances - Beginning of Year		<u>144,123,389</u>		
 Fund Balances - End of Year		<u>151,644,829</u>		

CATAWBA COUNTY, NORTH CAROLINA
Schedule A-2
Tax Reappraisal Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Investment earnings	\$ -	\$ 24,901	\$ 24,901	12,400
Total revenues	-	24,901	24,901	12,400
Expenditures				
Current				
General government				
Salaries & employee benefits	813,413	799,887	13,526	
Other operating	71,047	55,965	15,082	
Lease/SBITA Principal	33,967	33,967	-	
Lease/SBITA Interest	716	716	-	
Total expenditures	919,143	890,535	28,608	864,708
Excess of revenues over (under) expenditures	(919,143)	(865,634)	53,509	(852,308)
Other Financing Sources (Uses)				
Transfers from				
General Fund	919,143	919,143	-	947,327
Total other financing sources (uses)	919,143	919,143	-	947,327
Net change in fund balance	\$ -	53,509	\$ 53,509	95,019
Fund Balances - Beginning of Year		160,323		65,304
Fund Balances - End of Year		\$ 213,832		\$ 160,323

American Rescue Plan Act Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2025

	Project	Actual			
	Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Intergovernmental revenue					
Federal grants	\$ 30,324,230	\$ 22,888,788	5,523,852	\$ 28,412,640	\$ (1,911,590)
Investment earnings	-	414,527	252,988	667,515	667,515
Total revenues	30,324,230	23,303,315	5,776,840	29,080,155	(1,244,075)
Expenditures					
Public Safety					
Other operating	3,054,750	1,813,339	484,190	2,297,529	757,221
Total expenditures	3,054,750	1,813,339	484,190	2,297,529	757,221
Excess of revenues over (under) expenditures	27,269,480	21,489,976	5,292,650	26,782,626	(486,854)
Other Financing Sources (Uses)					
Transfers to					
General Fund	(17,759,480)	(17,738,708)	(1,011,544)	(18,750,252)	(990,772)
Water and Sewer Capital Fund	(9,510,000)	(3,318,075)	(4,046,785)	(7,364,860)	2,145,140
Total other financing sources (uses)	(27,269,480)	(21,056,783)	(5,058,329)	(26,115,112)	1,154,368
Net change in fund balance	\$ -	433,193	234,321	667,514	\$ 667,514
Fund Balances - Beginning of Year			433,193		
Fund Balances - End of Year			\$ 667,514		

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, 2025

	Project	Actual			
	Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Opioid Settlement Funds	\$ 710,753	\$ 5,376,149	\$ 2,048,660	\$ 7,424,809	\$ 6,714,056
Investment earnings	-	217,175	340,818	557,993	557,993
Total revenues	710,753	5,593,324	2,389,478	7,982,802	7,272,049
Expenditures					
Human Services	139,555	58,110	80,000	138,110	1,445
Other operating	37,198	5,810	-	5,810	31,388
Total expenditures	176,753	63,920	80,000	143,920	32,833
Excess of revenues over (under) expenditures	534,000	5,529,404	2,309,478	7,838,882	7,304,882
Other Financing Sources (Uses)					
Transfer to General Fund	(534,000)	-	(267,678)	(267,678)	266,322
Total other financing sources (uses)	(534,000)	-	(267,678)	(267,678)	266,322
Net change in fund balance	\$ -	\$ 5,529,404	\$ 2,041,800	\$ 7,571,204	\$ 7,571,204
Fund Balances - Beginning of Year			5,529,404		
Fund Balances - End of Year			\$ 7,571,204		

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, 2025**

	Special Revenue Funds (Schedule C-1)	Capital Project Funds (Schedule D-1)	Total Nonmajor Governmental Funds (Exhibit 3)
Assets			
Cash and investments	\$ 5,539,897	\$ 22,108,580	\$ 27,648,477
Taxes receivable - net	217,897	-	217,897
Due from other governments	216,831	3,909,101	4,125,932
Tax assessment receivable	-	1,418,761	1,418,761
Interest receivable	14,438	41,750	56,188
Restricted cash and investments	777,524	540,957	1,318,481
Total assets	<u>6,766,587</u>	<u>28,019,149</u>	<u>34,785,736</u>
Liabilities			
Accounts payable and accrued liabilities	105,983	21,145	127,128
Advance from grantor payable from restricted assets	660,839	500,000	1,160,839
Total liabilities	<u>766,822</u>	<u>521,145</u>	<u>1,287,967</u>
Deferred Inflows of Resources			
Taxes receivable	217,897	-	217,897
Tax special assessment receivable	-	1,418,761	1,418,761
Prepaid taxes	5,930	-	5,930
Total deferred inflows of resources	<u>223,827</u>	<u>1,418,761</u>	<u>1,642,588</u>
Fund Balances			
Restricted			
Stabilization by State Statute	386,533	-	386,533
Public Safety	2,162,518	-	2,162,518
Fire Protection	2,458,554	-	2,458,554
Environmental Protection	252,558	-	252,558
Library Endowment	218,692	-	218,692
Scholarship	59,894	-	59,894
Education	1,791	-	1,791
Community Development	195,595	-	195,595
Representative Payee	39,803	-	39,803
NC Railroad	-	41,973	41,973
Hospital Capital	-	2,047,164	2,047,164
Committed			
Subdivision Road Improvement	-	934,632	934,632
School Capital	-	23,055,474	23,055,474
Unassigned	-	-	-
Total fund balances	<u>5,775,938</u>	<u>26,079,243</u>	<u>31,855,181</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,766,587</u>	<u>\$ 28,019,149</u>	<u>\$ 34,785,736</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2025

	Special Revenue Funds (Schedule C-3)	Capital Project Funds (Schedule D-2)	Total Nonmajor Governmental Funds (Exhibit 4)
Revenues			
Ad valorem taxes	\$ 13,685,951	\$ -	\$ 13,685,951
Other taxes	-	10,299,440	10,299,440
Restricted intergovernmental revenues	941,747	52,200	993,947
Tax assessment road improvement	-	309,259	309,259
Permits and fees	415,324	-	415,324
Investment earnings	344,997	1,018,346	1,363,343
Miscellaneous	1,500	500,000	501,500
Total revenues	<u>15,389,519</u>	<u>12,179,245</u>	<u>27,568,764</u>
Expenditures			
Current			
General government	115,866	-	115,866
Public safety	14,159,432	-	14,159,432
Environment Protection	58,245	-	58,245
Economic and physical development	253,108	-	253,108
Human services	272,953	-	272,953
Culture and recreation	5,885	-	5,885
Education	296,181	-	296,181
Capital outlay	-	9,626,493	9,626,493
Total expenditures	<u>15,161,670</u>	<u>9,626,493</u>	<u>24,788,163</u>
Excess of revenues over (under) expenditures	227,849	2,552,752	2,780,601
Other Financing Sources (Uses)			
Transfers from other funds	89,135	3,015,000	3,104,135
Transfers to other funds	(359,889)	(1,830,950)	(2,190,839)
Total other financing sources (uses)	<u>(270,754)</u>	<u>1,184,050</u>	<u>913,296</u>
Net change in fund balance	(42,905)	3,736,802	3,693,897
Fund Balances - Beginning of Year	<u>5,818,843</u>	<u>22,342,441</u>	<u>28,161,284</u>
Fund Balances - End of Year	<u>\$ 5,775,938</u>	<u>\$ 26,079,243</u>	<u>\$ 31,855,181</u>



SM

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.

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 the accumulation of various grants to help reduce flooding and restore streams across North Carolina.

Office of Budget & Management Direct Grant Fund –

To account for various grants to be used for community development projects.

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

Page 1 of 4

**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2025**

	Emergency Telephone System Fund	State Unauthorized Substance Abuse Fund	Narcotics Seized Justice Fund	Narcotics Seized Treasury Fund
Assets				
Cash and investments	\$ 1,751,749	\$ 74,103	472,256	61,784
Taxes receivable - net	-	-	-	-
Restricted cash and investments				
Due from other governments	30,361	468	4,267	1,025
Interest receivable	3,474	135	859	117
Total assets	<u>1,785,584</u>	<u>74,706</u>	<u>477,382</u>	<u>62,926</u>
Liabilities				
Accounts payable and accrued liabilities	6,522	-	17,183	-
Advance from grantor payable from restricted assets	-	-	-	-
Total liabilities	<u>6,522</u>	<u>-</u>	<u>17,183</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	238,150	603	21,285	1,142
Public Safety	1,540,912	74,103	438,914	61,784
Representative Payee	-	-	-	-
Fire Protection	-	-	-	-
Library Endowment	-	-	-	-
Scholarship	-	-	-	-
Education	-	-	-	-
Environmental Protection	-	-	-	-
Community Development	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>1,779,062</u>	<u>74,706</u>	<u>460,199</u>	<u>62,926</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,785,584</u>	<u>\$ 74,706</u>	<u>\$ 477,382</u>	<u>\$ 62,926</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

Page 2 of 4

**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2025**

	Rescue Squads Fund	Library Endowment Fund	Gretchen Peed Scholarship Fund	Parks/ Historic Preservation Fund
Assets				
Cash and investments	\$ 46,805	\$ 224,577	\$ 59,894	\$ -
Taxes receivable - net	-	-	-	-
Restricted cash and investments	-	-	-	-
Due from other governments	-	-	-	-
Interest receivable	-	416	112	-
Total assets	<u>46,805</u>	<u>224,993</u>	<u>60,006</u>	<u>-</u>
Liabilities				
Accounts payable and accrued liabilities	-	5,885	-	-
Advance from grantor payable from restricted assets	-	-	-	-
Total liabilities	<u>-</u>	<u>5,885</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	-	416	112	-
Public Safety	46,805	-	-	-
Representative Payee	-	-	-	-
Fire Protection	-	-	-	-
Library Endowment	-	218,692	-	-
Scholarship	-	-	59,894	-
Education	-	-	-	-
Environmental Protection	-	-	-	-
Community Development	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>46,805</u>	<u>219,108</u>	<u>60,006</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 46,805</u>	<u>\$ 224,993</u>	<u>\$ 60,006</u>	<u>\$ -</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

Page 3 of 4

**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2025**

	Community Development Fund	Stream Debris Removal Fund	Office of Budget & Management Direct Grant Fund	Fines and Forfeitures Fund
Assets				
Cash and investments	\$ 25,869	252,085		30,127
Taxes receivable - net	-	-	-	-
Restricted cash and investments	-		\$ 777,524	-
Due from other governments	60,394	-	-	0
Interest receivable	50	473	4,293	-
Total assets	<u>86,313</u>	<u>252,558</u>	<u>781,817</u>	<u>30,127</u>
Liabilities				
Accounts payable and accrued liabilities	1,203	-	10,493	28,336
Advance from grantor payable from restricted assets	-	-	660,839	-
Total liabilities	<u>1,203</u>	<u>-</u>	<u>671,332</u>	<u>28,336</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	-	-		-
Public Safety	-	-	-	-
Representative Payee	-		-	-
Fire Protection	-	-	-	-
Library Endowment	-	-	-	-
Scholarship	-	-	-	-
Education	-	-	-	1,791
Environmental Protection		252,558		
Community Development	85,110	-	110,485	-
Unassigned		-	-	-
Total fund balances	<u>85,110</u>	<u>252,558</u>	<u>110,485</u>	<u>1,791</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 86,313</u>	<u>\$ 252,558</u>	<u>\$ 781,817</u>	<u>\$ 30,127</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

Page 4 of 4

**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2025**

	Representative Payee Fund	Deed of Trust Fund	Fire District Funds	Total Nonmajor Special Revenue Funds
Assets				
Cash and investments	39,803	10,311	\$ 2,490,534	\$ 5,539,897
Taxes receivable - net	-	-	217,897	217,897
Restricted cash and investments	-	-	-	777,524
Due from other governments	-	-	120,316	216,831
Interest receivable	-	-	4,509	14,438
Total assets	<u>39,803</u>	<u>10,311</u>	<u>2,833,256</u>	<u>6,766,587</u>
Liabilities				
Accounts payable and accrued liabilities	-	10,311	26,050	105,983
Advance from grantor payable from restricted assets	-	-	-	660,839
Total liabilities	<u>-</u>	<u>10,311</u>	<u>26,050</u>	<u>766,822</u>
Deferred Inflows of Resources				
Taxes receivable	-	-	217,897	217,897
Prepaid taxes	-	-	5,930	5,930
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>223,827</u>	<u>223,827</u>
Fund Balances				
Restricted		-		
Stabilization by State Statute	-	-	124,825	386,533
Public Safety	-	-	-	2,162,518
Representative Payee	39,803	-	-	39,803
Fire Protection	-	-	2,458,554	2,458,554
Library Endowment	-	-	-	218,692
Scholarship	-	-	-	59,894
Education	-	-	-	1,791
Environmental Protection	-	-	-	252,558
Community Development	-	-	-	195,595
Unassigned	-	-	-	-
Total fund balances	<u>39,803</u>	<u>-</u>	<u>2,583,379</u>	<u>5,775,938</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 39,803</u>	<u>\$ 10,311</u>	<u>\$ 2,833,256</u>	<u>\$ 6,766,587</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-2

Page 1 of 3

**Fire District Funds
Subcombining Balance Sheet
June 30, 2025**

	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	\$ 63,102	\$ 121,659	\$ 212,270	\$ 380,892	\$ 75,678
Taxes receivable - net	16,883	14,974	21,015	292	9,172
Due from other governments	12,388	4,840	22,233	1,446	6,199
Interest receivable	113	220	395	710	140
Total assets	<u>92,486</u>	<u>141,693</u>	<u>255,913</u>	<u>383,340</u>	<u>91,189</u>
Liabilities					
Accounts payable and accrued liabilities	16,046	-	-	-	3,725
Total liabilities	<u>16,046</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,725</u>
Deferred Inflows of Resources					
Taxes receivable	16,883	14,974	21,015	292	9,172
Prepaid taxes	-	232	73	699	69
Total deferred inflows of resources	<u>16,883</u>	<u>15,206</u>	<u>21,088</u>	<u>991</u>	<u>9,241</u>
Fund Balances					
Restricted					
Stabilization by State Statute	12,501	5,060	22,628	2,156	6,339
Fire Protection	<u>47,056</u>	<u>121,427</u>	<u>212,197</u>	<u>380,193</u>	<u>71,884</u>
Total fund balances	<u>59,557</u>	<u>126,487</u>	<u>234,825</u>	<u>382,349</u>	<u>78,223</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 92,486</u>	<u>\$ 141,693</u>	<u>\$ 255,913</u>	<u>\$ 383,340</u>	<u>\$ 91,189</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-2

Page 2 of 3

**Fire District Funds
Subcombining Balance Sheet
June 30, 2025**

	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	\$ 562,641	\$ 278,446	\$ 151,250	\$ 171,316	\$ 117,221
Taxes receivable - net	70,253	22,509	10,024	17,014	9,065
Due from other governments	26,116	13,140	5,054	6,239	2,812
Interest receivable	959	522	266	318	220
Total assets	<u>659,969</u>	<u>314,617</u>	<u>166,594</u>	<u>194,887</u>	<u>129,318</u>
Liabilities					
Accounts payable and accrued liabilities	-	3,040	-	2,446	-
Total liabilities	<u>-</u>	<u>3,040</u>	<u>-</u>	<u>2,446</u>	<u>-</u>
Deferred Inflows of Resources					
Taxes receivable	70,253	22,509	10,024	17,014	9,065
Prepaid taxes	2,922	853	141	159	449
Total deferred inflows of resources	<u>73,175</u>	<u>23,362</u>	<u>10,165</u>	<u>17,173</u>	<u>9,514</u>
Fund Balances					
Restricted					
Stabilization by State Statute	27,075	13,662	5,320	6,557	3,032
Fire Protection	559,719	274,553	151,109	168,711	116,772
Total fund balances	<u>586,794</u>	<u>288,215</u>	<u>156,429</u>	<u>175,268</u>	<u>119,804</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 659,969</u>	<u>\$ 314,617</u>	<u>\$ 166,594</u>	<u>\$ 194,887</u>	<u>\$ 129,318</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-2

Page 3 of 3

**Fire District Funds
Subcombining Balance Sheet
June 30, 2025**

	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	\$ 33,956	\$ 112,711	\$ 123,255	\$ 86,137	\$ 2,490,534
Taxes receivable - net	865	11,547	5,539	8,745	217,897
Due from other governments	568	10,153	1,731	7,397	120,316
Interest receivable	63	207	231	145	4,509
Total assets	<u>35,452</u>	<u>134,618</u>	<u>130,756</u>	<u>102,424</u>	<u>2,833,256</u>
Liabilities					
Accounts payable and accrued liabilities	-	-	793	-	26,050
Total liabilities	<u>-</u>	<u>-</u>	<u>793</u>	<u>-</u>	<u>26,050</u>
Deferred Inflows of Resources					
Taxes receivable	865	11,547	5,539	8,745	217,897
Prepaid taxes	-	243	90	-	5,930
Total deferred inflows of resources	<u>865</u>	<u>11,790</u>	<u>5,629</u>	<u>8,745</u>	<u>223,827</u>
Fund Balances					
Restricted					
Stabilization by State Statute	631	10,360	1,962	7,542	124,825
Fire Protection	<u>33,956</u>	<u>112,468</u>	<u>122,372</u>	<u>86,137</u>	<u>2,458,554</u>
Total fund balances	<u>34,587</u>	<u>122,828</u>	<u>124,334</u>	<u>93,679</u>	<u>2,583,379</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 35,452</u>	<u>\$ 134,618</u>	<u>\$ 130,756</u>	<u>\$ 102,424</u>	<u>\$ 2,833,256</u>



Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2025

	Emergency Telephone System Fund	State Unauthorized Substance Abuse Fund	Narcotics Seized Justice Fund	Narcotics Seized Treasury Fund
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental revenues	39,133	15,795	157,640	-
Permits and fees	-	-	-	-
Investment earnings	88,910	3,312	20,506	3,111
Miscellaneous	-	-	-	-
Total revenues	<u>128,043</u>	<u>19,107</u>	<u>178,146</u>	<u>3,111</u>
Expenditures				
Current				
General government	-	-	-	-
Public safety	574,279	6,692	181,737	60,239
Environmental Protection	-	-	-	-
Economic and physical development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Total expenditures	<u>574,279</u>	<u>6,692</u>	<u>181,737</u>	<u>60,239</u>
Excess of revenue over (under) expenditures	<u>(446,236)</u>	<u>12,415</u>	<u>(3,591)</u>	<u>(57,128)</u>
Other Financing Sources (Uses)				
Transfers from other funds	14,135	-	-	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	<u>14,135</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(432,101)	12,415	(3,591)	(57,128)
Fund Balances - Beginning of Year	<u>2,211,163</u>	<u>62,291</u>	<u>463,790</u>	<u>120,054</u>
Fund Balances - End of Year	<u>\$ 1,779,062</u>	<u>\$ 74,706</u>	<u>\$ 460,199</u>	<u>\$ 62,926</u>

Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2025

	Rescue Squads Fund	Library Endowment Fund	Gretchen Peed Scholarship Fund	Parks/ Historic Preservation Fund
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental revenues	-	5,885	-	-
Permits and fees	-	-	-	3,000
Investment earnings	-	10,084	2,733	185
Miscellaneous	-	-	1,500	-
Total revenues	-	15,969	4,233	3,185
Expenditures				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Environmental Protection	-	-	-	-
Economic and physical development	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	5,885	-	-
	-	-	-	-
Total expenditures	-	5,885	-	-
Excess of revenue over (under) expenditures	-	10,084	4,233	3,185
Other Financing Sources (Uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	(235,097)	-	-	(124,792)
Total other financing sources (uses)	(235,097)	-	-	(124,792)
Net change in fund balance	(235,097)	10,084	4,233	(121,607)
Fund Balances - Beginning of Year	281,902	209,024	55,773	121,607
Fund Balances - End of Year	\$ 46,805	\$ 219,108	\$ 60,006	\$ -

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-3

Page 3 of 4

Nonmajor Special Revenue Funds
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2025**

	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	246,665	117,678	89,161	-
Permits and fees	-	-	-	296,458
Investment earnings	1,613	11,176	77,744	-
Miscellaneous	-	-	-	-
Total revenues	<u>248,278</u>	<u>128,854</u>	<u>166,905</u>	<u>296,458</u>
Expenditures				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Environmental Protection	-	58,245	-	-
Economic and physical development	163,947	-	89,161	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	296,181
Total expenditures	<u>163,947</u>	<u>58,245</u>	<u>89,161</u>	<u>296,181</u>
Excess of revenue over (under) expenditures	<u>84,331</u>	<u>70,609</u>	<u>77,744</u>	<u>277</u>
Other Financing Sources (Uses)				
Transfers from other funds	-	75,000	-	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance	84,331	145,609	77,744	277
Fund Balances - Beginning of Year	<u>779</u>	<u>106,949</u>	<u>32,741</u>	<u>1,514</u>
Fund Balances - End of Year	<u>\$ 85,110</u>	<u>\$ 252,558</u>	<u>\$ 110,485</u>	<u>\$ 1,791</u>

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

Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2025

	Representative Payee Fund	Deed of Trust Fund	Fire District Funds	Total Nonmajor Special Revenue Funds
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ 13,685,951	\$ 13,685,951
Restricted intergovernmental revenues	269,790	-	-	941,747
Permits and fees	-	115,866	-	415,324
Investment earnings	-	-	125,623	344,997
Miscellaneous	-	-	-	1,500
Total revenues	<u>269,790</u>	<u>115,866</u>	<u>13,811,574</u>	<u>15,389,519</u>
Expenditures				
Current				
General government	-	115,866	-	115,866
Public safety	-	-	13,336,485	14,159,432
Environmental Protection	-	-	-	58,245
Economic and physical development	-	-	-	253,108
Human services	272,953	-	-	272,953
Culture and recreation	-	-	-	5,885
Education	-	-	-	296,181
Total expenditures	<u>272,953</u>	<u>115,866</u>	<u>13,336,485</u>	<u>15,161,670</u>
Excess of revenue over (under) expenditures	<u>(3,163)</u>	<u>-</u>	<u>475,089</u>	<u>227,849</u>
Other Financing Sources (Uses)				
Transfers from other funds	-	-	-	89,135
Transfers to other funds	-	-	-	(359,889)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(270,754)</u>
Net change in fund balance	(3,163)	-	475,089	(42,905)
Fund Balances - Beginning of Year	<u>42,966</u>	<u>-</u>	<u>2,108,290</u>	<u>5,818,843</u>
Fund Balances - End of Year	<u>\$ 39,803</u>	<u>\$ -</u>	<u>\$ 2,583,379</u>	<u>\$ 5,775,938</u>

Emergency Telephone System Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Restricted intergovernmental revenues				
North Carolina 911 funds	\$ -	\$ -	\$ -	\$ 475,311
North Carolina 911 funds - secondary PSAP	39,133	39,133	-	77,605
Investment earnings	-	88,910	88,910	89,791
Total revenues	<u>39,133</u>	<u>128,043</u>	<u>88,910</u>	<u>642,707</u>
Expenditures				
Current				
Public Safety				
Implemental functions	19,500	16,513	2,987	5,676
Telephone and furniture	110,300	118,072	(7,772)	76,793
Software	187,930	150,571	37,359	79,416
Hardware	141,620	242,613	(100,993)	196,790
Training	22,100	7,377	14,723	5,064
Capital outlay	275,000	-	275,000	-
Secondary PSAP	39,133	39,133	-	77,605
Miscellaneous	20,000	-	20,000	-
Total expenditures	<u>815,583</u>	<u>574,279</u>	<u>241,304</u>	<u>441,344</u>
Excess of revenues over (under) expenditures	<u>(776,450)</u>	<u>(446,236)</u>	<u>330,214</u>	<u>201,363</u>
Other Financing Sources (Uses)				
Transfers from				
General Fund	<u>14,135</u>	<u>14,135</u>	<u>-</u>	<u>6,853</u>
Transfers to				
General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance appropriated	<u>762,315</u>	<u>-</u>	<u>(762,315)</u>	<u>-</u>
Total other financing sources (uses)	<u>776,450</u>	<u>14,135</u>	<u>(762,315)</u>	<u>6,853</u>
Net change in fund balance	<u>\$ -</u>	<u>(432,101)</u>	<u>\$ (432,101)</u>	<u>208,216</u>
Fund Balances - Beginning of Year		<u>2,211,163</u>		<u>2,002,947</u>
Fund Balances - End of Year		<u>\$ 1,779,062</u>		<u>\$ 2,211,163</u>

CATAWBA COUNTY, NORTH CAROLINA**Schedule C-4A****Emergency Telephone System Unspent Fund Balance
PSAP Reconciliation
For the Fiscal Year Ended June 30, 2025**

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	\$ (432,101)
Secondary PSAP Pass Through Funding	
NC 911 Funds	(39,133)
Pass through to Secondary PSAPs	39,133
Ineligible 911 expenses reported in Emergency Telephone System Fund in prior year recovered through transfer from General Fund	-
Transfer from General Fund	<u>(14,135)</u>
Net change in fund balance	<u>(446,236)</u>
Beginning Balance, PSAP Revenue-Expenditure Report	<u>2,225,298</u>
Ending Balance, PSAP Revenue- Expenditure Report	<u>\$ 1,779,062</u>

State Unauthorized Substance Abuse Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Restricted intergovernmental revenues				
Drug Reimbursement	\$ -	\$ 15,795	\$ 15,795	\$ 16,157
Investment earnings	-	3,312	3,312	2,548
Total revenues	-	19,107	19,107	18,705
Expenditures				
Current				
Public Safety				
Other operating	21,692	6,692	15,000	-
Total expenditures	21,692	6,692	15,000	-
Excess of revenues over (under) expenditures	(21,692)	12,415	34,107	18,705
Other Financing Sources (Uses)				
Fund balance appropriated	21,692	-	(21,692)	-
Total other financing sources (uses)	21,692	-	(21,692)	-
Net change in fund balance	\$ -	12,415	\$ 12,415	18,705
Fund Balances - Beginning of Year		62,291		43,586
Fund Balances - End of Year		\$ 74,706		\$ 62,291

Narcotics Federal Seizure Justice Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Restricted intergovernmental revenues				
Asset Forfeitures	\$ -	\$ 157,640	\$ 157,640	\$ 108,651
Investment earnings	-	20,506	20,506	20,225
Total revenues	-	178,146	178,146	128,876
Expenditures				
Current				
Public Safety				
Other operating	215,961	181,737	34,224	127,564
Total expenditures	215,961	181,737	34,224	127,564
Excess of revenues over (under) expenditures	(215,961)	(3,591)	212,370	1,312
Other Financing Sources (Uses)				
Fund balance appropriated	215,961	-	(215,961)	-
Total other financing sources (uses)	215,961	-	(215,961)	-
Net change in fund balance	\$ -	(3,591)	\$ (3,591)	1,312
Fund Balances - Beginning of Year		463,790		462,478
Fund Balances - End of Year		<u>\$ 460,199</u>		<u>\$ 463,790</u>

Narcotics Federal Seizure Treasury Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Restricted intergovernmental revenues				
Investment earnings	\$ -	\$ 3,111	\$ 3,111	\$ 5,903
Total revenues	-	3,111	3,111	5,903
Expenditures				
Current				
Public Safety				
Other operating	120,000	60,239	59,761	35,685
Total expenditures	120,000	60,239	59,761	35,685
Excess of revenues over (under) expenditures	(120,000)	(57,128)	62,872	(29,782)
Other Financing Sources (Uses)				
Fund balance appropriated	120,000	-	(120,000)	-
Total other financing sources (uses)	120,000	-	(120,000)	-
Net change in fund balance	\$ -	(57,128)	\$ (57,128)	(29,782)
Fund Balances - Beginning of Year		120,054		149,836
Fund Balances - End of Year		\$ 62,926		\$ 120,054

Rescue Squads Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 1,188,970
Investment earnings	-	-	-	15,281
Total revenues	-	-	-	1,204,251
Expenditures				
Public Safety				
Other operating	-	-	-	1,089,573
Total expenditures	-	-	-	1,089,573
Excess of revenues over (under) expenditures	-	-	-	114,678
Other Financing Sources (Uses)				
Transfers to				
General Fund	(235,097)	(235,097)	-	-
Fund balance appropriated	235,097	-	(235,097)	-
Total other financing sources (uses)	-	(235,097)	(235,097)	-
Net change in fund balance	\$ -	(235,097)	\$ (235,097)	114,678
Fund Balances - Beginning of Year		281,902		167,224
Fund Balances - End of Year		\$ 46,805		\$ 281,902

CATAWBA COUNTY, NORTH CAROLINA
Schedule C-9

Library Endowment Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Community Foundation	\$ 7,000	\$ 5,885	\$ (1,115)	\$ 5,787
Investment earnings	-	10,084	10,084	8,958
Total revenues	7,000	15,969	8,969	14,745
	-			
Expenditures				
Culture and recreation				
Other operating	7,000	5,885	1,115	5,772
Total expenditures	7,000	5,885	1,115	5,772
Excess of revenues over (under) expenditures	-	10,084	10,084	8,973
Net change in fund balance	\$ -	10,084	\$ 10,084	8,973
Fund Balances - Beginning of Year		209,024		200,051
Fund Balances - End of Year		\$ 219,108		\$ 209,024

Gretchen Peed Scholarship Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2025
 With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Investment earnings	\$ -	\$ 2,733	\$ 2,733	\$ 2,417
Miscellaneous				
Donations	4,000	1,500	(2,500)	1,500
Total revenues	4,000	4,233	233	3,917
Expenditures				
Human services				
Scholarship awards	4,000	-	4,000	4,000
Total expenditures	4,000	-	4,000	4,000
Excess of revenues over (under) expenditures	-	4,233	4,233	(83)
Net change in fund balance	\$ -	4,233	\$ 4,233	(83)
Fund Balances - Beginning of Year		55,773		55,856
Fund Balances - End of Year		\$ 60,006		\$ 55,773

Parks/Historic Preservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Licenses and permits				
Developer fee	\$ 8,000	\$ 3,000	\$ (5,000)	\$ 26,500
Investment earnings	-	185	185	5,034
Total revenues	<u>8,000</u>	<u>3,185</u>	<u>(4,815)</u>	<u>31,534</u>
Expenditures				
Economic and physical development				
Other operating	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>8,000</u>	<u>3,185</u>	<u>(4,815)</u>	<u>31,534</u>
Other Financing Sources (Uses)				
Fund balance appropriated	117,000	-	(117,000)	-
Transfers to General Fund	<u>(125,000)</u>	<u>(124,792)</u>	<u>208</u>	<u>-</u>
Total other financing sources (uses)	<u>(8,000)</u>	<u>(124,792)</u>	<u>(116,792)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(121,607)</u>	<u>\$ (121,607)</u>	<u>31,534</u>
Fund Balances - Beginning of Year		<u>121,607</u>		<u>90,073</u>
Fund Balances - End of Year		<u>\$ -</u>		<u>\$ 121,607</u>

Stream Debris Removal Fund

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

For the Fiscal Year Ended June 30, 2025

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Restricted intergovernmental revenues	\$ 226,110	\$ 117,678	\$ 108,432	\$ 165,935
Investment earnings	-	11,176	11,176	3,709
Total revenues	<u>226,110</u>	<u>128,854</u>	<u>119,608</u>	<u>169,644</u>
Expenditures				
Environmental Protection				
Other operating	404,350	58,245	346,105	165,935
Total expenditures	<u>404,350</u>	<u>58,245</u>	<u>346,105</u>	<u>165,935</u>
Excess of revenues over (under) expenditures	<u>(178,240)</u>	<u>70,609</u>	<u>248,849</u>	<u>3,709</u>
Other Financing Sources (Uses)				
Transfers to From				
General Fund	75,000	75,000	-	-
Fund balance appropriated	103,240	-	(103,240)	103,240
Total other financing sources (uses)	<u>178,240</u>	<u>75,000</u>	<u>(103,240)</u>	<u>103,240</u>
Net change in fund balance	<u>\$ -</u>	145,609	<u>\$ 145,609</u>	106,949
Fund Balances - Beginning of Year		<u>106,949</u>		<u>-</u>
Fund Balances - End of Year		<u>\$ 252,558</u>		<u>\$ 106,949</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-13

Page 1 of 2

**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, 2025**

NC Housing Trust Fund (NCHFA) 2023 Urgent Repair Program (URP 2303)	Project Authorization	Actual			
		Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Restricted intergovernmental revenues	\$ 132,000	\$ 79,446	\$ 52,447	\$ 131,893	\$ (107)
Investment earnings	1,027	817	317	1,134	107
Total revenues	133,027	80,263	52,764	133,027	-
Expenditures					
Economic and physical development					
Administration	24,000	-	24,000	24,000	-
Rehabilitation	109,027	79,446	29,581	109,027	-
Total expenditures	133,027	79,446	53,581	133,027	-
Excess of revenues over (under) expenditures	-	817	(817)	-	-
Other Financing Sources (Uses)					
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 817	(817)	\$ -	\$ -
Fund Balances - Beginning of Year			817		
Fund Balances - End of Year			\$ -		

NC Housing Trust Fund (NCHFA) 2024 Urgent Repair Program (URP 2404)	Project Authorization	Actual			
		Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Restricted intergovernmental revenues	\$ 132,000	\$ -	\$ 120,000	\$ 120,000	\$ (12,000)
Investment earnings	-	-	1,296	1,296	1,296
Total revenues	132,000	-	121,296	121,296	(10,704)
Expenditures					
Economic and physical development					
Administration	24,000	-	3,664	3,664	20,336
Rehabilitation	108,000	-	32,464	32,464	75,536
Total expenditures	132,000	-	36,128	36,128	95,872
Excess of revenues over (under) expenditures	-	-	85,168	85,168	85,168
Other Financing Sources (Uses)					
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	85,168	\$ 85,168	\$ 85,168
Fund Balances - Beginning of Year			-		
Fund Balances - End of Year			\$ 85,168		

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-13

Page 2 of 2

**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, 2025**

NC Scattered Site Housing Grant Number 19-C-3125	Project	Actual			
	Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Restricted intergovernmental revenues	\$ 750,000	\$ 316,869	\$ 74,218	\$ 391,087	\$ (358,913)
Total revenues	750,000	316,869	74,218	391,087	(358,913)
Expenditures					
Economic and physical development					
Administration	65,000	61,853	207	62,060	2,940
Rehabilitation	682,000	252,054	74,031	326,085	355,915
Planning	3,000	3,000	-	3,000	-
Total expenditures	750,000	316,907	74,238	391,145	358,855
Excess of revenues over (under) expenditures	-	(38)	(20)	(58)	(58)
Other Financing Sources (Uses)					
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ (38)	(20)	\$ (58)	\$ (58)
Fund Balances - Beginning of Year			(38)		
Fund Balances - End of Year			\$ (58)		

Office of State Budget & Management Direct Grants
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 From Inception and for the Year Ended June 30, 2025

	Project	Actual			
	Authorization	Prior Years	Current Year	Total to Date	Over/ Under
Revenues					
Restricted intergovernmental revenues	\$ 1,750,000	\$ 1,000,000	\$ 89,161	\$ 1,089,161	\$ (660,839)
Investment earnings	<u>-</u>	<u>32,741</u>	<u>\$ 77,744</u>	<u>\$ 110,485</u>	<u>\$ 110,485</u>
Total revenues	<u>1,750,000</u>	<u>1,032,741</u>	<u>166,905</u>	<u>1,199,646</u>	<u>(550,354)</u>
Expenditures					
Economic and physical development					
Other operating	<u>\$ 1,750,000</u>	<u>1,000,000</u>	<u>89,161</u>	<u>1,089,161</u>	<u>660,839</u>
Total expenditures	<u>1,750,000</u>	<u>1,000,000</u>	<u>89,161</u>	<u>1,089,161</u>	<u>660,839</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>32,741</u>	<u>77,744</u>	<u>110,485</u>	<u>110,485</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 32,741</u>	<u>77,744</u>	<u>\$ 110,485</u>	<u>110,485</u>
Fund Balances - Beginning of Year			<u>32,741</u>		
Fund Balances - End of Year			<u>\$ 110,485</u>		

Fines and Forfeitures Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Sales and services				
Penalties, fines and forfeitures	\$ 511,106	\$ 296,458	\$ 214,648	\$ 310,151
Total revenues	<u>511,106</u>	<u>296,458</u>	<u>214,648</u>	<u>310,151</u>
Expenditures				
Education				
Payments of penalties, fines and forfeitures to local Boards of Education	<u>511,106</u>	<u>296,181</u>	<u>214,925</u>	<u>305,506</u>
Total expenditures	<u>511,106</u>	<u>296,181</u>	<u>214,925</u>	<u>305,506</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>277</u>	<u>277</u>	<u>4,645</u>
Net change in fund balance	<u>\$ -</u>	<u>277</u>	<u>277</u>	<u>\$ 4,645</u>
Fund Balances - Beginning of Year		<u>1,514</u>		<u>-</u>
Fund Balances - End of Year		<u>\$ 1,791</u>		<u>\$ 1,514</u>

