

Catawba County Audit/ Financial Review

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Paula Hodges, Partner



AUDIT RESULTS

- Audit Opinion
- Compliance – Single Audit (State/Federal Grants)
- Financial Condition

Annual Comprehensive
Financial Report



catawba county
north carolina

2025



Fiscal Year 2024 -25 Annual Comprehensive Financial Report

Mary Morrison
Chief Financial Officer



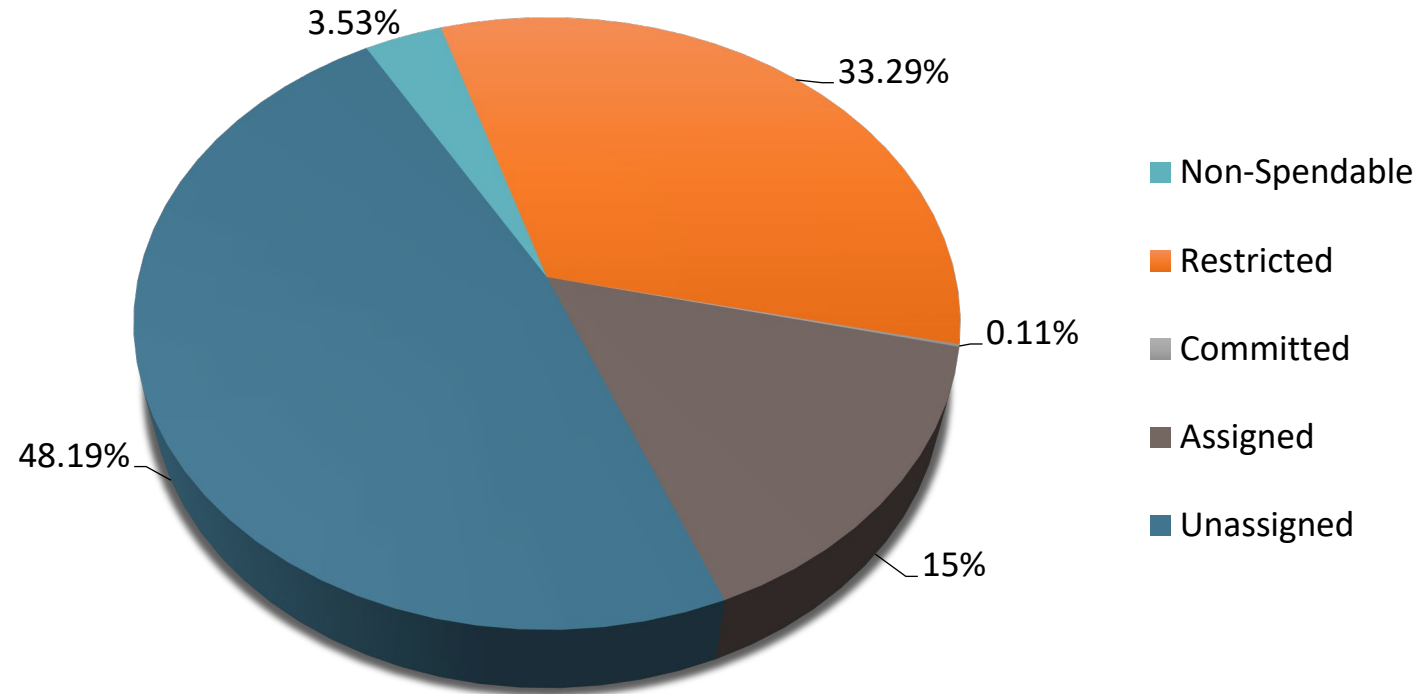
Annual Comprehensive Financial Report Overview

- Total Change in Net Position +\$31.3M
 - Governmental Funds +19.2M net position
 - Business Type Activities +12.1M net position
- General Fund
 - Total Fund Balance +10.2M
 - Unassigned Fund Balance +4.2M
 - Primarily driven by increases in sales tax and property tax revenues





General Fund Fund Balance Classifications



**Total General Fund
Fund Balance
\$158.8M**

**Percentage of General Fund Expenditures:
Unassigned FB 33%**

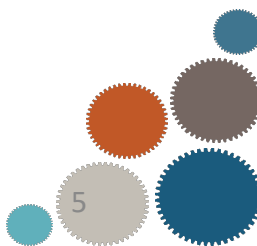
Unassigned \$75.8M: Available for spending at the Commission's discretion