Representative Payee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Intergovernmental revenue				
Representative payee funds	\$ 400,000	\$ 269,790	\$ 130,210	\$ 255,782
Total revenues	<u>400,000</u>	<u>269,790</u>	<u>130,210</u>	<u>255,782</u>
Expenditures				
Human Services				
Payments made for the benefit of beneficiaries	<u>400,000</u>	<u>272,953</u>	<u>127,047</u>	<u>299,900</u>
Total expenditures	<u>400,000</u>	<u>272,953</u>	<u>127,047</u>	<u>299,900</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>(3,163)</u>	<u>(3,163)</u>	<u>(44,118)</u>
Net change in fund balance	<u>\$ -</u>	<u>(3,163)</u>	<u>(3,163)</u>	<u>\$ (44,118)</u>
Fund Balances - Beginning of Year		<u>42,966</u>		<u>87,084</u>
Fund Balances - End of Year		<u>\$ 39,803</u>		<u>\$ 42,966</u>

Deed of Trust Fund

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

For the Fiscal Year Ended June 30, 2025

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Permits and fees				
Register of Deeds	\$ 150,000	\$ 115,866	\$ 34,134	\$ 106,553
Total revenues	<u>150,000</u>	<u>115,866</u>	<u>34,134</u>	<u>106,553</u>
Expenditures				
General Government				
Payment of fees collected to the State of North Carolina	<u>150,000</u>	<u>115,866</u>	<u>34,134</u>	<u>106,553</u>
Total expenditures	<u>150,000</u>	<u>115,866</u>	<u>34,134</u>	<u>106,553</u>
Excess of revenues over (under) expenditures	<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

Schedule C-18

Page 1 of 3

Fire District Funds
**Subcombining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2025**

	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	\$ 1,109,029	\$ 383,556	\$ 1,970,938	\$ 149,210	\$ 530,045
Investment earnings	4,151	5,906	12,087	15,941	4,143
Total revenues	<u>1,113,180</u>	<u>389,462</u>	<u>1,983,025</u>	<u>165,151</u>	<u>534,188</u>
Expenditures					
Current					
Public safety	1,113,425	368,210	1,962,304	-	519,655
Total expenditures	<u>1,113,425</u>	<u>368,210</u>	<u>1,962,304</u>	<u>-</u>	<u>519,655</u>
Excess of revenue over (under) expenditures	<u>(245)</u>	<u>21,252</u>	<u>20,721</u>	<u>165,151</u>	<u>14,533</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	(245)	21,252	20,721	165,151	14,533
Fund Balances - Beginning of Year	<u>59,802</u>	<u>105,235</u>	<u>214,104</u>	<u>217,198</u>	<u>63,690</u>
Fund Balances - End of Year	<u>\$ 59,557</u>	<u>\$ 126,487</u>	<u>\$ 234,825</u>	<u>\$ 382,349</u>	<u>\$ 78,223</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-18

Page 2 of 3

Fire District Funds
**Subcombining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2025**

	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	\$ 4,558,256	\$ 1,332,663	\$ 552,368	\$ 612,310	\$ 378,117
Investment earnings	28,954	14,405	6,994	8,548	5,873
Total revenues	<u>4,587,210</u>	<u>1,347,068</u>	<u>559,362</u>	<u>620,858</u>	<u>383,990</u>
Expenditures					
Current					
Public safety	<u>4,385,460</u>	<u>1,406,891</u>	<u>567,058</u>	<u>599,086</u>	<u>369,738</u>
Total expenditures	<u>4,385,460</u>	<u>1,406,891</u>	<u>567,058</u>	<u>599,086</u>	<u>369,738</u>
Excess of revenue over (under) expenditures	<u>201,750</u>	<u>(59,823)</u>	<u>(7,696)</u>	<u>21,772</u>	<u>14,252</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	201,750	(59,823)	(7,696)	21,772	14,252
Fund Balances - Beginning of Year	<u>385,044</u>	<u>348,038</u>	<u>164,125</u>	<u>153,496</u>	<u>105,552</u>
Fund Balances - End of Year	<u>\$ 586,794</u>	<u>\$ 288,215</u>	<u>\$ 156,429</u>	<u>\$ 175,268</u>	<u>\$ 119,804</u>

CATAWBA COUNTY, NORTH CAROLINA
Schedule C-18
Page 3 of 3
Fire District Funds
**Subcombining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2025**

	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	\$ 52,868	\$ 967,254	\$ 206,318	\$ 883,019	\$ 13,685,951
Investment earnings	1,638	6,411	5,915	4,657	125,623
Total revenues	<u>54,506</u>	<u>973,665</u>	<u>212,233</u>	<u>887,676</u>	<u>13,811,574</u>
Expenditures					
Current					
Public safety	<u>51,188</u>	<u>943,195</u>	<u>202,247</u>	<u>848,028</u>	<u>13,336,485</u>
Total expenditures	<u>51,188</u>	<u>943,195</u>	<u>202,247</u>	<u>848,028</u>	<u>13,336,485</u>
Excess of revenue over (under) expenditures	<u>3,318</u>	<u>30,470</u>	<u>9,986</u>	<u>39,648</u>	<u>475,089</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	3,318	30,470	9,986	39,648	475,089
Fund Balances - Beginning of Year	<u>31,269</u>	<u>92,358</u>	<u>114,348</u>	<u>54,031</u>	<u>2,108,290</u>
Fund Balances - End of Year	<u>\$ 34,587</u>	<u>\$ 122,828</u>	<u>\$ 124,334</u>	<u>\$ 93,679</u>	<u>\$ 2,583,379</u>

Mountain View Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 1,097,602	\$ 1,109,029	\$ 11,427	\$ 946,519
Investment earnings	-	4,151	4,151	3,083
Total revenues	<u>1,097,602</u>	<u>1,113,180</u>	<u>15,578</u>	<u>949,602</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>1,113,425</u>	<u>1,113,425</u>	<u>-</u>	<u>941,718</u>
Total expenditures	<u>1,113,425</u>	<u>1,113,425</u>	<u>-</u>	<u>941,718</u>
Excess of revenues over (under) expenditures	<u>(15,823)</u>	<u>(245)</u>	<u>15,578</u>	<u>7,884</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>15,823</u>	<u>-</u>	<u>(15,823)</u>	<u>-</u>
Total other financing sources (uses)	<u>15,823</u>	<u>-</u>	<u>(15,823)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(245)</u>	<u>\$ (245)</u>	<u>7,884</u>
Fund Balances - Beginning of Year		<u>59,802</u>		<u>51,918</u>
Fund Balances - End of Year		<u>\$ 59,557</u>		<u>\$ 59,802</u>

Propst Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 368,210	\$ 383,556	\$ 15,346	\$ 381,299
Investment earnings	-	5,906	5,906	4,443
Total revenues	<u>368,210</u>	<u>389,462</u>	<u>21,252</u>	<u>385,742</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>368,210</u>	<u>368,210</u>	<u>-</u>	<u>360,711</u>
Total expenditures	<u>368,210</u>	<u>368,210</u>	<u>-</u>	<u>360,711</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>21,252</u>	<u>21,252</u>	<u>25,031</u>
Net change in fund balance	<u>\$ -</u>	<u>21,252</u>	<u>\$ 21,252</u>	<u>25,031</u>
Fund Balances - Beginning of Year		<u>105,235</u>		<u>80,204</u>
Fund Balances - End of Year		<u>\$ 126,487</u>		<u>\$ 105,235</u>

St. Stephens Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 1,921,194	\$ 1,970,938	\$ 49,744	\$ 1,630,004
Investment earnings	-	12,087	12,087	7,979
Total revenues	<u>1,921,194</u>	<u>1,983,025</u>	<u>61,831</u>	<u>1,637,983</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>1,962,304</u>	<u>1,962,304</u>	<u>-</u>	<u>1,535,525</u>
Total expenditures	<u>1,962,304</u>	<u>1,962,304</u>	<u>-</u>	<u>1,535,525</u>
Excess of revenues over (under) expenditures	<u>(41,110)</u>	<u>20,721</u>	<u>61,831</u>	<u>102,458</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>41,110</u>	<u>-</u>	<u>(41,110)</u>	<u>-</u>
Total other financing sources (uses)	<u>41,110</u>	<u>-</u>	<u>(41,110)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>20,721</u>	<u>\$ 20,721</u>	<u>102,458</u>
Fund Balances - Beginning of Year		<u>214,104</u>		<u>111,646</u>
Fund Balances - End of Year		<u>234,825</u>		<u>214,104</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, 2025
 With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 145,912	\$ 149,210	\$ 3,298	\$ 149,071
Investment earnings	-	15,941	15,941	11,946
Total revenues	<u>145,912</u>	<u>165,151</u>	<u>19,239</u>	<u>161,017</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>145,912</u>	<u>-</u>	<u>145,912</u>	<u>446,767</u>
Total expenditures	<u>145,912</u>	<u>-</u>	<u>145,912</u>	<u>446,767</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>165,151</u>	<u>165,151</u>	<u>(285,750)</u>
Net change in fund balance	<u>\$ -</u>	<u>165,151</u>	<u>\$ 165,151</u>	<u>(285,750)</u>
Fund Balances - Beginning of Year		<u>217,198</u>		<u>502,948</u>
Fund Balances - End of Year		<u>\$ 382,349</u>		<u>\$ 217,198</u>

Oxford Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 519,655	\$ 530,045	\$ 10,390	\$ 522,378
Investment earnings	-	4,143	4,143	3,129
Total revenues	<u>519,655</u>	<u>534,188</u>	<u>14,533</u>	<u>525,507</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>519,655</u>	<u>519,655</u>	<u>-</u>	<u>509,184</u>
Total expenditures	<u>519,655</u>	<u>519,655</u>	<u>-</u>	<u>509,184</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>14,533</u>	<u>14,533</u>	<u>16,323</u>
Net change in fund balance	<u>\$ -</u>	<u>14,533</u>	<u>\$ 14,533</u>	<u>16,323</u>
Fund Balances - Beginning of Year		<u>63,690</u>		<u>47,367</u>
Fund Balances - End of Year		<u>\$ 78,223</u>		<u>\$ 63,690</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, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Ad valorem taxes	\$ 4,385,460	\$ 4,558,256	\$ 172,796	\$ 3,792,906
Investment earnings	-	28,954	28,954	17,747
Total revenues	<u>4,385,460</u>	<u>4,587,210</u>	<u>201,750</u>	<u>3,810,653</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>4,385,460</u>	<u>4,385,460</u>	<u>-</u>	<u>3,971,199</u>
Total expenditures	<u>4,385,460</u>	<u>4,385,460</u>	<u>-</u>	<u>3,971,199</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>201,750</u>	<u>201,750</u>	<u>(160,546)</u>
Net change in fund balance	<u>\$ -</u>	<u>201,750</u>	<u>\$ 201,750</u>	<u>(160,546)</u>
Fund Balances - Beginning of Year		<u>385,044</u>		<u>545,590</u>
Fund Balances - End of Year		<u>\$ 586,794</u>		<u>\$ 385,044</u>

Bandys Fire District Fund

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

For the Fiscal Year Ended June 30, 2025

With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 1,306,091	\$ 1,332,663	\$ 26,572	\$ 1,048,558
Investment earnings	-	14,405	14,405	14,881
Total revenues	<u>1,306,091</u>	<u>1,347,068</u>	<u>40,977</u>	<u>1,063,439</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>1,406,891</u>	<u>1,406,891</u>	<u>-</u>	<u>988,519</u>
Total expenditures	<u>1,406,891</u>	<u>1,406,891</u>	<u>-</u>	<u>988,519</u>
Excess of revenues over (under) expenditures	<u>(100,800)</u>	<u>(59,823)</u>	<u>40,977</u>	<u>74,920</u>
Other Financing Sources (Uses)				
Fund balance appropriated	<u>100,800</u>	<u>-</u>	<u>(100,800)</u>	<u>-</u>
Total other financing sources (uses)	<u>100,800</u>	<u>-</u>	<u>(100,800)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(59,823)</u>	<u>\$ (59,823)</u>	<u>74,920</u>
Fund Balances - Beginning of Year		<u>348,038</u>		<u>273,118</u>
Fund Balances - End of Year		<u>\$ 288,215</u>		<u>\$ 348,038</u>

Maiden Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 517,058	\$ 552,368	\$ 35,310	\$ 432,103
Investment earnings	-	6,994	6,994	6,899
Total revenues	<u>517,058</u>	<u>559,362</u>	<u>42,304</u>	<u>439,002</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>567,058</u>	<u>567,058</u>	<u>-</u>	<u>401,067</u>
Total expenditures	<u>567,058</u>	<u>567,058</u>	<u>-</u>	<u>401,067</u>
Excess of revenues over (under) expenditures	<u>(50,000)</u>	<u>(7,696)</u>	<u>42,304</u>	<u>37,935</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>(7,696)</u>	<u>\$ (7,696)</u>	<u>37,935</u>
Fund Balances - Beginning of Year		<u>164,125</u>		<u>126,190</u>
Fund Balances - End of Year		<u>\$ 156,429</u>		<u>\$ 164,125</u>

Claremont Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 599,086	\$ 612,310	\$ 13,224	\$ 508,704
Investment earnings	-	8,548	8,548	6,550
Total revenues	<u>599,086</u>	<u>620,858</u>	<u>21,772</u>	<u>515,254</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>599,086</u>	<u>599,086</u>	<u>-</u>	<u>483,964</u>
Total expenditures	<u>599,086</u>	<u>599,086</u>	<u>-</u>	<u>483,964</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>21,772</u>	<u>21,772</u>	<u>31,290</u>
Net change in fund balance	<u>\$ -</u>	<u>21,772</u>	<u>\$ 21,772</u>	<u>31,290</u>
Fund Balances - Beginning of Year		<u>153,496</u>		<u>122,206</u>
Fund Balances - End of Year		<u>\$ 175,268</u>		<u>\$ 153,496</u>

Catawba Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 369,738	\$ 378,117	\$ 8,379	\$ 376,480
Investment earnings	-	5,873	5,873	4,143
Total revenues	<u>369,738</u>	<u>383,990</u>	<u>14,252</u>	<u>380,623</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>369,738</u>	<u>369,738</u>	<u>-</u>	<u>360,309</u>
Total expenditures	<u>369,738</u>	<u>369,738</u>	<u>-</u>	<u>360,309</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>14,252</u>	<u>14,252</u>	<u>20,314</u>
Net change in fund balance	<u>\$ -</u>	<u>14,252</u>	<u>\$ 14,252</u>	<u>20,314</u>
Fund Balances - Beginning of Year		<u>105,552</u>		<u>85,238</u>
Fund Balances - End of Year		<u>\$ 119,804</u>		<u>\$ 105,552</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, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 51,188	\$ 52,868	\$ 1,680	\$ 51,879
Investment earnings	-	1,638	1,638	1,364
Total revenues	<u>51,188</u>	<u>54,506</u>	<u>3,318</u>	<u>53,243</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>51,188</u>	<u>51,188</u>	<u>-</u>	<u>50,047</u>
Total expenditures	<u>51,188</u>	<u>51,188</u>	<u>-</u>	<u>50,047</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>3,318</u>	<u>3,318</u>	<u>3,196</u>
Net change in fund balance	<u>\$ -</u>	<u>3,318</u>	<u>\$ 3,318</u>	<u>3,196</u>
Fund Balances - Beginning of Year		<u>31,269</u>		<u>28,073</u>
Fund Balances - End of Year		<u>\$ 34,587</u>		<u>\$ 31,269</u>

Newton Rural Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 943,195	\$ 967,254	\$ 24,059	\$ 961,208
Investment earnings	-	6,411	6,411	4,440
Total revenues	<u>943,195</u>	<u>973,665</u>	<u>30,470</u>	<u>965,648</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>943,195</u>	<u>943,195</u>	<u>-</u>	<u>998,275</u>
Total expenditures	<u>943,195</u>	<u>943,195</u>	<u>-</u>	<u>998,275</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>30,470</u>	<u>30,470</u>	<u>(32,627)</u>
Net change in fund balance	<u>\$ -</u>	<u>30,470</u>	<u>\$ 30,470</u>	<u>(32,627)</u>
Fund Balances - Beginning of Year		<u>92,358</u>		<u>124,985</u>
Fund Balances - End of Year		<u>\$ 122,828</u>		<u>\$ 92,358</u>

Cooksville Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 202,247	\$ 206,318	\$ 4,071	\$ 156,598
Investment earnings	-	5,915	5,915	4,959
Total revenues	<u>202,247</u>	<u>212,233</u>	<u>9,986</u>	<u>161,557</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>202,247</u>	<u>202,247</u>	<u>-</u>	<u>150,838</u>
Total expenditures	<u>202,247</u>	<u>202,247</u>	<u>-</u>	<u>150,838</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>9,986</u>	<u>9,986</u>	<u>10,719</u>
Net change in fund balance	<u>\$ -</u>	<u>9,986</u>	<u>\$ 9,986</u>	<u>10,719</u>
Fund Balances - Beginning of Year		<u>114,348</u>		<u>103,629</u>
Fund Balances - End of Year		<u>\$ 124,334</u>		<u>\$ 114,348</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, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Ad valorem taxes	\$ 848,028	\$ 883,019	\$ 34,991	\$ 886,865
Investment earnings	-	4,657	4,657	2,515
Total revenues	<u>848,028</u>	<u>887,676</u>	<u>39,648</u>	<u>889,380</u>
Expenditures				
Public safety				
Transmitted to fire department	<u>848,028</u>	<u>848,028</u>	<u>-</u>	<u>893,743</u>
Total expenditures	<u>848,028</u>	<u>848,028</u>	<u>-</u>	<u>893,743</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>39,648</u>	<u>39,648</u>	<u>(4,363)</u>
Net change in fund balance	<u>\$ -</u>	<u>39,648</u>	<u>\$ 39,648</u>	<u>(4,363)</u>
Fund Balances - Beginning of Year		<u>54,031</u>		<u>58,394</u>
Fund Balances - End of Year		<u>\$ 93,679</u>		<u>\$ 54,031</u>

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.

NC Railroad Grant Project Fund -

To account for grants funds for economic development and industrial infrastructure.

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, 2025**

	Subdivision Road Improvement Fund	School Capital Fund	NC Railroad Grant Project Fund	Hospital Capital Reserve Fund	Total Nonmajor Capital Projects Fund
Assets					
Cash and investments	\$ 936,907	\$ 19,128,083	\$ -	\$ 2,043,590	\$ 22,108,580
Due from other governments	-	3,909,101	-	-	3,909,101
Tax assessment receivable	1,418,761	-	-	-	1,418,761
Interest receivables	1,961	35,199	1,016	3,574	41,750
Restricted cash and investments	-	-	540,957	-	540,957
Total assets	<u>2,357,629</u>	<u>23,072,383</u>	<u>541,973</u>	<u>2,047,164</u>	<u>28,019,149</u>
Liabilities					
Accounts payable and accrued liabilities	4,236	16,909	-	-	21,145
Advance from grantor	-	-	500,000	-	500,000
Total liabilities	<u>4,236</u>	<u>16,909</u>	<u>500,000</u>	<u>-</u>	<u>521,145</u>
Deferred Inflows of Resources	<u>1,418,761</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,418,761</u>
Fund Balance					
Restricted					
NC Railroad	-	-	41,973	-	41,973
Hospital Capital	-	-	-	2,047,164	2,047,164
Committed					
School Capital	-	23,055,474	-	-	23,055,474
Subdivision Road Improvement	934,632	-	-	-	934,632
Unassigned	-	-	-	-	-
Total fund balances	<u>934,632</u>	<u>23,055,474</u>	<u>41,973</u>	<u>2,047,164</u>	<u>26,079,243</u>
Total liabilities and fund balances	<u>\$ 2,357,629</u>	<u>\$ 23,072,383</u>	<u>\$ 541,973</u>	<u>\$ 2,047,164</u>	<u>\$ 28,019,149</u>

Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2025

	Subdivision Road Improvement Fund	School Capital Fund	NC Railroad Grant Project Fund	Hospital Capital Reserve Fund	Total Nonmajor Capital Projects Fund
Revenues					
Other taxes	\$ -	\$ 10,299,440	-	\$ -	\$ 10,299,440
Lottery Proceeds Repair & Renovations	-	52,200	-	-	52,200
Tax assessment road improvement	309,259	-	-	-	309,259
Investment earnings	51,243	860,349	20,678	86,076	1,018,346
Miscellaneous	-	-	-	500,000	500,000
Total revenues	<u>360,502</u>	<u>11,211,989</u>	<u>20,678</u>	<u>586,076</u>	<u>12,179,245</u>
Expenditures					
Capital outlay	<u>660,448</u>	<u>8,966,045</u>	-	-	<u>9,626,493</u>
Total expenditures	<u>660,448</u>	<u>8,966,045</u>	-	-	<u>9,626,493</u>
Excess of revenues over (under) expenditures	<u>(299,946)</u>	<u>2,245,944</u>	<u>20,678</u>	<u>586,076</u>	<u>2,552,752</u>
Other Financing Sources (Uses)					
Transfers from other funds	-	3,015,000	-	-	3,015,000
Transfers to other funds	-	(1,470,941)	-	(360,009)	(1,830,950)
Total other financing sources (uses)	<u>-</u>	<u>1,544,059</u>	<u>-</u>	<u>(360,009)</u>	<u>1,184,050</u>
Net change in fund balance	(299,946)	3,790,003	20,678	226,067	3,736,802
Fund Balances - Beginning of Year	<u>1,234,578</u>	<u>19,265,471</u>	<u>21,295</u>	<u>1,821,097</u>	<u>22,342,441</u>
Fund Balances - End of Year	<u>\$ 934,632</u>	<u>\$ 23,055,474</u>	<u>\$ 41,973</u>	<u>\$ 2,047,164</u>	<u>\$ 26,079,243</u>

CATAWBA COUNTY, NORTH CAROLINA
Schedule D-3
Page 1 of 2
Major Capital Projects Fund
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, 2025

	Project		Actual		
	Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Other Taxes					
Sales Taxes - Article 46-one quarter of one percent	\$ 5,349,440	\$ 5,825,152	\$ 491,026	\$ 6,316,178	\$ 966,738
Restricted intergovernmental revenues					
Municipalities Grants	92,656	92,656	-	92,656	-
County Grants	-	207,925	-	207,925	207,925
NC PARTF Grant	414,109	414,109	-	414,109	-
Site Readiness Grant	477,800	-	-	-	(477,800)
FEMA Disaster Recovery Funds	183,000	-	-	-	(183,000)
Investment earnings	293,412	5,768,106	1,724,080	7,492,186	7,198,774
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	444,041	357,474	-	357,474	(86,567)
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 - New ARC Building	-	-	254,423	254,423	254,423
Rental - Lifeskills	69,928	123,760	-	123,760	53,832
Sale of Timber	186,000	176,700	-	176,700	(9,300)
Total revenues	12,876,205	18,857,726	2,469,529	21,327,255	8,451,050
Expenditures					
Capital outlay					
Agriculture Resource Center Renovation	17,850,000	4,167,437	4,620,565	8,788,002	9,061,998
Animal Shelter HVAC	195,874	-	137,111	137,111	58,763
Claremont International Rail Park	3,826,000	132,398	2,449,202	2,581,600	1,244,400
Elections Office Renovation	2,089,957	2,077,127	-	2,077,127	12,830
ERP System Upgrade	3,841,355	-	-	-	3,841,355
Communications Infrastructure	748,146	544,359	-	544,359	203,787
Economic Development	6,724,403	1,341,649	23,743	1,365,392	5,359,011
Family Services Center Parking Lot	125,000	-	-	-	125,000
Fleet Services Expansion	1,227,250	101,247	1,112,146	1,213,393	13,857
General Renovations	1,404,462	1,058,248	88,384	1,146,632	257,830
Government Center Complex Improvements	2,112,450	1,754,271	200,895	1,955,166	157,284
Hickory EMS Base	4,625,000	418,555	564,257	982,812	3,642,188
Hudson Chapel Property	186,000	59,588	-	59,588	126,412
Human Services Campus Ravine Stablization	382,126	-	295,096	295,096	87,030
I-Care Building	232,997	232,997	-	232,997	-
Jail Expansion	33,879,372	33,879,372	-	33,879,372	-
Jail Improvements	240,300	33,528	146,800	180,328	59,972
Justice Center Sheriff Parking Drive Asphalt	100,000	-	-	-	100,000
Justice Center Public Safety	210,000	-	102,452	102,452	107,548
Library Technology	226,248	217,542	8,706	226,248	-
Library Newton Branch	700,000	-	-	-	700,000
Lifeskills Building Maintenance	150,928	48,948	-	48,948	101,980
Lincoln County Line Impact	275,000	-	-	-	275,000
Mountain Creek Park	9,873,407	9,863,386	3,250	9,866,636	6,771
Mountain View EMS Base	1,395,315	-	-	-	1,395,315
Multi-jurisdictional Data Park	2,600,000	2,341,635	-	2,341,635	258,365
Mult-Use Path/Bike Lane	850,000	-	830,646	830,646	19,354
Newton EMS Base	2,798,755	2,798,755	-	2,798,755	-
Oblique Photography	566,640	498,430	53,360	551,790	14,850

CATAWBA COUNTY, NORTH CAROLINA

Schedule D-3

Page 2 of 2

Major Capital Projects Fund
General Capital Projects Fund - Major Fund
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2025**

	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
Park Improvements	659,092	535,460	38,068.00	573,528	85,564
Park Improvements - Riverbend	695,572	439,973	-	439,973	255,599
Permitting/Inspections System	1,520,000	1,041,385	54,984	1,096,369	423,631
Public Safety	1,261,731	789,650	196,119	985,769	275,962
Public Safety Software System	650,000	564,347	-	564,347	85,653
Riverbend Park Culvert Replacement	183,000	-	-	-	183,000
Roofing Projects	2,597,291	2,167,489	361,954	2,529,443	67,848
Southeastern Catawba County Business Park	4,625,000	2,275,474	330,575	2,606,049	2,018,951
Server & Desktop Applications	2,684,518	2,151,528	303,985	2,455,513	229,005
Sherrills Ford EMS Base	493,000	-	-	-	493,000
St. Stephens EMS Base	2,739,907	2,734,324	2,940	2,737,264	2,643
St. Stephens Park Playground Upgrade	184,300	173,941	-	173,941	10,359
Technology Infrastructure Upgrades	4,495,000	3,773,536	654,890	4,428,426	66,574
Tax System Upgrade	1,000,000	-	19,143	19,143	980,857
Trivium Corporate Center	10,873,151	9,471,829	1,286,502	10,758,331	114,820
Voting Equipment	473,625	469,796	-	469,796	3,829
Total expenditures	134,572,172	88,158,204	13,885,773	102,043,977	32,528,195
Excess of revenues over (under) expenditures	(121,695,967)	(69,300,478)	(11,416,244)	(80,716,722)	40,979,245
Other Financing Sources (Uses)					
Transfers from					
General Fund	72,895,231	65,216,507	7,678,724	72,895,231	-
General Capital Reserve Fund	984,159	984,159	-	984,159	-
Emergency Telephone Fund Transfer	282,752	282,752	-	282,752	-
Rescue Squads Fund	163,589	-	163,589	163,589	-
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	(510,741)	(510,741)	-	(510,741)	-
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	5,327,076	-	-	-	(5,327,076)
Total other financing sources (uses)	121,695,967	108,538,018	7,842,313	116,380,331	(5,315,636)
Net change in fund balance	\$ -	\$ 39,237,540	(3,573,931)	\$ 35,663,609	\$ 35,663,609
Fund Balances - Beginning of Year			39,237,540		
Fund Balances - End of Year			\$ 35,663,609		

Subdivision Road Improvement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception to Fiscal Year Ended June 30, 2025

	Actual				
	Project Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Tax Assessment Rd Improvement	\$ -	\$ 120,759	\$ 309,259	\$ 430,018	\$ 430,018
Investment earnings	-	51,249	51,243	102,492	102,492
Total revenues	-	172,008	360,502	532,510	532,510
Expenditures					
Capital outlay					
Fox Chase-Road Improvement	191,716	191,716	-	191,716	-
River Run-Road Improvement	387,015	383,087	-	383,087	3,928
Norman Plantation Road Improvement	75,000	69,652	-	69,652	5,348
Deerfield-Shadowfax Wynd Rd Improvement	339,668	319,333	-	319,333	20,335
Deerfield-Windemere Rd Improvement	63,000	58,639	-	58,639	4,361
Stonecraft Road Improvement	297,270	296,270	233	296,503	767
The Retreat Road Improvement	119,284	118,512	-	118,512	772
Wind Bluff Court Rd Improvement	45,000	-	34,525	34,525	10,475
Brookstone Subdivision Rd Improvement	350,000	-	337,813	337,813	12,187
Bay Pointe Road Improvement	250,000	-	245,627	245,627	4,373
Aspen Heights-Subdivision Rd Improvement	45,000	221	42,250	42,471	2,529
Total Improvement Expenditures	2,162,953	1,437,430	660,448	2,097,878	65,075
Other					
Future Projects	337,047	-	-	-	337,047
Total Other	337,047	-	-	-	337,047
Total expenditures	2,500,000	1,437,430	660,448	2,097,878	402,122
Excess of revenues over (under) expenditures	(2,500,000)	(1,265,422)	(299,946)	(1,565,368)	934,632
Other Financing Sources (Uses)					
Transfer From General Fund	2,500,000	2,500,000	-	2,500,000	-
Total other financing sources (uses)	2,500,000	2,500,000	-	2,500,000	-
Net change in fund balance	\$ -	\$ 1,234,578	(299,946)	\$ 934,632	\$ 934,632
Fund Balances - Beginning of Year			1,234,578		
Fund Balances - End of Year			<u>\$ 934,632</u>		

NC Railroad Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception to Fiscal Year Ended June 30, 2025

	Project	Actual			
	Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
NC Build Ready Site Grant	\$ 500,000	\$ -	\$ -	\$ -	\$ (500,000)
Investment Earnings	-	21,295	20,678	41,973	41,973
Total Revenues	500,000	21,295	20,678	41,973	(458,027)
Expenditures					
Capital outlay					
Claremont Rail Park	500,000	-	-	-	500,000
Total Expenditures	500,000	-	-	-	500,000
Excess of revenues over (under) expenditures	-	21,295	20,678	41,973	41,973
Other Financing Sources (Uses)					
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	\$ -	\$ 21,295	20,678	\$ 41,973	\$ 41,973
Fund Balances - Beginning of Year			21,295		
Fund Balances - End of Year			\$ 41,973		

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, 2025

		Actual				
	Project Authorization	Prior Years	Current Year	Total to Date	Over/Under	
Revenues						
Other taxes						
Sales Taxes-Article 40	\$ 4,935,742	\$ 5,952,812	\$ 2,108,301	\$ 8,061,113	\$ 3,125,371	
Sales Taxes-Article 42	45,862,920	47,203,212	8,191,139	55,394,351	9,531,431	
Lottery Proceeds Repair & Renovations	1,300,000	1,157,760	52,200	1,209,960	(90,040)	
Investment earnings	1,075,367	4,578,675	860,349	5,439,024	4,363,657	
Total revenues	53,174,029	58,892,459	11,211,989	70,104,448	16,930,419	
Expenditures						
Capital outlay						
Catawba County Schools						
Activity Buses	465,000	228,416	-	228,416	236,584	
Athletic Field Improvements	750,000	732,711	9,414	742,125	7,875	
Awnings	150,000	-	-	-	150,000	
Balls Creek Elementary Renovations	350,000	-	4,108	4,108	345,892	
Bandys High School Renovations	1,865,000	1,587,058	268,594	1,855,652	9,348	
Bunker Hill High School Renovations	1,344,175	1,219,732	57,822	1,277,554	66,621	
Bus Garage Equipment	250,000	45,963	-	45,963	204,037	
Camera Security/Electrical Doors	2,342,000	2,076,217	262,738	2,338,955	3,045	
Capital Projects Manager	215,809	125,809	-	125,809	90,000	
Challenger High School Renovation	75,000	75,000	-	75,000	-	
Challenger High School Furniture	75,000	2,069	21,234	23,303	51,697	
Clyde Campbell Renovation	505,000	447,809	-	447,809	57,191	
Fire Alarm Upgrades	2,159,000	1,757,964	153,501	1,911,465	247,535	
Fred T Foard Renovations	1,200,252	1,032,973	97,775	1,130,748	69,504	
Fred T Foard Gym Flooring Replacement	65,000	65,000	0	65,000	-	
Flooring Systemwide	830,000	566,126	157,354	723,480	106,520	
HVAC Controls System Upgrade	5,208,827	5,167,170	37,466	5,204,636	4,191	
HVAC Upgrades/Equipment	1,822,000	-	428,569	428,569	1,393,431	
Lead Testing	150,000	46,300	1,350	47,650	102,350	
Lighting Replacements	1,295,000	890,254	404,746	1,295,000	-	
Lyle Creek Elementary Renovations	60,000	60,000	-	60,000	-	
Maiden Middle School Renovations	453,536	348,416	105,120	453,536	-	
Maintenance Vehicles and Equipment	580,000	433,449	136,249	569,698	10,302	
Metal Roofing	64,000	50,397	-	50,397	13,603	
Mobile Classrooms	1,915,000	-	359,669	359,669	1,555,331	
Mountain View Elementary Renovations	150,000	-	-	-	150,000	
Oil Tank Removal	140,000	-	-	-	140,000	
Oxford Elementary Renovations	75,000	-	-	-	75,000	
Painting Systemwide	3,265,000	1,903,068	709,517	2,612,585	652,415	
Paving Systemwide	1,990,067	1,331,740	151,746	1,483,486	506,581	
Per Capita Allocation	4,109,820	3,283,332	826,488	4,109,820	-	
Phone/intercom Systems	375,000	158,259	178,957	337,216	37,784	
Plumbing Replacement Systemwide	394,911	394,911	-	394,911	-	
Project Planning	280,000	160,282	75,304	235,586	44,414	
Restroom Renovations	452,500	92,976	186,893	279,869	172,631	
Roofing Projects	4,133,491	1,781,609	157,995	1,939,604	2,193,887	
Sherrills Ford Furniture & Equipment	100,000	100,000	-	100,000	-	
Startown Elementary Renovations	100,000	-	95,326	95,326	4,674	
Systemwide Maintenance	330,000	137,548	102,435	239,983	90,017	
Systemwide Painting	50,000	-	-	-	50,000	
Technology Upgrades	75,000	-	49,348	49,348	25,652	
Tennis Courts	590,165	439,222	3,990	443,212	146,953	
Tuttle Renovations	50,000	29,987	-	29,987	20,013	

CATAWBA COUNTY, NORTH CAROLINA
Schedule D-6
Page 2 of 3
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, 2025

	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
Track Improvements Systemwide	457,532	457,532	-	457,532	-
Webb-Murray Renovation	50,000	46,323	3,677	50,000	-
Total Catawba County Schools	41,358,085	27,275,622	5,047,385	32,323,007	9,035,078
Catawba Valley Community College					
Cosmetology Center	846,000	691,439	154,561	846,000	-
Energy Management	100,000	100,000	-	100,000	-
General Renovations	535,000	335,000	200,000	535,000	-
Lighting	150,001	105,722	44,279	150,001	-
HVAC Replacement	1,031,902	459,675	572,227	1,031,902	-
Maintenance Department Storage	150,000	150,000	-	150,000	-
Project Manager	194,602	194,602	-	194,602	-
Truck	25,000	-	25,000	25,000	-
Stream Bank Restoration Project	2,253,098	2,253,098	-	2,253,098	-
Tractor	90,000	45,000	45,000	90,000	-
Total Catawba Valley Community College	5,375,603	4,334,536	1,041,067	5,375,603	-
Catawba Valley Community College Foundation					
K-64 Chromebook Replacement	3,300,000	-	-	-	3,300,000
Total Catawba Valley Community College Foundation	3,300,000	-	-	-	3,300,000
Hickory Public Schools					
Activity Buses	102,305	102,305	-	102,305	-
Cafeteria Tables	130,000	130,000	-	130,000	-
Hickory Career Arts Magnet	180,661	180,535	-	180,535	126
Elevator Repairs	30,000	9,756	-	9,756	20,244
Hickory High School Renovation	2,728,664	2,398,152	256,026	2,654,178	74,486
Hickory Public School Admin Building	76,500	74,961	0	74,961	1,539
HVAC Controls Upgrades	1,075,903	149,108	494,895	644,003	431,900
Jenkins Elementary Renovation	238,967	238,967	-	238,967	-
Maintenance Vehicle	266,003	121,308	143,722	265,030	973
Northview Renovations	820,242	274,331	314,163	588,494	231,748
Oakwood Elementary Renovations	183,287	182,687	-	182,687	600
Per Capita Allocation	913,636	720,976	192,660	913,636	-
Playground Improvements	357,500	26,870	307,063	333,933	23,567
Rekeying Locks	141,000	141,000	-	141,000	-
Security Upgrades	1,155,600	561,591	113,578	675,169	480,431
Southwest Elementary HVAC	540,000	540,000	-	540,000	-
Southwest Elementary Mechanical Upgrade:	214,979	214,926	-	214,926	53
Southwest Renovations	561,438	65,386	74,520	139,906	421,532
System-wide Painting	214,000	-	161,522	161,522	52,478
Technology Upgrades	35,000	25,364	-	25,364	9,636
Telecommunication Systems	40,000	18,832	21,151	39,983	17
Total Hickory Public Schools	10,005,685	6,177,055	2,079,300	8,256,355	1,749,330
Newton-Conover City Schools					
Activity Bus	186,000	186,000	-	186,000	-
Asbestos Abatement & Management	835,000	436,538	-	436,538	398,462
Capital Projects Manager	150,000	50,000	100,000	150,000	-
Conover School Renovations	100,000	100,000	-	100,000	-
Fire Alarm Upgrades	60,000	60,000	-	60,000	-