Non-spendable \$5.6M: Inventories, Prepaid Taxes/Bills, Notes Receivable

Restricted \$52.8M: State Statute, Register of Deeds-Technology, Debt Service

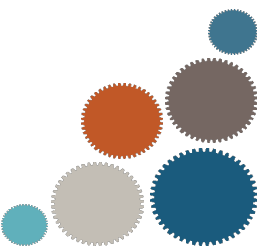
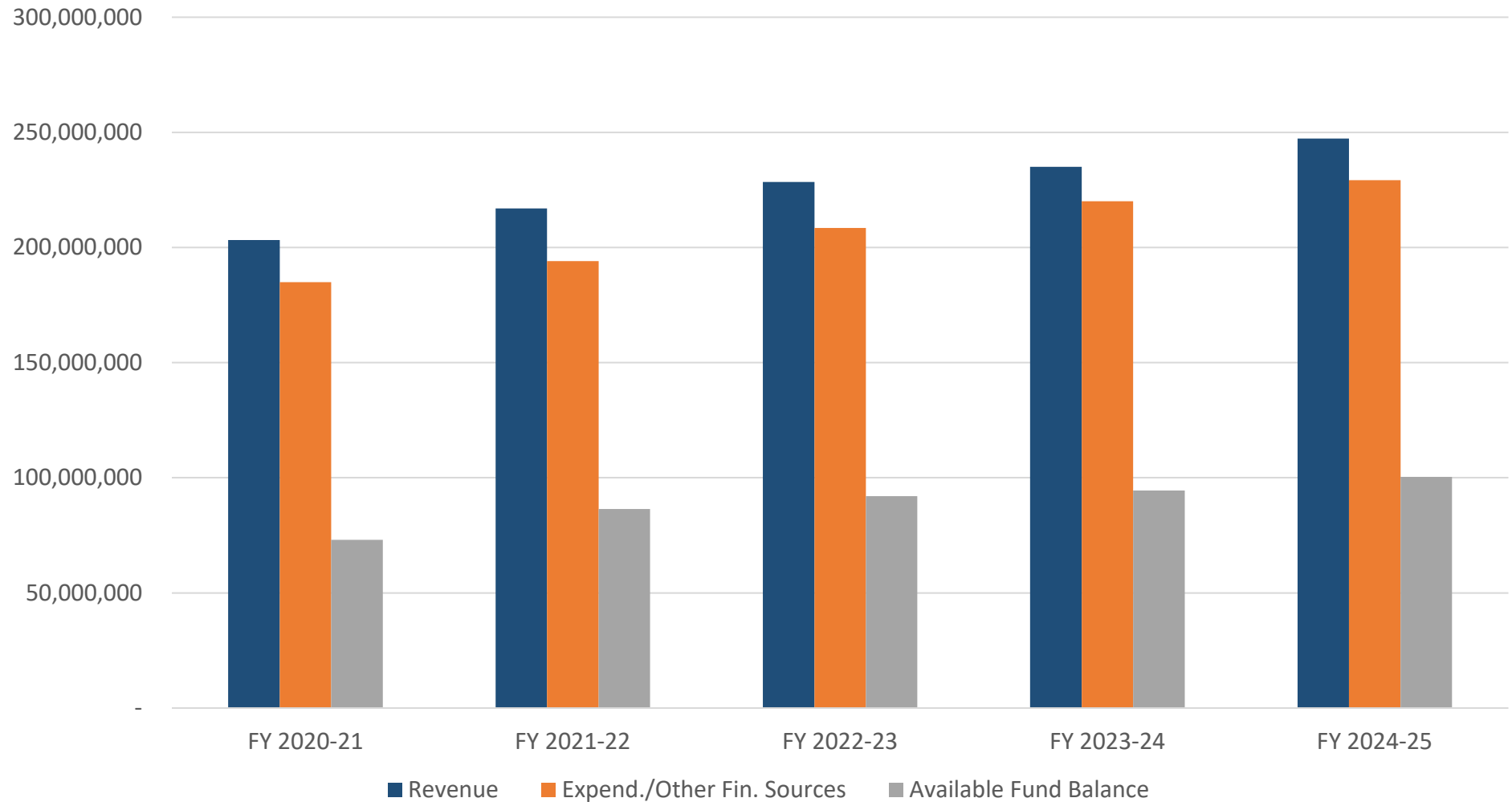
Committed \$208K: Tax Revaluation

Assigned \$24.2M: Reinventing Funds, Subsequent Year's Expenditures (2026 budget)





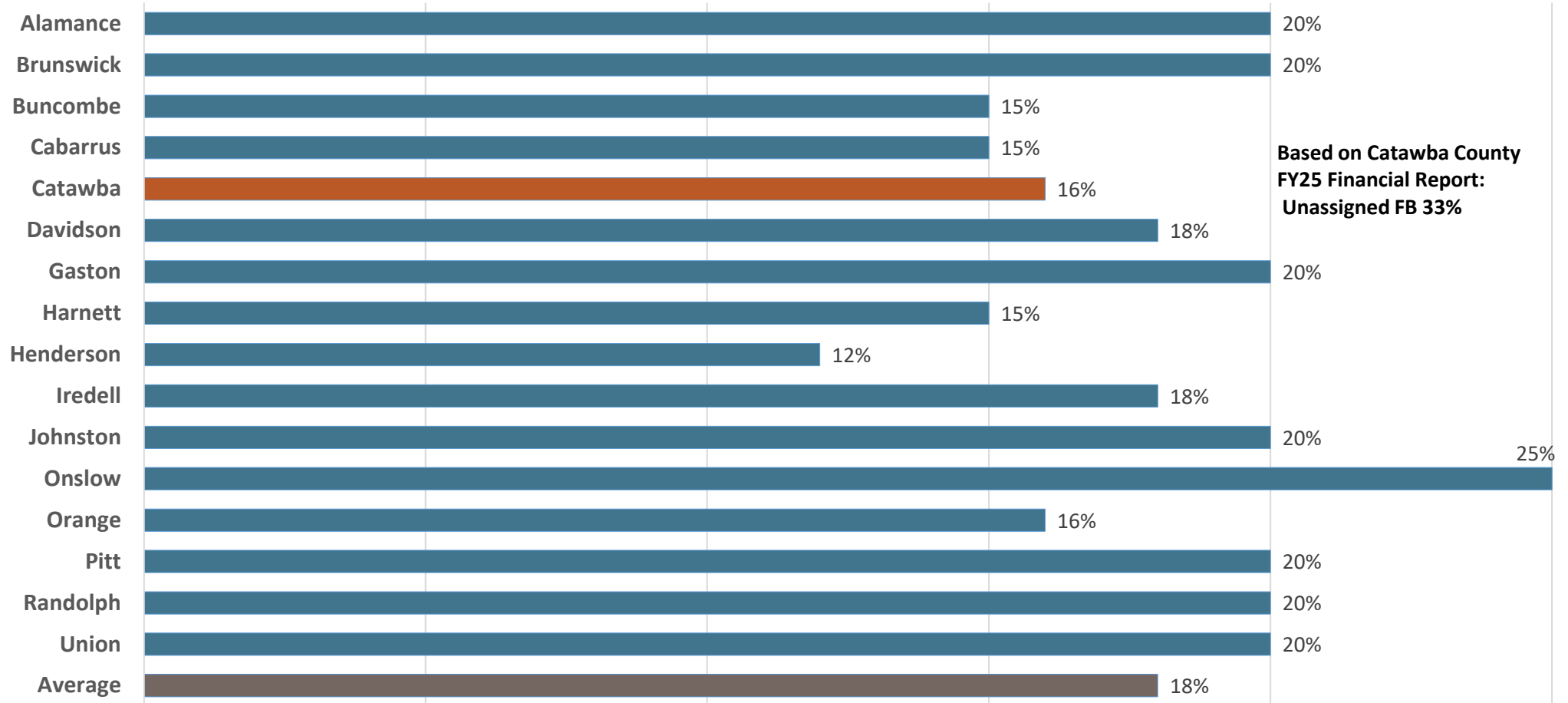
Historical General Fund Performance



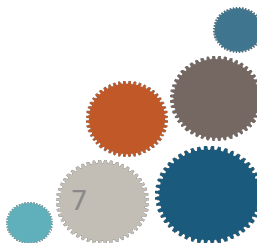


General Fund Fund Balance Policy Comparison