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, 2025

	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
HVAC Upgrades Systemwide	2,720,410	2,081,644	403,437	2,485,081	235,329
Grounds Equipment	23,000	17,259	3,479	20,738	2,262
NCHS Telephone Paging System	77,000	77,000	-	77,000	-
North Newton Windows	79,590	79,590	-	79,590	-
Parking Improvements Systemwide	600,000	262,784	13,050.00	275,834	324,166
Per Capita Allocation	734,292	597,896	136,396	734,292	-
Roofing Projects	412,223	412,223	-	412,223	-
Technology	100,000	49,331	50,669	100,000	-
Security Upgrades	277,601	132,663	45,487	178,150	99,451
System Wide Painting	50,000	-	-	-	50,000
System Wide Renovations	310,000	158,734	45,775	204,509	105,491
Total Newton-Conover City Schools	6,715,116	4,701,662	798,293	5,499,955	1,215,161
Total expenditures	66,754,489	42,488,875	8,966,045	51,454,920	15,299,569
Excess of revenues over (under) expenditures	(13,580,460)	16,403,584	2,245,944	18,649,528	32,229,988
Other Financing Sources (Uses)					
Transfers from					
General Fund	6,770,000	3,755,000	3,015,000	6,770,000	-
General Capital Fund	750,000	750,000	-	750,000	-
School Construction Fund	133,290	133,290	-	133,290	-
Transfers to					
General Fund	(300,000)	(300,000)	-	(300,000)	-
School Construction Fund	(2,947,344)	(1,476,403)	(1,470,941)	(2,947,344)	-
Fund Balance Appropriated	9,174,514	-	-	-	(9,174,514)
Total other financing sources (uses)	13,580,460	2,861,887	1,544,059	4,405,946	(9,174,514)
Net change in fund balance	\$ -	19,265,471	3,790,003	23,055,474	23,055,474
Fund Balances - Beginning of Year			19,265,471		
Fund Balances - End of Year			\$ 23,055,474		



CATAWBA COUNTY, NORTH CAROLINA

Schedule D-7

Page 1 of 2

School Construction Fund-Major Fund
**Schedule of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actual
From Inception and for the Year Ended June 30, 2025**

	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	-	2,537,632	697,755	3,235,387	3,235,387
Lottery Proceeds Needs Based	40,000,000	6,730,329	19,964,979	26,695,308	(13,304,692)
Total revenues	41,170,000	10,437,961	20,662,734	31,100,695	(10,069,305)
Expenditures					
Catawba County Schools					
Banoak Elementary	8,845,000	8,845,000	-	8,845,000	-
Maiden Middle School	5,848,533	71,255	1,162,607	1,233,862	4,614,671
Roof Replacements	842,128	803,862	38,266	842,128	-
St. Stephens Classroom Renovation	19,984,312	19,579,011	405,301	19,984,312	-
New Maiden Elementary	31,996,808	26,034,949	3,145,534	29,180,483	2,816,325
Total Catawba County Schools	67,516,781	55,334,077	4,751,708	60,085,785	7,430,996
Catawba Valley Community College					
Cosmetology Center	2,041,982	2,041,982	-	2,041,982	-
Engineering Building	228,017	98,441	6,938	105,379	122,638
Public Safety Complex	1,130,000	1,130,000	-	1,130,000	-
Vocational Building	25,100,000	25,100,000	-	25,100,000	-
Total Catawba Valley Community College	28,499,999	28,370,423	6,938	28,377,361	122,638
Hickory Public Schools					
Hickory High Renovations	4,900,000	7,639	91,290	98,929	4,801,071
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	1,953,962	91,290	2,045,252	7,809,071
Newton-Conover City Schools					
Conover School Renovations	3,312,452	3,312,452	-	3,312,452	-
Newton-Conover High School Renovations	56,848,529	12,894,037	24,558,445	37,452,482	19,396,047
Roof Replacements	58,141	58,141	-	58,141	-
Total Newton-Conover City Schools	60,219,122	16,264,630	24,558,445	40,823,075	19,396,047
Other					
Future Projects	155,000	-	-	-	155,000
Future Debt Service	4,742,425	-	-	-	4,742,425
Total Other	4,897,425	-	-	-	4,897,425
Total expenditures	170,987,650	101,923,092	29,408,381	131,331,473	39,656,177
Excess of revenues over (under) expenditures	(129,817,650)	(91,485,131)	(8,745,647)	(100,230,778)	29,586,872
Other Financing Sources (Uses)					
Transfers from					
General Fund	21,165,748	21,059,372	106,376	21,165,748	-
School Capital Fund	2,947,344	1,476,403	1,470,941	2,947,344	-
Transfers to					
School Capital Fund	(98,290)	(98,290)	-	(98,290)	-
General Fund	(1,379,702)	(1,379,702)	-	(1,379,702)	-

CATAWBA COUNTY, NORTH CAROLINA

Schedule D-7

Page 2 of 2

School Construction Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actual
From Inception and for the Year Ended June 30, 2025**

	Project Authorization	Actual			
		Prior Years	Current Year	Total to Date	Over/Under
Bonds issued	106,205,424	88,647,734	-	88,647,734	(17,557,690)
Premium on bonds issued	-	5,138,176	-	5,138,176	5,138,176
Fund Balance Appropriated	977,126	-	-	-	(977,126)
Total other financing sources (uses)	<u>129,817,650</u>	<u>114,843,693</u>	<u>1,577,317</u>	<u>116,421,010</u>	<u>(13,396,640)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 23,358,562</u>	<u>(7,168,330)</u>	<u>\$ 16,190,232</u>	<u>\$ 16,190,232</u>
Fund Balances - Beginning of Year			<u>23,358,562</u>		
Fund Balances - End of Year			<u>\$ 16,190,232</u>		

Hospital Capital Reserve Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Catawba Valley Medical Center	-	500,000	500,000	-
Investment earnings	5,000	86,076	81,076	73,778
Total revenues	5,000	586,076	581,076	73,778
Excess of revenues over (under) expenditures	5,000	586,076	581,076	73,778
Other Financing Sources (Uses)				
Transfer to General Fund	(500,000)	(360,009)	139,991	(337,454)
Fund Balance Appropriated	495,000	-	(495,000)	-
Total other financing sources (uses)	(5,000)	(360,009)	(355,009)	(337,454)
Net change in fund balance	-	226,067	226,067	(263,676)
Fund Balances - Beginning of Year		1,821,097		2,084,773
Fund Balances - End of Year		2,047,164		1,821,097

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

Page 1 of 2

Solid Waste Management Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior Year
	Budget	Actual	Over/Under	
Revenues				
Operating revenues				
Charges for services				
Solid waste charges	9,354,660	10,954,603		
Lease revenue	-	15,512		
Other operating	122,611	112,553		
Total operating revenues	9,477,271	11,082,668	1,605,397	10,073,408
Nonoperating revenues				
Solid waste disposal tax	80,000	92,089		
Scrap tire disposal tax	275,000	307,365		
White goods disposal tax	80,000	85,703		
Scrap tire grant	40,000	49,044		
Electronics management distribution	12,000	5,202		
Hickory community relations	3,000	-		
Court fees	295	588		
Insurance settlements	607,625	607,625		
Proceeds from sale of assets	50,000	109,000		
Property cleanup reimbursement	2,500	-		
Lease Interest	-	4,089		
Investment earnings	-	904,814		
Total nonoperating revenues	1,150,420	2,165,519	1,015,099	1,434,779
Total revenues	10,627,691	13,248,187	2,620,496	11,508,187
Expenditures				
Solid Waste Management				
Administration				
Salaries & employee benefits	377,671	374,952		
Other operating	487,162	422,252		
	864,833	797,204	67,629	789,066
Recycling				
Salaries & employee benefits	76,561	75,327		
Other operating	211,685	136,393		
	288,246	211,720	76,526	195,242
Solid Waste Management Improvements				
Other operating	167,400	6,937		
	167,400	6,937	160,463	78,236
Solid Waste Code Enforcement				
Salaries & employee benefits	86,959	79,127		
Other operating	36,322	8,949		
	123,281	88,076	35,205	94,363

CATAWBA COUNTY, NORTH CAROLINA

Schedule E-1

Page 2 of 2

Solid Waste Management Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Sanitary Landfill				
Salaries & employee benefits	1,962,361	1,848,564		
Maintenance and repair	1,382,600	603,151		
Solid waste disposal tax remittance	498,000	492,337		
Solid waste state permit fees	17,550	15,550		
Lease interest expense	-	5		
Lease amortization expense	-	1,691		
Landfill closure and postclosure care costs (C&D)	2,779,670	2,631,653		
Other operating	2,705,665	2,536,325		
	<u>9,345,846</u>	<u>8,129,276</u>	<u>1,216,570</u>	<u>4,941,849</u>
Total operating expenditures	<u>10,789,606</u>	<u>9,233,213</u>	<u>1,556,393</u>	<u>6,098,756</u>
Capital outlay	<u>2,298,800</u>	<u>1,176,349</u>	<u>1,122,451</u>	<u>2,743,156</u>
Total expenditures	<u>13,088,406</u>	<u>10,409,562</u>	<u>2,678,844</u>	<u>8,841,912</u>
Excess of revenues over (under) expenditures	<u>(2,460,715)</u>	<u>2,838,625</u>	<u>5,299,340</u>	<u>2,666,275</u>
Other Financing Sources (Uses)				
Transfer to Solid Waste Capital Fund	(3,327,619)	(3,327,619)		
Fund balance appropriated	<u>5,788,334</u>	<u>-</u>	<u>(5,788,334)</u>	
Total other financing sources (uses)	<u>2,460,715</u>	<u>(3,327,619)</u>	<u>(5,788,334)</u>	<u>(2,475,000)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (488,994)</u>	<u>\$ (488,994)</u>	<u>\$ 191,275</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Revenues and other financing sources over (under) expenditures and other financing uses		<u>\$ (488,994)</u>		
Reconciling items				
Capital outlay		1,176,349		
Depreciation		(1,648,765)		
(Increase) decrease in deferred outflows of resources - pensions		(113,682)		
(Increase) decrease in deferred inflows of resources - pensions		1,326		
(Increase) decrease in net pension liability		14,344		
(Increase) decrease in accrued landfill closure and postclosure care costs		(100,000)		
(Increase) decrease in accrued landfill closure and postclosure care (C&D)		2,631,653		
(Increase) decrease in compensated absences		17,042		
(Increase) decrease in deferred outflows of resources - OPEB		(56,968)		
(Increase) decrease in deferred inflows of resources - OPEB		(305,488)		
(Increase) decrease in net OPEB liability		288,503		
Revenues from capital projects		340,601		
Transfers from capital projects		<u>3,327,619</u>		
Total reconciling items		<u>5,572,534</u>		
Change in net position (full accrual)		<u>\$ 5,083,540</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, 2025**

	Project	Actual			
	Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Investment earnings	\$ -	\$ 678,615	340,601	\$ 1,019,216	\$ 1,019,216
Miscellaneous revenue	-	359,098	-	359,098	359,098
Total revenues	-	1,037,713	340,601	1,378,314	1,378,314
Expenditures					
Capital outlay					
Bethany Church Road Landfill	2,665,024	2,665,024	-	2,665,024	-
Landfill Collection Improvements	240,000	96,751	-	96,751	143,249
Methane Gas Perimeter	257,232	257,232	-	257,232	-
Subtitle D Cell Construction	16,061,431	9,409,197	3,151,204	12,560,401	3,501,030
Sherrills Ford Convenience Ctr Improvements	1,000,000	-	117,750	117,750	882,250
Treatment and Grinder Process Area	1,250,000	41,665	86,134	127,799	1,122,201
White Goods Scrap Metal Pad	125,000	-	-	-	125,000
Total expenditures	21,598,687	12,469,869	3,355,088	15,824,957	5,773,730
Excess of revenues over (under) expenditures	(21,598,687)	(11,432,156)	(3,014,487)	(14,446,643)	7,152,044
Other Financing Sources (Uses)					
Transfer from Solid Waste Operating	20,924,621	17,597,002	3,327,619	20,924,621	-
Fund Balance appropriated	674,066	-	-	-	(674,066)
Total other financing sources (uses)	21,598,687	17,597,002	3,327,619	20,924,621	(674,066)
Revenues and other sources over (under) expenditures and other financing uses	\$ -	\$ 6,164,846	\$ 313,132	\$ 6,477,978	\$ 6,477,978



CATAWBA COUNTY, NORTH CAROLINA

Schedule E-3

Page 1 of 2

Water and Sewer Fund
Schedule of Revenues, Expenditures - Budget and Actual (Non-GAAP)
For the Fiscal Year Ended June 30, 2025
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024

	2025			Actual Prior
	Budget	Actual	Over/Under	Year
Revenues				
Operating revenues				
Municipality revenue sharing	\$ 1,500,000	\$ 1,740,828	\$ -	\$ -
Total operating revenues	1,500,000	1,740,828	240,828	-
Nonoperating revenues				
Sales Taxes - Article 46 - one quarter of one percent	1,361,000	1,443,383		
Capital fees	1,485,698	2,064,817		
Investment earnings	-	406,966		
Total nonoperating revenues	2,846,698	3,915,166	1,068,468	6,464,328
Total revenues	4,346,698	5,655,994	1,309,296	6,464,328
Expenditures				
Water and Sewer				
Water and Sewer Administration				
Salaries & employee benefits	197,517	196,415		
Other operating	1,425,280	895,658		
Principal	252,809	252,809		
Interest	8,437	8,437		
Total expenditures	1,884,043	1,353,319	530,724	1,498,760
Excess of revenues over (under) expenditures	2,462,655	4,302,675	1,840,020	4,965,568
Other Financing Sources (Uses)				
Transfer to Water and Sewer Capital Fund	(4,714,000)	(4,714,000)		
Fund balance appropriated	2,251,345	-		
Total other financing sources (uses)	(2,462,655)	(4,714,000)	(2,251,345)	(1,368,750)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ (411,325)	\$ (411,325)	\$ 3,596,818

Reconciliation from budgetary basis (modified accrual) to full accrual:

Revenues and other financing sources over (under) expenditures and other financing uses	\$ (411,325)
---	--------------

Reconciling items

Depreciation	(944,919)
(Increase) decrease in deferred outflows of resources - pensions	(2,815)
(Increase) decrease in deferred inflows of resources - pensions	59
(Increase) decrease in net pension liability	(11,150)
(Increase) decrease in compensated absences	1,126
(Increase) decrease in deferred outflows of resources - OPEB	(1,780)
(Increase) decrease in deferred inflows of resources - OPEB	(9,546)
(Increase) decrease in net OPEB liability	9,015

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, 2025****With Comparative Actual Amounts For Fiscal Year Ended June 30, 2024**

Loan principal (excluding refunding)	252,809
Project expenditures not capitalized	(1,585,152)
Revenues from capital projects	966,209
Transfer from American Rescue Plan Act Fund	4,046,785
Transfer from Water and Sewer Capital Fund	<u>4,714,000</u>
Total reconciling items	<u>7,434,641</u>
Change in net position (full accrual)	<u>\$ 7,023,316</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule E-4

Page 1 of 2

**Water and Sewer Capital Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Year Ended June 30, 2025**

	Actual				
	Project Authorization	Prior Years	Current Year	Total to Date	Over/Under
Revenues					
Sales Taxes - Article 46 - one quarter of one percent	\$ 3,109,158	\$ 3,383,453	-	\$ 3,383,453	\$ 274,295
Investment earnings	-	3,250,821	867,950	4,118,771	4,118,771
Golden Leaf Grant	491,257	392,998	98,259	491,257	-
State ARPA Subaward	8,800,000	-	-	-	(8,800,000)
NC Dept of Environmental Quality Grant	19,700,000				
Miscellaneous	-	76,223	-	76,223	76,223
Total revenues	32,100,415	7,103,495	966,209	8,069,704	(4,330,711)
Expenditures					
Capital outlay					
Anderson Mt Water Storage Tank	250,000	-	-	-	250,000
Balls Creek Water Phase II	3,669,070	3,669,070	-	3,669,070	-
Brown Chapel and Molly BB Sewer Upgrade	3,500,000	-	166,286	166,286	3,333,714
East Maiden Hwy 150 Gravity	1,318,301	1,026,804	891	1,027,695	290,606
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	2,833,738	626,625	3,460,363	39,637
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
Maiden Loop Water	1,510,000	80,787	1,025,463	1,106,250	403,750
Wastewater Treatment Plant Expansion	3,400,000	69,700	106,900	176,600	3,223,400
Water Treatment Capital Purchase	1,701,500	-	-	-	1,701,500
SECC S NC 16 Water	2,601,847	229,124	2,179,235	2,408,359	193,488
SECC Village Ctr Pump Station Upgrade	8,000,000	3,600	66,800	70,400	7,929,600
Buffalo Shoals Road Water	256,000	119,850	53,800	173,650	82,350
Buffalo Shoals Road Water Construction	8,500,000	-	97,650	97,650	8,402,350
Total expenditures	56,914,452	13,202,277	4,323,650	17,525,927	39,138,525
Excess of revenues over (under) expenditures	(24,814,037)	(6,098,782)	(3,357,441)	(9,456,223)	15,357,814
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	8,201,500	3,487,500	4,714,000	8,201,500	-
American Rescue Plan Act Fund	15,123,821	3,318,075	4,046,785	7,364,860	(7,758,961)
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)	-

Water and Sewer Capital Fund

Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Year Ended June 30, 2025

Project	Actual				Over/Under
	<u>Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Fund balance appropriated	<u>238,569</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(238,569)</u>
Total other financing sources (uses)	<u>24,814,037</u>	<u>20,084,599</u>	<u>8,760,785</u>	<u>28,845,384</u>	<u>4,031,347</u>
Revenues and other sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 13,985,817</u>	<u>\$ 5,403,344</u>	<u>\$ 19,389,161</u>	<u>\$ 19,389,161</u>