Fund Balance Policy-General Fund FB as a Percentage of General Fund Expenditures



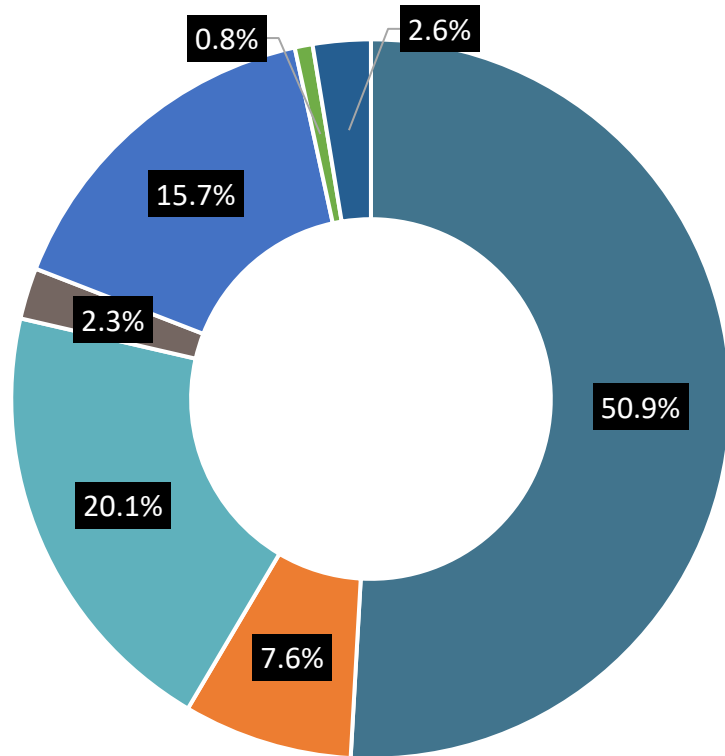
Source: NC Association of County Commissioners Budget and Tax Survey FY25-26





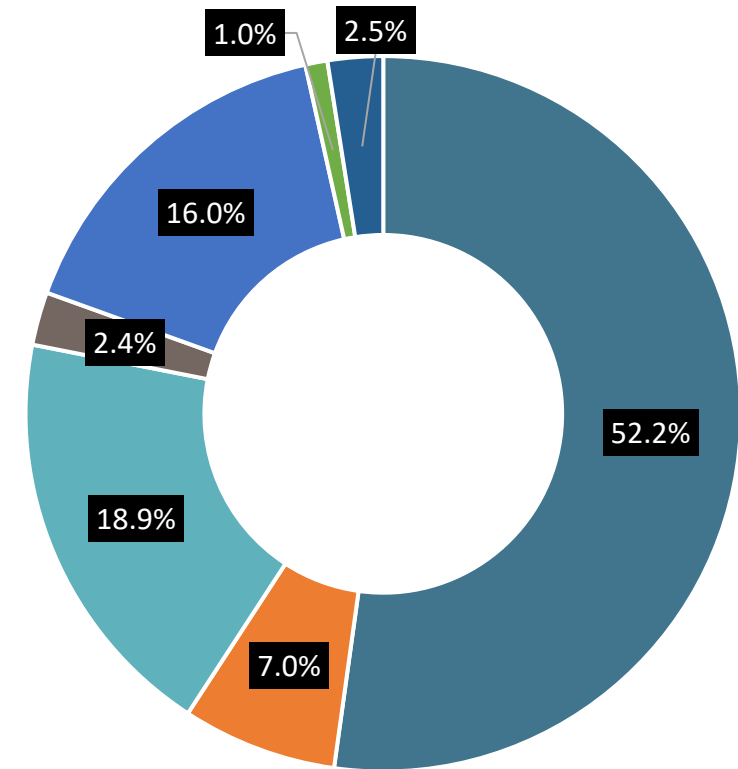
Revenue Composition Actual 2025 vs Prior Year

General Fund FY2025



\$247M

General Fund FY2024

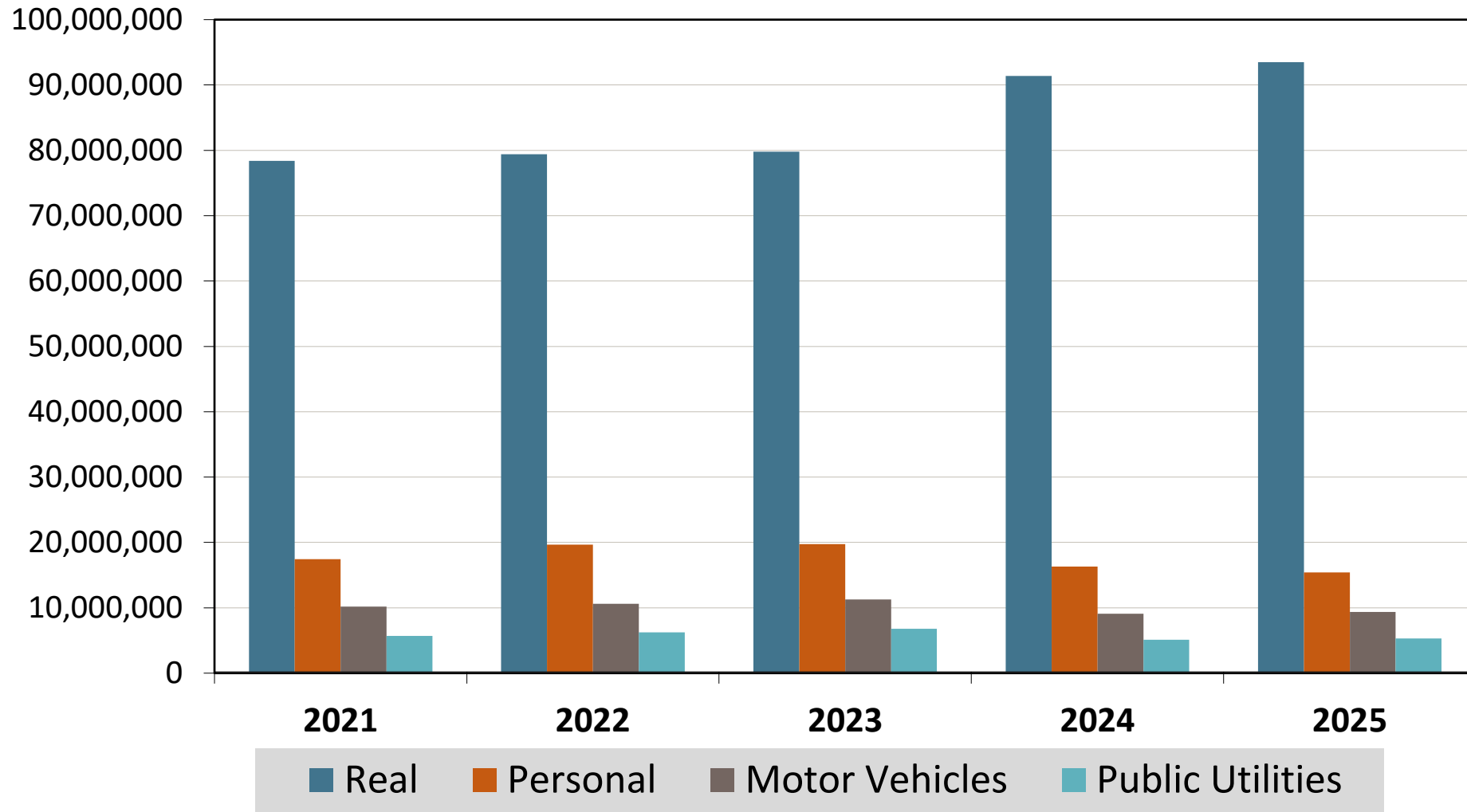


\$235M

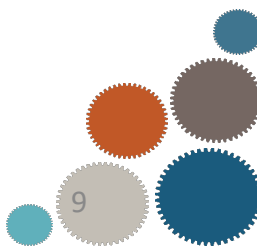
- Ad Valorem
- Permits, Fees, Services
- Sales Tax
- Investment Earnings
- Restricted Revenues
- Unrestricted Revenues
- Other