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, 2025**

	Municipal Tax Fund	Jail Inmate Pay Fund	Total Custodial Funds
ASSETS			
Cash and Cash Equivalents	\$ 13,169	\$ 86,730	\$ 99,899
Taxes receivable for other governments, net	<u>3,646,742</u>	<u>-</u>	<u>3,646,742</u>
Total assets	<u>3,659,911</u>	<u>86,730</u>	<u>3,746,641</u>
LIABILITIES			
Accounts payable and accrued liabilities	-	-	-
Due to other governments	<u>13,169</u>	<u>-</u>	<u>13,169</u>
Total liabilities	<u>13,169</u>	<u>-</u>	<u>13,169</u>
Net Position			
Restricted for:			
Individuals, organizations, and other governments	<u>3,646,742</u>	<u>86,730</u>	<u>3,733,472</u>
Total net position	<u>\$ 3,646,742</u>	<u>\$ 86,730</u>	<u>\$ 3,733,472</u>

Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2025

	Municipal Tax Fund	Jail Inmate Pay Fund	Total Custodial Funds
ADDITIONS			
Ad valorem taxes for other governments	\$ 66,662,813	\$ -	\$ 66,662,813
Collections on behalf of inmates	-	735,390	735,390
Total additions	<u>66,662,813</u>	<u>735,390</u>	<u>67,398,203</u>
DEDUCTIONS			
Tax distributions to other governments	66,306,157	-	66,306,157
Payments on behalf of inmates		<u>742,257</u>	<u>742,257</u>
Total deductions	<u>66,306,157</u>	<u>742,257</u>	<u>67,048,414</u>
Net increase (decrease) in fiduciary net position	356,656	(6,867)	349,789
Net position, beginning	<u>3,290,086</u>	<u>93,597</u>	<u>3,383,683</u>
Net position, ending	<u>\$ 3,646,742</u>	<u>\$ 86,730</u>	<u>\$ 3,733,472</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

Page 1 of 2

**Schedule of Cash and Investment Balances
June 30, 2025**

	Amounts Represented on Statements	Cost Value	Fair Value
Cash			
On hand	\$ 9,618	\$ 9,618	\$ 9,618
In demand deposits			
(interest bearing)	17,001,916	\$ 17,001,916	\$ 17,001,916
(noninterest bearing)	126,533	\$ 126,533	\$ 126,533
Certificates of deposit	236,000	\$ 236,000	\$ 236,000
Money Market, unrestricted	1,015,778	\$ 1,015,778	\$ 1,015,778
Debt escrow-restricted for capital	11,117,457	\$ 11,117,457	\$ 11,117,457
Cash deposits, restricted for debt service	<u>26,693,442</u>	<u>\$ 26,693,442</u>	<u>\$ 26,693,442</u>
Total cash	<u>\$ 56,200,744</u>	<u>\$ 56,200,744</u>	<u>\$ 56,200,744</u>
Other Investments			
North Carolina Capital Management Trust, Government Portfolio	121,660,024	121,660,024	121,660,024
North Carolina Investment Pool, Local Government Investment P	4,019,640	4,019,640	4,019,640
North Carolina CLASS, Local Government Investment Pool	4,022,290	4,022,290	4,022,290
US Treasury Government Securities	33,206,879	32,801,554	33,206,879
Federal Farm Credit	18,653,860	18,960,470	18,653,860
Federal Home Loan Bank	34,388,257	34,985,702	34,388,257
Federal Home Loan Mortgage Corporation	11,901,460	11,925,000	11,901,460
Federal National Mortgage Association	<u>2,840,559</u>	<u>2,808,728</u>	<u>2,840,559</u>
Total other investments	<u>\$ 230,692,969</u>	<u>\$ 231,183,408</u>	<u>\$ 230,692,969</u>
Total cash and investments	<u>\$ 286,893,713</u>	<u>\$ 287,384,152</u>	<u>\$ 286,893,713</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule G-1

Page 2 of 2

**Schedule of Cash and Investment Balances
June 30, 2025****Distribution by funds**

General Fund	\$	115,691,647	
Restricted cash		27,172,286	\$ 142,863,933
Special Revenue Funds			
Emergency Telephone System Fund	\$	1,751,749	
State Unauthorized Substance Abuse Fund		74,103	
Narcotics Seized Justice Funds		472,256	
Narcotics Seized Treasury Funds		61,784	
Rescue Squads Fund		46,805	
Library Endowment Fund		224,577	
Gretchen Peed Scholarship Fund		59,894	
Community Development Fund		25,869	
Stream Rehabilitation Assistance Program Fund		252,085	
OSBM Direct Fund			
Restricted Cash		777,524	
American Rescue Plan (ARP) Fund		656,620	
Restricted Cash		2,617,457	
Fines and Forfeitures Fund		30,127	
Opioid Settlement Fund			
Restricted Cash		7,556,831	
Representative Payee Fund		39,803	
Deed of Trust Fund		10,311	
Fire District Funds		2,490,534	17,148,329
Capital Projects Funds			
General Capital Projects Fund	\$	35,751,735	
Restricted Cash		90,931	
Subdivision Road Improvement Projects Fund		936,907	
NC Railroad Project Fund			
Restricted Cash	\$	540,957	
Schools Capital Projects Fund		19,128,083	
School Construction Fund			
Restricted Cash		11,020,153	
Hospital Capital Reserve Fund		2,043,590	69,512,356
Enterprise Fund			
Water & Sewer Fund	\$	29,931,931	
Solid Waste Management Fund	\$	27,337,265	57,269,196
Custodial Funds			
Municipal Tax Funds	\$	13,169	
Sheriff Inmate Funds		86,730	99,899
Total			<u>\$ 286,893,713</u>

CATAWBA COUNTY, NORTH CAROLINA

Schedule H-1

**Analysis of Current Tax Levy
For the Year Ended June 30, 2025**

	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	\$ 31,407,233,936	0.3985	\$ 125,787,179	\$ 116,434,120	\$ 9,353,059
Penalties	-		171,962	171,962	-
Total	31,407,233,936		125,959,141	116,606,082	9,353,059
Discoveries:					
Current year taxes	14,188,655	0.3985	56,542	56,542	-
Prior year taxes	1,085,746	various	32,260	32,260	-
Penalties	-		665	665	-
Total	15,274,401		89,467	89,467	-
Abatements:	-		(683,523)	(683,523)	-
Total property valuation	<u>\$ 31,422,508,337</u>				
Net levy			125,365,085	116,012,026	9,353,059
Uncollected taxes at June 30, 2025			<u>1,797,572</u>	<u>1,797,572</u>	-
Current year's taxes collected			<u>\$ 123,567,513</u>	<u>\$ 114,214,454</u>	<u>\$ 9,353,059</u>
Current levy collection percentage			<u>98.57%</u>	<u>98.45%</u>	<u>100.00%</u>

Secondary Market Disclosures

Assessed Valuation:	
Assessment Ratio ⁽¹⁾	100%
Real Property	\$ 23,754,669,421
Personal Property	6,339,892,407
Public Service Companies ⁽²⁾	<u>1,327,946,509</u>
Total Assessed Valuation	\$ 31,422,508,337
Tax Rate per \$100	0.3985
Net Levy (includes discoveries, releases and abatements) ⁽³⁾	\$ 125,365,085

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	\$ 13,826,948
---------------------------	---------------

⁽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.

CATAWBA COUNTY, NORTH CAROLINA

Schedule I-1

Schedule of Taxes Receivable
June 30, 2025

General Fund	Uncollected Balance June 30, 2024	Additions and Adjustments	Collections and Credits	Uncollected Balance June 30, 2025
2024	\$ -	\$ 125,365,085	\$ 123,567,513	\$ 1,797,572
2023	1,455,070	-	877,018	578,052
2022	458,271	-	183,852	274,419
2021	217,369	-	73,077	144,292
2020	144,334	-	38,980	105,354
2019	107,633	-	28,814	78,819
2018	96,170	-	16,364	79,806
2017	57,075	-	14,040	43,035
2016	50,460	-	8,017	42,443
2015	38,766	-	7,181	31,585
Prior	48,318	-	48,318	-
	<u>\$ 2,673,466</u>	<u>\$ 125,365,085</u>	<u>\$ 124,863,174</u>	<u>\$ 3,175,377</u>
Less allowance for uncollectible taxes	<u>806,261</u>			<u>933,095</u>
Taxes receivable -- net	<u>\$ 1,867,205</u>			<u>\$ 2,242,282</u>

Reconciliation with revenues:

Ad valorem taxes	
General Fund	\$ 125,788,666
Total ad valorem taxes	\$ 125,788,666
Reconciling items:	
Penalties and interest collected	(611,504)
Tax on leased vehicle collected	(343,763)
Prior year release/adjustments	(18,543)
Taxes written off	48,318
Total reconciling items	(925,492)
Total collections	<u>\$ 124,863,174</u>

CATAWBA COUNTY, NORTH CAROLINA
General Long-Term Debt Requirements and Maturity Schedule
June 30, 2025

Schedule J-1

Fiscal Year Ended June 30	Governmental Activities			Business Type Activities		
	Debt Principal	Interest	Total	Debt Principal	Interest	Total
2026	13,054,356	3,750,735	16,805,091	249,756	5,969	255,725
2027	12,285,887	3,361,082	15,646,969	246,449	3,545	249,994
2028	12,064,310	3,046,702	15,111,012	242,507	1,173	243,680
2029	8,845,376	2,677,568	11,522,944	75,000	-	75,000
2030	8,842,658	2,357,057	11,199,715	75,000		75,000
2031-2035	29,181,000	7,927,911	37,108,911	-	-	-
2036-2040	18,606,000	3,095,189	21,701,189	-	-	-
2041-2043	<u>5,760,000</u>	<u>460,800</u>	<u>6,220,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 108,639,587</u>	<u>\$ 26,677,044</u>	<u>\$ 135,316,631</u>	<u>\$ 888,712</u>	<u>\$ 10,687</u>	<u>\$ 899,399</u>

Statistical Section

This part of Catawba County's annual comprehensive 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
Page 1 of 2

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2025	2024	2023	2022	2021
Governmental activities:					
Net investment in capital assets	\$ 155,762,872	\$ 143,222,369	\$ 134,654,820	\$ 131,737,711	\$ 124,449,252
Restricted	42,468,603	38,499,089	77,672,252	36,821,265	50,609,042
Unrestricted	42,220,085	39,923,893	2,544,137	10,189,348	(35,914,333)
Total governmental activities net position	240,451,560	221,645,351	214,871,209	178,748,324	139,143,961
Business-type activities:					
Net investment in capital assets	81,216,201	76,286,926	75,539,961	74,283,661	70,980,887
Unrestricted	50,766,516	43,592,587	35,749,473	32,268,436	43,799,475
Total business-type activities net position	131,982,717	119,879,513	111,289,434	106,552,097	114,780,362
Primary government:					
Net investment in capital assets	236,979,073	219,509,295	210,194,781	206,021,372	195,430,139
Restricted	42,468,603	38,499,089	77,672,252	36,821,265	50,609,042
Unrestricted	92,986,601	83,516,480	38,293,610	42,457,784	7,885,142
Total primary government net position	\$ 372,434,277	\$ 341,524,864	\$ 326,160,643	\$ 285,300,421	\$ 253,924,323

Data Source
Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINATable 1
Page 2 of 2**Net Position by Component**
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2020	2019	2018	2017	2016
Governmental activities:					
Net investment in capital assets	\$ 115,574,093	\$ 102,979,361	\$ 102,894,759	\$ 92,137,818	\$ 82,024,110
Restricted	39,677,297	47,104,886	26,520,247	32,847,390	37,336,072
Unrestricted	(40,780,172)	(47,734,012)	(31,770,408)	(20,049,846)	(17,909,411)
Total governmental activities net position	<u>114,471,218</u>	<u>102,350,235</u>	<u>97,644,598</u>	<u>104,935,362</u>	<u>101,450,771</u>
Business-type activities:					
Net investment in capital assets	68,855,090	64,560,596	60,993,467	57,243,979	53,727,147
Unrestricted	44,606,556	47,132,939	46,791,325	46,440,583	47,385,811
Total business-type activities net position	<u>113,461,646</u>	<u>111,693,535</u>	<u>107,784,792</u>	<u>103,684,562</u>	<u>101,112,958</u>
Primary government:					
Net investment in capital assets	184,429,183	167,539,957	163,888,226	149,381,797	135,751,257
Restricted	39,677,297	47,104,886	28,828,234	32,847,390	37,336,072
Unrestricted	3,826,384	(601,073)	15,020,917	26,390,737	29,476,400
Total primary government net position	<u>\$ 227,932,864</u>	<u>\$ 214,043,770</u>	<u>\$ 207,737,377</u>	<u>\$ 208,619,924</u>	<u>\$ 202,563,729</u>

Data Source
Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINA

Table 2
Page 1 of 2

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2025	2024	2023	2022	2021
Expenses					
Governmental activities:					
General government	\$ 17,051,927	\$ 17,320,359	\$ 14,546,056	\$ 12,447,523	\$ 13,652,217
Public safety	76,334,923	69,620,374	62,766,431	52,626,431	51,540,354
Environmental protection	910,171	1,079,964	919,966	707,228	632,202
Economic and physical development	27,789,727	27,930,551	30,298,998	23,117,588	21,826,814
Human services	58,560,006	58,144,330	54,721,694	48,364,606	48,364,606
Culture and recreation	4,779,690	3,914,178	4,457,230	3,974,978	3,843,536
Education	90,803,474	86,471,223	69,572,807	61,203,839	65,156,094
Interest on long-term debt	3,693,407	4,016,063	3,353,695	2,562,883	3,951,535
Total governmental activities expenses	<u>279,923,325</u>	<u>268,497,042</u>	<u>240,636,877</u>	<u>205,005,076</u>	<u>208,967,358</u>
Business-type activities:					
Solid waste management	8,515,250	8,847,578	7,277,256	6,944,338	6,629,739
Water and sewer	3,639,322	2,377,819	6,963,208	2,786,959	1,624,959
Total business-type activities expenses	<u>12,154,572</u>	<u>11,225,397</u>	<u>14,240,464</u>	<u>9,731,297</u>	<u>8,254,698</u>
Total primary government expenses	<u>292,077,897</u>	<u>279,722,439</u>	<u>254,877,341</u>	<u>214,736,373</u>	<u>213,447,563</u>
Program Revenues					
Governmental activities:					
Fees, fines, and charges for services:					
General government	2,587,535	2,836,118	2,418,527	1,930,031	1,960,548
Public safety	13,731,009	11,340,173	11,163,077	10,767,020	9,794,544
Environmental protection	54,087	61,851	42,037	30,545	16,175
Economic and physical development	6,973,197	6,436,919	6,156,230	5,442,985	4,454,616
Human services	1,984,755	2,127,863	11,158,175	3,012,971	1,927,447
Culture and recreation	43,246	33,297	43,559	(218,953)	70,270
Education	296,458	310,153	416,781	355,119	344,400
Operating grants and contributions	62,938,618	49,954,720	43,644,291	59,025,254	36,094,621
Capital grants and contributions	-	-	63,712	14,472	14,472
Total governmental activities program revenues	<u>88,608,905</u>	<u>73,101,094</u>	<u>75,106,389</u>	<u>80,359,444</u>	<u>54,677,093</u>
Business-type activities:					
Fees, fines, and charges for services	13,838,248	13,797,946	11,939,366	9,772,558	8,777,537
Operating grants and contributions	1,789,872	1,476,292	3,309,523	1,340,993	1,096,384
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	<u>15,628,120</u>	<u>15,274,238</u>	<u>15,248,889</u>	<u>11,113,551</u>	<u>9,873,921</u>
Total primary government program revenues	<u>104,237,025</u>	<u>88,375,332</u>	<u>90,355,278</u>	<u>91,472,995</u>	<u>64,551,014</u>
Net (Expenses) Revenues					
Governmental activities	(191,314,420)	(195,395,948)	(165,530,488)	(136,184,632)	(154,581,002)
Business-type activities	3,498,548	4,048,841	1,008,425	1,382,254	1,619,223
Total primary government net expense	<u>(187,815,872)</u>	<u>(191,347,107)</u>	<u>(164,522,063)</u>	<u>(134,802,378)</u>	<u>(152,961,779)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	139,994,923	135,716,793	129,669,568	125,402,460	120,612,862
Local option sales taxes	60,400,197	54,323,165	57,784,060	53,494,247	46,887,470
Other taxes	2,778,562	2,159,786	2,566,755	2,664,019	2,213,573
Investment earnings, unrestricted	10,180,539	10,470,691	2,107,593	(5,676,338)	(42,857)
Gain (loss) on sales of capital assets	813,193	122,703	1,936,418	-	8,075
Transfers	(4,046,785)	(623,048)	(2,695,027)	8,674,500	700,000
Total governmental activities	<u>210,120,629</u>	<u>202,170,090</u>	<u>191,369,367</u>	<u>184,558,888</u>	<u>170,379,123</u>
Business-type activities:					
Taxes					
Local option sales taxes	1,443,383	1,321,607	-	-	-
Other taxes	485,157	503,058	477,064	439,249	397,811
Investment earnings	2,520,331	2,080,025	401,863	(1,804,268)	1,682
Gain on sales of capital assets	109,000	13,500	154,958	429,000	-
Transfers	4,046,785	623,048	2,695,027	(8,674,500)	(700,000)
Total business-type activities	<u>8,604,656</u>	<u>4,541,238</u>	<u>3,728,912</u>	<u>(9,610,519)</u>	<u>(300,507)</u>
Total primary government	<u>218,725,285</u>	<u>206,711,328</u>	<u>195,098,279</u>	<u>174,948,369</u>	<u>170,078,616</u>
Change in Net Position					
Governmental activities	18,806,209	6,774,142	25,838,879	48,372,292	15,798,121
Business-type activities	12,103,204	8,590,079	4,737,337	(8,228,265)	1,318,716
Total primary government	<u>\$ 30,909,413</u>	<u>\$ 15,364,221</u>	<u>\$ 30,576,216</u>	<u>\$ 40,144,027</u>	<u>\$ 17,116,837</u>