Property Tax Revenues

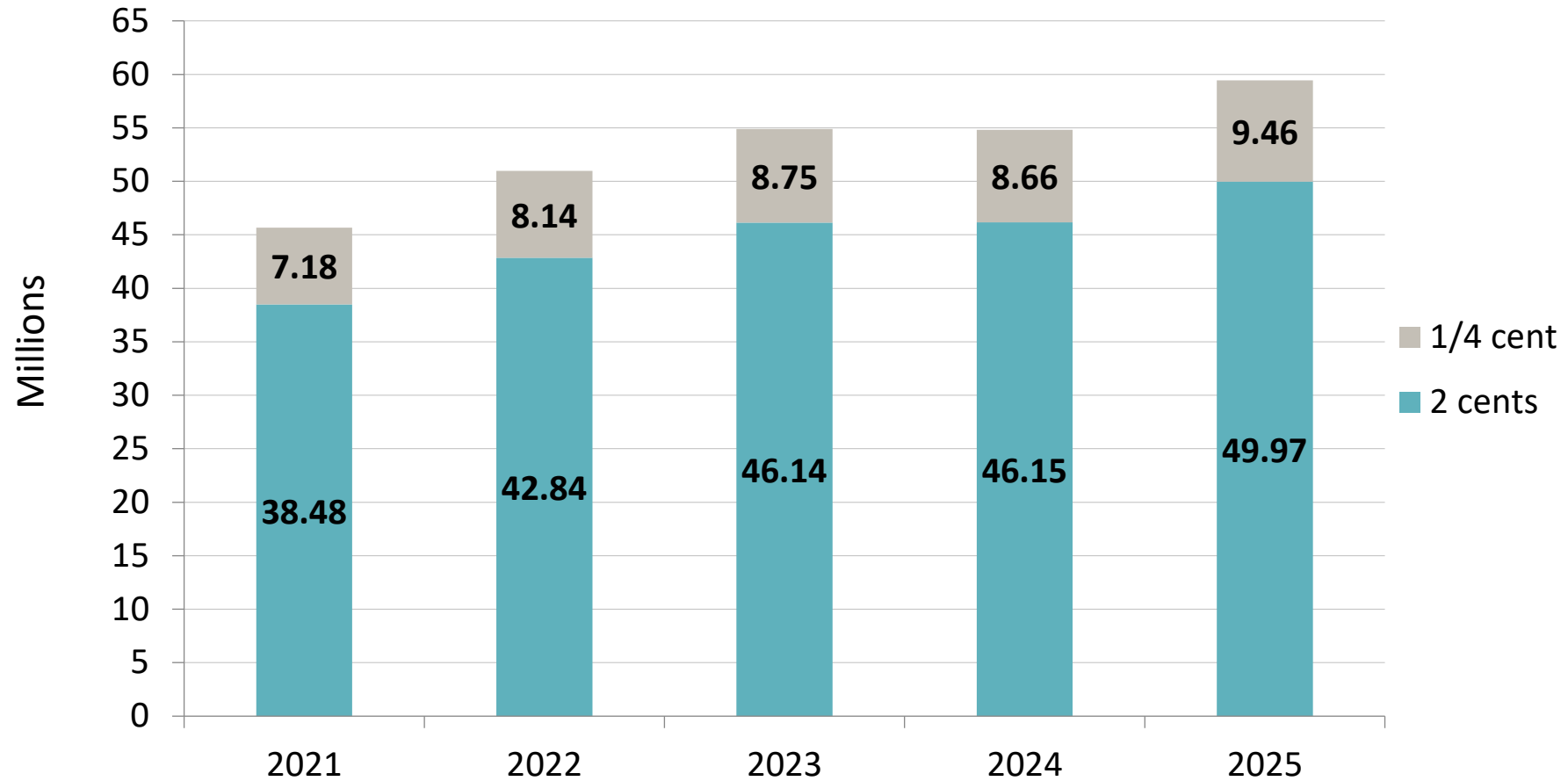


Collection rates - 2021: 98.96%; 2022: 99.05%; 2023: 98.96%; 2024: 98.82%; 2025: 98.57%

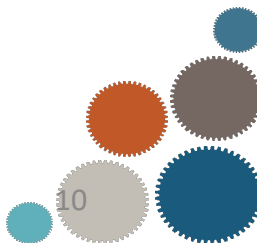




Sales Tax



- Two-cent collections increased by 8.27%
- $\frac{1}{4}$ cent collections increase by 9.26%

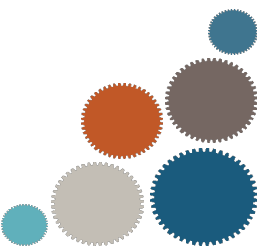




Catawba County maintains position as retail hub

	2024-2025	2023-2024	% chg.
Mecklenburg	36,027,444,827	35,006,490,918	2.92%
Wake	31,285,854,728	30,502,926,367	2.57%
Guilford	11,281,553,124	11,176,496,834	0.94%
Durham	10,669,278,626	10,766,356,401	-0.90%
Forsyth	8,639,140,958	8,525,950,987	1.33%
Buncombe	7,629,694,659	7,815,439,159	-2.38%
New Hanover	7,544,388,573	7,363,675,819	2.45%
Cumberland	6,239,800,448	6,167,392,257	1.17%
Cabarrus	5,696,200,229	5,668,257,746	0.49%
Iredell	4,268,710,663	4,208,794,362	1.42%
Gaston	4,100,381,941	4,074,653,781	0.63%
Union	3,868,325,761	3,749,152,037	3.18%
* Catawba	3,765,350,310	3,578,969,240	5.21%
Brunswick	3,741,018,936	3,654,760,450	2.36%
Alamance	3,568,867,246	3,683,361,207	-3.11%
Pitt	3,684,124,132	3,551,666,909	3.73%
Onslow	3,614,845,761	3,548,338,949	1.87%

- Catawba County – 18th in population; 13th in retail sales
- 59% of retail sales within MSA