Data Source
Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINA

Table 2
Page 2 of 2

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2020	2019	2018	2017	2016
Expenses					
Governmental activities:					
General government	\$ 12,155,897	\$ 11,645,266	\$ 10,229,231	\$ 12,702,261	\$ 11,860,452
Public safety	50,525,230	42,615,139	40,842,983	39,368,324	34,879,104
Environmental protection	620,215	629,550	599,963	679,490	585,457
Economic and physical development	20,154,248	18,490,744	17,042,823	16,638,619	14,883,762
Human services	46,071,393	44,620,992	43,083,045	48,949,754	46,621,822
Culture and recreation	3,786,087	3,372,144	3,545,635	3,518,210	3,595,626
Education	58,197,754	65,517,013	69,146,541	57,013,840	50,223,611
Interest on long-term debt	4,064,107	4,318,642	3,615,378	3,707,890	3,477,042
Total governmental activities expenses	195,574,931	191,209,490	188,105,599	182,578,388	166,126,876
Business-type activities:					
Solid waste management	8,122,386	6,576,468	5,640,840	5,575,002	5,346,204
Water and sewer	3,040,068	3,210,852	2,289,106	2,074,045	2,279,892
Total business-type activities expenses	11,162,454	9,787,320	7,929,946	7,649,047	7,626,096
Total primary government expenses	206,737,385	200,996,810	196,035,545	190,227,435	173,752,972
Program Revenues					
Governmental activities:					
Fees, fines, and charges for services:					
General government	2,010,935	2,413,382	2,048,789	1,645,516	1,664,523
Public safety	8,325,780	8,753,953	9,082,972	9,062,382	8,617,461
Environmental protection	24,502	40,791	35,125	33,368	35,269
Economic and physical development	3,472,412	2,639,454	2,886,862	2,783,017	2,552,503
Human services	2,199,185	1,986,009	2,104,653	2,777,252	7,390,409
Culture and recreation	60,759	63,150	60,763	57,805	61,537
Education	-	-	-	-	-
Operating grants and contributions	31,304,752	29,495,898	29,180,562	33,826,622	33,083,275
Capital grants and contributions	565,040	465,997	246,568	114,292	250,000
Total governmental activities program revenues	47,963,365	45,858,634	45,646,294	50,300,254	53,654,977
Business-type activities:					
Fees, fines, and charges for services	9,225,356	7,972,268	7,384,774	6,615,230	6,421,312
Operating grants and contributions	1,049,294	870,227	1,500,375	742,079	743,064
Capital grants and contributions	996,137	13,364	-	-	223,191
Total business-type activities program revenues	11,270,787	8,855,859	8,885,149	7,357,309	7,387,567
Total primary government program revenues	59,234,152	54,714,493	54,531,443	57,657,563	61,042,544
Net (Expenses) Revenues					
Governmental activities	(147,611,566)	(145,350,856)	(142,459,305)	(132,278,134)	(112,471,899)
Business-type activities	108,333	(931,461)	955,203	(291,738)	(238,529)
Total primary government net expense	(147,503,233)	(146,282,317)	(141,504,102)	(132,569,872)	(112,710,428)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	115,771,446	107,841,934	104,070,254	102,512,789	98,691,384
Local option sales taxes	39,552,244	37,938,247	36,065,390	34,612,225	32,903,055
Other taxes	1,849,277	1,795,787	1,848,291	1,768,591	1,590,916
Investment earnings, unrestricted	2,559,582	4,175,509	702,975	209,348	1,470,473
Gain (loss) on sales of capital assets	-	-	-	-	-
Transfers	-	(1,694,984)	(1,653,489)	(1,600,000)	(1,617,050)
Total governmental activities	159,732,549	150,056,493	141,033,421	137,502,953	133,038,778
Business-type activities:					
Taxes					
Local option sales taxes	-	900,150	848,925	821,860	870,975
Other taxes	369,136	372,218	425,298	340,216	327,044
Investment earnings	1,184,091	1,867,691	292,600	52,518	715,609
Gain on sales of capital assets	106,551	5,161	54,598	48,748	54,235
Transfers	-	1,694,984	1,653,489	1,600,000	1,617,050
Total business-type activities	1,659,778	4,840,204	3,274,910	2,863,342	3,584,913
Total primary government	161,392,327	154,896,697	144,308,331	140,366,295	136,623,691
Change in Net Position					
Governmental activities	12,120,983	4,705,637	(1,425,884)	5,224,819	20,566,879
Business-type activities	1,768,111	3,908,743	4,230,113	2,571,604	3,346,384
Total primary government	\$ 13,889,094	\$ 8,614,380	\$ 2,804,229	\$ 7,796,423	\$ 23,913,263

Data Source
Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINA
Table 3
Page 1 of 2
Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year				
	2025	2024	2023	2022	2021
General Fund					
Nonspendable					
Inventories	\$ 247,683	\$ 250,513	\$ 258,729	\$ 299,636	\$ 319,229
Prepaid	76,415	53,179	234,868	61,080	18,419
Notes receivable	5,282,583	4,494,175	2,039,100	584,026	913,027
Leases	6,403	5,741	14,096	2,036	-
Restricted					
Stabilization by State Statute	25,714,402	24,095,174	24,393,747	22,335,350	18,655,860
Register of Deeds	87,251	158,645	142,308	139,535	115,021
Debt service	26,699,815	24,842,036	22,984,713	21,122,635	19,265,800
Social Services	236,000	236,000	236,000	240,000	240,000
General Capital Reserve	-	-	-	-	-
Committed					
Tax Reappraisal	208,353	156,237	57,931	122,185	128,307
Assigned					
Public Health	2,092,414	1,828,840	1,774,173	991,262	680,178
Social Services	11,510,988	10,569,501	8,419,669	7,125,114	5,149,537
County Manager	826,335	708,089	653,613	422,335	388,954
Human Resources	454,685	418,182	493,724	361,748	238,628
Library	725,105	781,410	709,882	675,350	693,938
Subsequent year's expenditures	8,664,411	8,384,519	9,179,705	11,154,833	8,511,516
Unassigned	75,851,616	71,610,448	70,740,956	65,591,057	57,306,094
Total general fund	158,806,948	148,592,689	142,333,214	131,228,182	112,624,508
Restricted					
Stabilization by State Statute	425,526	309,466	10,047,553	3,933,063	9,198,727
Public Safety	2,162,518	3,537,823	2,691,485	2,042,228	1,670,080
Human Services	7,571,204	5,529,404	1,726,217	-	25,552
Fire Protection	2,458,554	2,016,288	2,119,912	2,077,632	1,747,215
Environmental Protection	252,558	106,760	-	-	-
Library Endowment	218,692	208,592	199,671	197,841	225,206
Scholarship	59,894	55,657	55,751	56,244	58,703
Parks Preservation	-	121,359	89,905	76,104	55,824
Community Development	156,595	30,992	531	50,694	20,136
Education	1,791	371	-	-	-
Representative Payee	39,803	42,966	87,084	104,255	-
American Rescue Plan Act	-	-	-	-	15,473,757
CARES Act	-	-	-	-	-
General Capital	90,931	90,345	89,891	89,786	5,022,380
School Capital and Construction	11,020,153	17,563,127	33,392,468	1,816,691	5,795,919
NC Railroad	41,973	21,295	-	-	-
Hospital Capital	2,047,164	1,817,718	2,081,502	2,230,555	2,807,987
Committed					
General Capital	35,572,678	39,147,195	30,569,952	26,902,456	7,471,743
Subdivision Road Improvement	934,632	1,234,578	833,295	565,810	-
School Capital	23,055,474	19,265,471	11,747,236	9,825,269	8,460,279
School Construction	-	5,795,435	9,903,730	7,988,924	10,242,253
Hospital Construction	5,170,079	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(174,859)	(1,023,972)	(338,651)	(15,495,456)
Total fund balances	91,280,219	96,719,983	104,612,211	57,618,901	52,780,305
Total governmental funds	\$ 250,754,682	\$ 245,312,672	\$ 246,945,425	\$ 191,847,084	\$ 165,404,813

Data Source

Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINA
Table 3
Page 2 of 2
Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year				
	2020	2019	2018	2017	2016
General Fund					
Nonspendable					
Inventories	\$ 304,083	\$ 310,198	\$ 314,246	\$ 315,603	\$ 326,899
Prepaid	617,948	595,103	600,017	650,755	791,762
Notes receivable	1,195,145	930,261	828,179	1,140,298	1,487,417
Leases	-	-	-	-	-
Restricted					
Stabilization by State Statute	16,340,426	17,310,522	16,277,027	15,043,605	15,930,246
Register of Deeds	43,326	46,265	17,382	17,170	5,883
Debt service	17,412,407	15,552,488	13,923,346	11,878,801	10,014,375
Social Services	243,133	245,354	-	-	-
General Capital Reserve	-	-	405,964	404,237	462,531
Committed					
Tax Revaluation	95,125	94,005	119,803	173,005	172,990
Assigned					
Public Health	662,279	572,272	734,665	684,018	376,026
Social Services	3,892,520	3,434,388	3,758,037	4,133,196	5,189,684
County Manager	263,100	251,336	251,049	168,882	165,824
Human Resources	203,989	210,196	323,652	396,894	498,613
Library	691,398	515,113	307,791	127,497	103,073
Subsequent year's expenditures	6,389,453	7,606,196	6,809,722	6,196,066	8,740,222
Unassigned	49,576,091	41,970,308	39,478,996	38,512,665	34,098,284
Total general fund	97,930,423	89,644,005	84,149,876	79,842,692	78,363,829
Restricted					
Stabilization by State Statute	16,168,544	22,009,972	2,642,305	9,998,054	13,762,920
Public Safety	1,539,652	1,282,323	934,306	607,282	494,667
Human Services	-	-	-	-	-
Fire Protection	1,408,760	1,881,139	1,487,254	1,521,675	1,370,246
Environmental Protection	-	-	-	-	-
Library Endowment	205,165	199,878	193,303	192,424	192,428
Scholarship	58,670	56,815	54,953	53,725	52,740
Parks Preservation	23,032	5,515	5,335	5,312	1,099
Community Development	19,960	4,408	25,764	15,821	-
Education	-	-	-	-	-
Representative Payee	-	-	-	-	-
American Rescue Plan Act	-	-	-	-	-
CARES Act	4,923	-	-	-	-
General Capital	6,946,054	17,884,858	30,058,365	452,704	2,231,565
School Capital and Construction	2,717,631	6,066,675	22,578,401	22,019,761	-
NC Railroad	-	-	-	-	-
Hospital Capital	3,305,995	3,728,084	4,104,986	4,586,527	5,063,041
Committed					
General Capital	532,909	2,462,695	17,584,405	16,137,346	18,875,251
Subdivision Road Improvement	-	-	-	-	-
School Capital	8,969,464	6,791,275	6,116,496	7,159,669	5,499,929
School Construction	6,027,961	8,877,798	7,216,972	12,264,434	6,790,440
Hospital Construction	-	-	-	-	24,433
Assigned	-	-	-	-	-
Unassigned	(1,106,533)	-	-	-	(712)
Total fund balances	46,822,187	71,251,435	93,002,845	75,014,734	54,358,047
Total governmental funds	\$ 144,752,610	\$ 160,895,440	\$ 177,152,721	\$ 154,857,426	\$ 132,721,876

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				
	2025	2024	2023	2022	2021
Revenues					
Ad valorem taxes	\$ 139,474,617	\$ 135,725,988	\$ 128,764,971	\$ 125,412,180	\$ 121,024,799
Other taxes	\$ 62,425,499	55,617,482	59,483,016	55,315,391	48,220,380
Unrestricted intergovernmental revenues	2,082,260	2,380,950	2,328,801	2,251,449	2,094,948
Tax assessment road improvement	309,259	107,173	13,586	-	-
Restricted intergovernmental revenues	67,406,559	57,162,670	48,116,692	51,478,242	40,647,300
Permits and fees	6,670,100	6,332,622	6,416,413	6,183,904	5,352,866
Sales and services	12,419,457	10,780,323	11,289,538	10,128,551	7,780,817
Investment earnings	10,180,539	10,470,693	2,107,593	(5,676,335)	(42,859)
Miscellaneous	5,153,782	4,265,084	4,042,248	3,580,511	3,517,835
Total revenues	306,122,072	282,842,985	262,562,858	248,673,893	228,596,086
Expenditures					
Current:					
General government	17,590,330	16,644,375	15,622,327	14,627,408	14,898,197
Public safety	72,803,631	65,864,728	58,042,095	51,074,409	48,186,161
Environmental protection	877,260	1,034,207	884,946	702,965	601,045
Economic and physical development	23,935,795	24,751,405	25,781,815	21,894,798	19,023,000
Human services	54,295,559	53,673,544	50,521,075	47,203,285	45,273,661
Culture and recreation	4,358,763	4,082,519	4,117,820	3,992,511	3,496,614
Education	52,429,047	50,073,582	47,969,792	47,384,443	46,477,634
Capital Outlay	52,920,647	46,831,826	29,391,429	26,917,395	30,208,203
Debt service:	-	-	-	-	-
Principal	14,485,695	17,054,307	15,202,850	14,950,643	14,577,808
Interest	4,215,573	4,538,231	3,264,944	3,835,712	4,314,087
Payment to refunded bond escrow agent	-	-	-	-	-
Bond issuance costs	-	-	411,276	7,616	145,011
Total expenditures	297,912,300	284,548,724	251,210,369	232,591,185	227,201,421
Other Financing Sources (uses)					
Transfers from other funds	14,359,296	19,825,756	18,040,339	38,858,350	14,349,626
Transfers to other funds	(18,406,080)	(20,448,804)	(20,735,366)	(30,183,850)	(13,649,626)
Installment purchase obligations issued	813,193	-	-	-	18,550,000
Lease liabilities issued	-	-	119,987	1,579,797	-
SBITA liabilities issued	465,829	573,331	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	-	122,703	60,577	-	8,075
Total other financing sources (uses)	(2,767,762)	72,986	43,745,854	10,254,297	19,258,075
Net change in fund balances	\$ 5,442,010	\$ (1,632,753)	\$ 55,098,343	\$ 26,337,005	\$ 20,652,740
Debt service as a percentage of noncapital expenditures	6.6%	8.0%	7.6%	8.7%	8.8%

⁽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				
	2020	2019	2018	2017	2016
Revenues					
Ad valorem taxes	\$ 115,496,421	\$ 108,017,836	\$ 104,028,855	\$ 102,643,115	\$ 98,864,292
Other taxes	40,497,590	38,794,760	36,953,090	35,395,806	33,513,929
Unrestricted intergovernmental revenues	1,987,827	1,859,693	1,895,660	1,915,010	1,914,853
Tax assessment road improvement	-	-	-	-	-
Restricted intergovernmental revenues	35,480,559	33,799,515	32,872,765	37,710,248	36,702,096
Permits and fees	3,678,377	3,648,564	3,545,784	3,270,330	2,725,409
Sales and services	8,079,661	7,679,583	7,789,214	7,955,557	9,289,078
Investment earnings	2,559,583	4,175,516	702,974	209,348	1,451,782
Miscellaneous	3,838,422	3,258,451	3,584,753	3,544,286	7,502,488
Total revenues	211,618,440	201,233,918	191,373,095	192,643,700	191,963,927
Expenditures					
Current:					
General government	13,057,864	13,645,725	12,033,377	12,813,629	12,646,281
Public safety	46,544,256	40,511,383	40,537,103	40,004,086	34,477,572
Environmental protection	594,076	607,125	581,569	661,156	573,409
Economic and physical development	18,731,430	17,619,284	16,222,681	15,493,426	15,010,630
Human services	43,149,372	42,815,566	42,039,157	47,706,576	46,315,883
Culture and recreation	3,492,983	3,603,514	3,397,645	3,407,377	3,513,584
Education	45,497,776	44,679,342	43,331,107	41,012,204	40,239,272
Capital Outlay	37,444,960	34,042,704	35,780,090	27,343,949	26,081,492
Debt service:					
Principal	14,676,883	13,445,368	13,501,848	13,430,361	10,582,661
Interest	4,571,669	4,826,204	3,507,375	3,763,682	3,744,689
Payment to refunded bond escrow agent	-	-	-	-	-
Bond issuance costs	-	-	375,651	115,551	-
Total expenditures	227,761,269	215,796,215	211,307,603	205,751,997	193,185,473
Other Financing Sources (uses)					
Transfers from other funds	7,162,914	5,158,796	6,641,134	10,302,305	8,376,971
Transfers to other funds	(7,162,914)	(6,853,780)	(8,294,623)	(11,902,305)	(9,994,021)
Installment purchase obligations issued	-	-	-	50,530,000	570,000
Lease liabilities issued	-	-	-	-	-
SBITA liabilities issued	-	-	-	-	-
Premium on installment obligations issued	-	-	-	-	-
Bonds issued	-	-	39,085,000	-	-
Premium on bonds issued	-	-	4,798,292	-	-
Payment to refunded escrow agent	-	-	-	(13,686,153)	-
Proceeds for sale of properties	-	-	-	-	-
Sales of capital assets	-	-	-	-	-
Total other financing sources (uses)	-	(1,694,984)	42,229,803	35,243,847	(1,047,050)
Net change in fund balances	\$ (16,142,829)	\$ (16,257,281)	\$ 22,295,295	\$ 22,135,550	\$ (2,268,596)
Debt service as a percentage of noncapital expenditures	9.5%	9.1%	8.6%	8.9%	8.1%

⁽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
2016 ⁽²⁾	11,564,008,687	3,742,083,773	788,247,696	16,094,340,156	0.5750	16,261,837,078
2017	11,682,762,282	3,910,899,616	827,530,781	16,421,192,679	0.5750	16,571,997,860
2018	11,821,086,656	4,032,470,698	846,131,001	16,699,688,355	0.5750	17,439,106,470
2019	11,984,593,390	4,339,896,854	856,998,611	17,181,488,855	0.5750	18,580,608,689
2020 ⁽²⁾	13,101,976,344	4,431,826,297	922,892,477	18,456,695,118	0.5750	18,821,838,791
2021	13,386,384,363	4,761,084,974	987,346,080	19,134,815,417	0.5750	20,837,215,961
2022	13,586,700,647	5,161,064,795	1,088,939,158	19,836,704,600	0.5750	21,309,644,077
2023	13,881,215,480	5,331,939,160	1,177,969,708	20,391,124,348	0.5750	22,198,505,303
2024 ⁽²⁾	23,120,142,240	6,227,004,758	1,282,087,212	30,629,234,210	0.3985	32,594,446,300
2025	23,754,669,421	6,339,892,407	1,327,946,509	31,422,508,337	0.3985	35,270,323,710

⁽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



CATAWBA COUNTY, NORTH CAROLINATable 6
Page 1 of 2**Property Tax Rates - Direct and Overlapping Governments ⁽¹⁾
Last Ten Fiscal Years**

	Fiscal Year				
	2025	2024	2023	2022	2021
Catawba County					
Property Tax	0.3985	0.3985	0.5750	0.5750	0.5750
Fire Districts:					
Bandys	0.1000	0.0785	0.1150	0.1150	0.1150
Catawba Rural	0.1070	0.1070	0.1300	0.1300	0.1300
Claremont Rural	0.1122	0.0925	0.1300	0.1100	0.1100
Conover Rural	0.0800	0.0800	0.1150	0.1100	0.1100
Cooksville	0.0710	0.0540	0.0750	0.0750	0.0750
Hickory Rural	0.1250	0.1250	0.1500	0.1500	0.1500
Long View Rural	0.0755	0.0755	0.1130	0.0830	0.0830
Maiden Rural	0.0883	0.0720	0.1053	0.0753	0.0753
Mountain View	0.0855	0.0730	0.0770	0.0718	0.0718
Newton Rural	0.1010	0.1010	0.1500	0.1300	0.1300
Oxford	0.0610	0.0610	0.0650	0.0650	0.0650
Propst	0.0590	0.0590	0.0770	0.0620	0.0620
Sherrills Ford	0.0940	0.0840	0.1300	0.1300	0.1300
St. Stephens	0.1240	0.1040	0.1200	0.1200	0.1200
Municipalities:					
Town of Brookford	0.4000	0.4000	0.5200	0.5200	0.5200
Town of Catawba	0.5000	0.4000	0.5800	0.5800	0.5800
Town of Long View	0.4900	0.4900	0.5700	0.5700	0.5700
Town of Maiden	0.3800	0.3800	0.3800	0.3800	0.3800
City of Claremont	0.4175	0.4175	0.4900	0.0490	0.0490
City of Conover	0.3950	0.3950	0.5000	0.0500	0.0500
City of Hickory	0.4550	0.4550	0.6275	0.6275	0.5875
City of Newton	0.4500	0.4500	0.5400	0.5400	0.5400
Total Maximum Rate - Fire District	0.5235	0.5235	0.7250	0.7250	0.7250
Total Maximum Rate - Municipalities	0.8985	0.8535	1.2025	1.2025	1.1625

⁽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 CAROLINA

Table 6
Page 2 of 2

Property Tax Rates - Direct and Overlapping Governments ⁽¹⁾
Last Ten Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
Catawba County					
Property Tax	0.5750	0.5750	0.5750	0.5750	0.5750
Fire Districts:					
Bandys	0.0780	0.0820	0.0820	0.0820	0.0820
Catawba Rural	0.1300	0.1000	0.1000	0.1000	0.0850
Claremont Rural	0.0900	0.0900	0.0900	0.0800	0.0800
Conover Rural	0.1100	0.1100	0.0900	0.0900	0.0900
Cooksville	0.0750	0.0620	0.0620	0.0620	0.0620
Hickory Rural	0.1500	0.1200	0.1200	0.0900	0.0900
Long View Rural	0.0830	0.0730	0.0730	0.0730	0.0730
Maiden Rural	0.0753	0.0800	0.0800	0.0800	0.0750
Mountain View	0.0718	0.0750	0.0750	0.0750	0.0600
Newton Rural	0.1200	0.1200	0.0900	0.0900	0.0900
Oxford	0.0650	0.0650	0.0650	0.0650	0.0650
Propst	0.0620	0.0620	0.0620	0.0620	0.0620
Sherrills Ford	0.1300	0.1100	0.1100	0.1100	0.0810
St. Stephens	0.1200	0.1200	0.1200	0.1200	0.0900
Municipalities:					
Town of Brookford	0.5200	0.5200	0.5200	0.5200	0.5200
Town of Catawba	0.5800	0.5800	0.4800	0.4800	0.4800
Town of Long View	0.5700	0.5700	0.5200	0.5200	0.4200
Town of Maiden	0.3800	0.3800	0.3800	0.3800	0.3800
City of Claremont	0.0490	0.4900	0.4900	0.4900	0.4900
City of Conover	0.0500	0.5000	0.4700	0.4700	0.4700
City of Hickory	0.5875	0.5665	0.5665	0.5665	0.5665
City of Newton	0.5400	0.5400	0.5400	0.5400	0.5400
Total Maximum Rate - Fire District	0.7250	0.6950	0.6950	0.6950	0.6650
Total Maximum Rate - Municipalities	1.1625	1.1550	1.1415	1.1415	1.1415

⁽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 CAROLINA

Table 7
Page 1 of 2

**Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	Type of Business	Fiscal Year 2025		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Apple, Inc.	Computer Server	\$ 1,476,648,949	1	4.70
Duke Energy Carolinas, LLC	Electric Utility	1,057,575,039	2	3.37
GKN Driveline Newton, LLC	Gears Mfg.	244,285,457	3	0.78
Corning Incorporated	Cable Mfg.	213,130,895	4	0.68
Prysmian Cables and Systems	Cable Mfg.	171,483,489	5	0.55
CommScope Inc of North Carolina	Cable Mfg.	165,547,513	6	0.53
Piedmont Natural Gas Co., Inc.	Gas Utility	130,836,456	7	0.42
Shurtape Technologies, Inc.	Manufacturing	122,721,855	8	0.39
Duke LifePoint (Frye Regional Medical)	Medical Care	115,365,668	9	0.37
Target Corporation	Warehouse/Retail	112,528,409	10	0.36
		<u>\$ 3,810,123,730</u>		<u>12.15</u>
Total Assessed Valuation		<u>\$ 31,422,508,337</u>		

Source: Catawba County Tax Collector

CATAWBA COUNTY, NORTH CAROLINATable 7
Page 2 of 2**Principal Property Taxpayers
Current Year and Nine Years Ago**

Fiscal Year 2016				
Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Apple, Inc.	Computer Server	\$ 1,065,891,653	1	6.62
Duke Energy Carolinas, LLC	Electric Utility	602,186,605	2	3.74
GKN Driveline Newton, LLC	Gears Mfg.	168,439,111	3	1.05
CommScope Inc. of North Carolina	Cable Mfg.	96,248,172	4	0.60
Target Corporation	Warehouse/Retail	85,329,962	5	0.53
Corning Cable System	Cable Mfg.	71,296,078	6	0.44
Frye Regional/American Medical	Medical Care	61,951,492	7	0.38
Draka Comteq Americas, Inc.	Cable Mfg.	55,470,441	8	0.34
HSM Solutions	Furniture Supplies	51,155,238	9	0.32
Valley Hills Mall, LLC	Retail	38,724,561	10	0.24
		<u>\$ 2,296,693,313</u>		<u>14.26</u>
Total Assessed Valuation		<u>\$ 16,094,340,156</u>		

Source: Catawba County Tax Collector

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
2016	2015	92,542,456	90,856,714	98.18	1,654,157	92,510,871	99.97
2017	2016	94,639,996	93,070,059	98.34	1,527,494	94,597,553	99.96
2018	2017	96,140,422	94,571,921	98.37	1,525,466	96,097,387	99.96
2019	2018	99,113,042	97,751,358	98.63	1,281,878	99,033,236	99.92
2020	2019	106,244,575	104,660,807	98.51	1,504,950	106,165,756	99.93
2021	2020	110,229,070	109,080,596	98.96	1,043,120	110,123,716	99.90
2022	2021	114,633,420	113,541,410	99.05	947,718	114,489,128	99.87
2023	2022	117,592,279	116,372,521	98.96	945,339	117,317,860	99.77
2024	2023	123,290,628	121,835,558	98.82	877,218	122,712,576	99.53
2025	2024	125,365,085	123,567,513	98.57	-	123,567,513	98.57

⁽¹⁾ Includes discoveries, releases and abatements

Source: Catawba County Tax Collector



Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities							
	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
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
2024	-	930,000	45,861,146	-	27,808,553	-	82,849,648	1,763,307
2025	-	-	38,317,288	-	27,808,553	-	77,160,693	1,297,299

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

Table 9
Page 2 of 2

**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			
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	1.73	931
2023	-	1,111,877	-	525,000	5,167	177,944,628	1.96	1,081
2024	-	691,521	-	450,000	1,907	160,356,082		965
2025	-	513,712	-	375,000	-	145,472,545		865

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>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Assessed value (after exemption)	31,422,508,337	30,629,234,210	20,391,124,348	19,836,704,600	19,134,815,417
Debt limit rate	8%	8%	8%	8%	8%
Debt limit	2,513,800,667	2,450,338,737	1,631,289,948	1,586,936,368	1,530,785,233
Less: Total net debt applicable to limit	117,481,804	125,009,239	153,017,789	129,084,877	149,537,030
Legal debt margin	<u>2,396,318,863</u>	<u>2,325,329,498</u>	<u>1,478,272,159</u>	<u>1,457,851,491</u>	<u>1,381,248,203</u>
Total net debt applicable to the limit as a percentage of debt limit	5%	5%	9%	8%	10%

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed value (after exemptions)	\$ 31,422,508,337
Debt limit (8% of assessed value)	2,513,800,667
Debt applicable to limit:	
Certificates of participation	-
Installment purchase	38,317,288
Qualified School Construction Bonds	27,808,553
Limited Obligation Bonds	77,674,405
Federal Revolving Loan	375,000
Less: Statutory deductions	
Sinking Funds	<u>(26,693,442)</u>
Total net debt applicable to limit	<u>117,481,804</u>
Legal debt margin	<u>\$ 2,396,318,863</u>

CATAWBA COUNTY, NORTH CAROLINA**Table 10**
Page 2 of 2**Legal Debt Margin Information**
Last Ten Fiscal Years

	2020	2019	2018	2017	2016
Assessed value (after exemption)	18,456,695,118	17,181,488,855	16,699,988,355	16,421,192,679	16,094,340,156
Debt limit rate	8%	8%	8%	8%	8%
Debt limit	1,476,535,609	1,374,519,108	1,335,999,068	1,313,695,414	1,287,547,212
Less: Total net debt applicable to limit	149,376,135	167,855,980	198,869,191	170,255,375	148,502,990
Legal debt margin	149,376,135	1,206,663,128	198,869,191	1,143,440,039	1,139,044,222
Total net debt applicable to the limit as a percentage of debt limit	10%	12%	15%	13%	12%

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⁾
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	9,026,785,000	55,223	41.70	21,870	3.4
2024	166,196	9,487,534,000	57,624	42.40	21,815	4.1
2025	168,248	N/A	N/A	39.40	22,603	3.8

N/A = Not available

Sources:

¹ NC Budget and Management Office of State Planning - Based upon estimates issued by the U.S. Census Bureau

² Bureau of Economic Analysis

³ NC Budget and Management Office of State Planning

⁴ North Carolina Department of Public Instruction

⁵ 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	2025		2016	
		Employees	Rank	Employees	Rank
Catawba Valley Medical Center	Health Care & Social Assistance	1,000+	1	1,000+	2
Catawba County Schools	Education & Health Services	1,000+	2	1,000+	1
Corning Optical Communications, LLC	Manufacturing	1,000+	3	1000+	6
Target Stores DIV	Transporation & Warehousing	1,000+	4	-	-
Catawba County Government	Public Administration	1,000+	5	1,000+	5
Wal-Mart Associates, LLC	Retail Trade	1,000+	6	-	-
Dlp Partner Frye, LLC	Health Care & Social Assistance	1,000+	7	-	-
Commscope Inc of NC	Manufacturing	1,000+	8	1,000+	3
Pierre Foods Inc	Manufacturing	500-999	9	500-999	9
Century Furniture	Manufacturing	500-999	10	-	-
GKN Driveline Newton LLC	Manufacturing	500-999	11	-	-
Westrock Services LLC	Manufacturing	500-999	12	-	-
City of Hickory	Public Administration	500-999	13	-	-
Shurtape Technologies LLC	Manufacturing	500-999	14	-	-

CATAWBA COUNTY, NORTH CAROLINA
Full Time Equivalent County Employees by Function
Last Ten Fiscal Years

Table 13
Page 1 of 2

	Full-time Equivalent Employees as of June 30				
	2025	2024	2023	2022	2021
Function					
Governmental activities:					
General government	80	84	84	81	82
Public safety	446	453	447	442	439
Environmental protection	5	6	5	5	5
Economic and physical development	109	114	111	108	97
Human services	519	530	541	519	516
Culture and recreation	38	38	38	38	38
Total governmental activities	<u>1,197</u>	<u>1,225</u>	<u>1,226</u>	<u>1,193</u>	<u>1,177</u>
Business-type activities:					
Water sewer	1	1	1	1	1
Solid waste management	32	30	29	30	30
Total business-type activities	<u>33</u>	<u>31</u>	<u>30</u>	<u>31</u>	<u>31</u>
Total primary government	<u>1,230</u>	<u>1,256</u>	<u>1,256</u>	<u>1,224</u>	<u>1,208</u>

Source: Catawba County Human Resources Department

CATAWBA COUNTY, NORTH CAROLINA
Full Time Equivalent County Employees by Function
Last Ten Fiscal Years

Table 13
Page 2 of 2

	Full-time Equivalent Employees as of June 30				
	2020	2019	2018	2017	2016
Function					
Governmental activities:					
General government	81	80	82	82	81
Public safety	425	374	370	358	355
Environmental protection	5	5	4	4	4
Economic and physical development	91	91	86	84	78
Human services	516	515	510	505	541
Culture and recreation	38	38	37	36	35
Total governmental activities	<u>1,156</u>	<u>1,103</u>	<u>1,089</u>	<u>1,069</u>	<u>1,094</u>
Business-type activities:					
Water sewer	1	1	1	1	1
Solid waste management	29	29	29	27	26
Total business-type activities	<u>30</u>	<u>30</u>	<u>30</u>	<u>28</u>	<u>27</u>
Total primary government	<u>1,186</u>	<u>1,133</u>	<u>1,119</u>	<u>1,097</u>	<u>1,120</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				
	2025	2024	2023	2022	2021
Governmental activities:					
General government					
Number of registered voters	115,334	114,326	109,754	110,265	107,141
Number of marriage licenses issued	1,174	1,043	1,065	1,035	1,091
Number of tax bills issued	120,915	118,387	117,237	111,937	116,095
Public safety					
Number of 911 dispatch/calls	89,710	94,555	97,782	94,350	94,507
Sheriff Department offenses reported	3,677	4,262	4,036	2,265	4,273
Environmental protection					
Cooperative extension agent contacts	162,953	73,303	103,900	93,842	123,654
Economic and physical development					
Number of commercial permits issued	497	517	599	614	590
Number of residential permits issued	2,829	2,815	2,749	2,348	2,210
Human services					
Households received assistance with energy bills	3,239	2,586	1,683	2,653	3,341
Medicaid transportation provided (round trips)	11,846	15,375	13,779	15,225	14,751
Child support services cases currently open	4,453	4,669	5,090	5,482	5,886
Public health clients served	41,032	38,151	43,260	39,451	44,616
Restaurant inspections	1,565	1,839	1,408	1,406	1,386
Culture and recreation					
Total circulation for library system	611,111	526,650	480,600	493,586	535,336
Number of patrons visiting parks	636,871	585,372	509,650	278,253	151,326
Education					
Public school student enrollment K-12	22,603	21,815	21,870	21,636	21,701
Business-type activities:					
Solid waste management					
Tons buried - MSW	246,009	236,259	200,167	173,994	167,940
Tons buried - C&D	-	-	54,410	49,399	47,974
Tons recycled	27,810	14,629	24,129	20,875	24,597

⁽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

Table 14
Page 2 of 2

Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year				
	2020	2019	2018	2017	2016
Governmental activities:					
General government					
Number of registered voters	106,113	99,706	105,035	101,790	101,330
Number of marriage licenses issued	995	964	1,081	1,081	1,074
Number of tax bills issued	114,422	111,625	106,065	104,928	104,396
Public safety					
Number of 911 dispatch/calls	89,553	89,712	90,118	92,049	93,089
Sheriff Department offenses reported	2,697	9,417	5,914	6,054	6,169
Environmental protection					
Cooperative extension agent contacts	265,124	170,863	46,075	46,997	41,348
Economic and physical development					
Number of commercial permits issued	605	506	602	605	631
Number of residential permits issued	1,576	1,515	1,467	1,398	1,182
Human services					
Households received assistance with energy bills	3,706	3,681	2,628	3,344	3,550
Medicaid transportation provided (round trips)	17,941	21,368	25,679	27,235	27,590
Child support services cases currently open	6,139	6,512	6,501	6,562	6,682
Public health clients served	42,100	40,768	17,148	9,037	10,958
Restaurant inspections	1,303	1,374	1,434	1,353	1,347
Culture and recreation					
Total circulation for library system	426,914	476,434	468,898	525,988	555,132
Number of patrons visiting parks	208,492	166,853	160,803	166,319	170,295
Education					
Public school student enrollment K-12	22,593	22,705	23,203	23,509	23,679
Business-type activities:					
Solid waste management					
Tons buried - MSW	159,100	157,312	153,207	139,638	133,843
Tons buried - C&D	45,316	34,384	33,858	33,041	32,819
Tons recycled	19,255	19,685	20,256	21,761	19,737

⁽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

Table 15
Page 1 of 2

Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Governmental activities:					
General government					
Buildings	4	4	6	5	5
Vehicles	7	9	7	7	5
Public safety					
Buildings	16	16	15	15	14
Vehicles	333	322	277	258	260
Environmental protection					
Buildings	2	2	2	2	2
Vehicles	3	4	3	3	3
Economic and physical development					
Buildings	3	2	2	2	2
Vehicles	96	96	79	71	74
Human services					
Buildings	33	35	34	37	38
Vehicles	29	29	27	28	41
Culture and recreation					
Buildings	6	6	5	5	5
Vehicles	2	2	2	2	2
Business-type activities:					
Solid waste management					
Buildings	11	11	10	10	10
Vehicles	30	27	25	23	26
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

Table 15

Page 2 of 2

**Capital Asset Statistics by Function
Last Ten Fiscal Years**

Function	Fiscal Year				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Governmental activities:					
General government					
Buildings	5	5	6	6	6
Vehicles	8	5	6	4	5
Public safety					
Buildings	14	14	13	12	11
Vehicles	233	225	247	230	221
Environmental protection					
Buildings	2	2	2	2	2
Vehicles	3	3	3	2	2
Economic and physical development					
Buildings	2	2	2	2	2
Vehicles	60	66	62	58	48
Human services					
Buildings	38	38	38	37	38
Vehicles	37	35	39	40	41
Culture and recreation					
Buildings	5	5	5	5	5
Vehicles	2	2	1	1	1
Business-type activities:					
Solid waste management					
Buildings	10	10	10	10	10
Vehicles	25	24	26	24	23
Water and sewer					
Buildings	0	0	0	0	0
Vehicles	0	0	0	0	0

N/A = Not available

Sources: Catawba County Departments