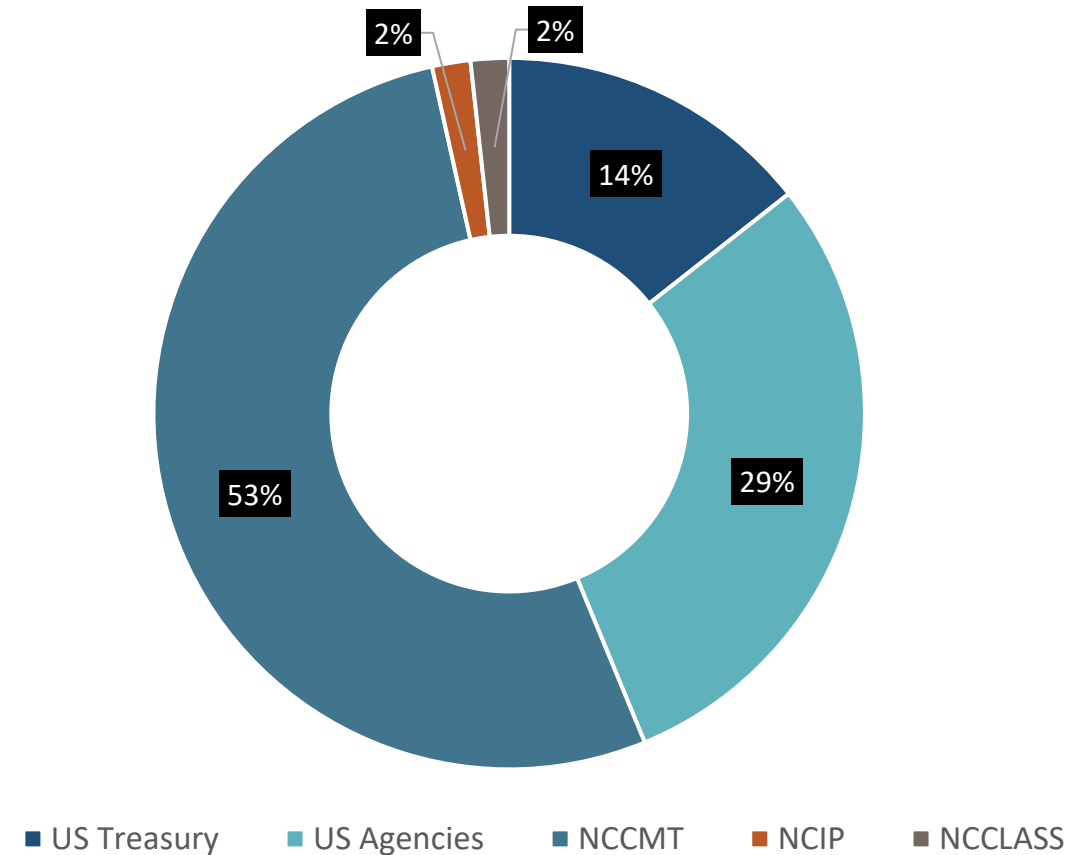




Investment Portfolio Performance

NC General Statute 159-30 dictates where counties can invest idle funds

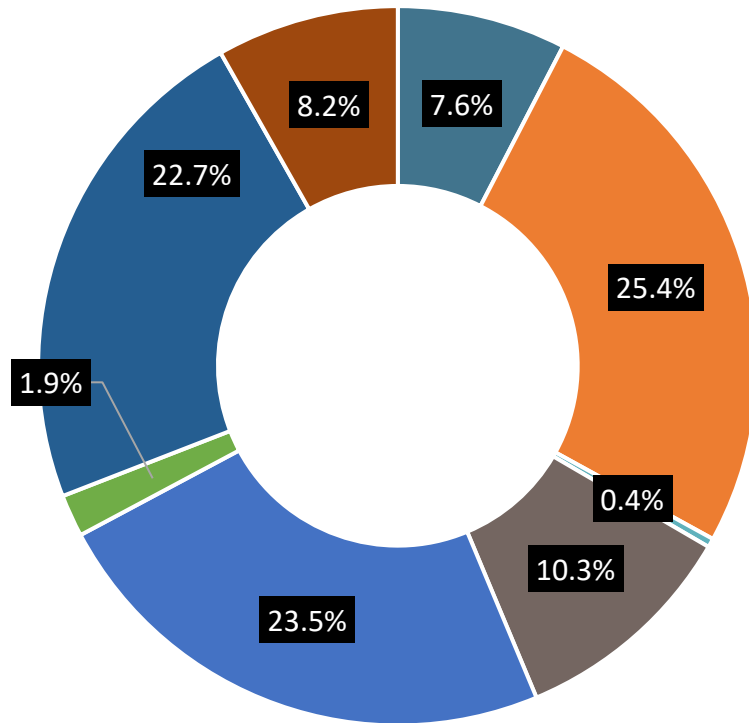
- \$230M Total Investments
 - US Treasury
 - US Government Agencies
 - NC Capital Management Trust
 - NCCLASS Local Government Investment Pool
 - NCIP Local Government Investment Pool
- \$12.7M Investment Earnings
 - Governmental Funds \$10.1M
 - General Fund \$5.8M
 - Enterprise Funds \$2.5M





General Fund Expenditures Actual 2025 vs Prior Year

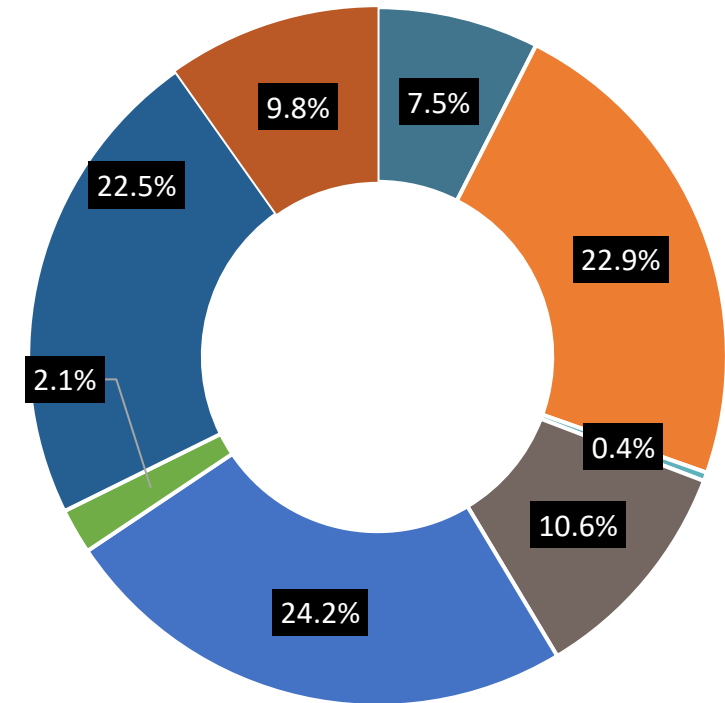
General Fund FY2025



Total Expenditures-\$229M

- General Government
- Public Safety
- Environmental Protection
- Economic & Physical Development
- Human Services
- Culture & Recreation
- Education
- Debt Service

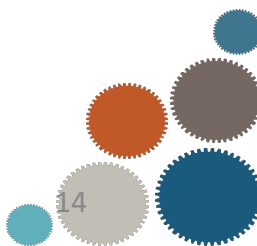
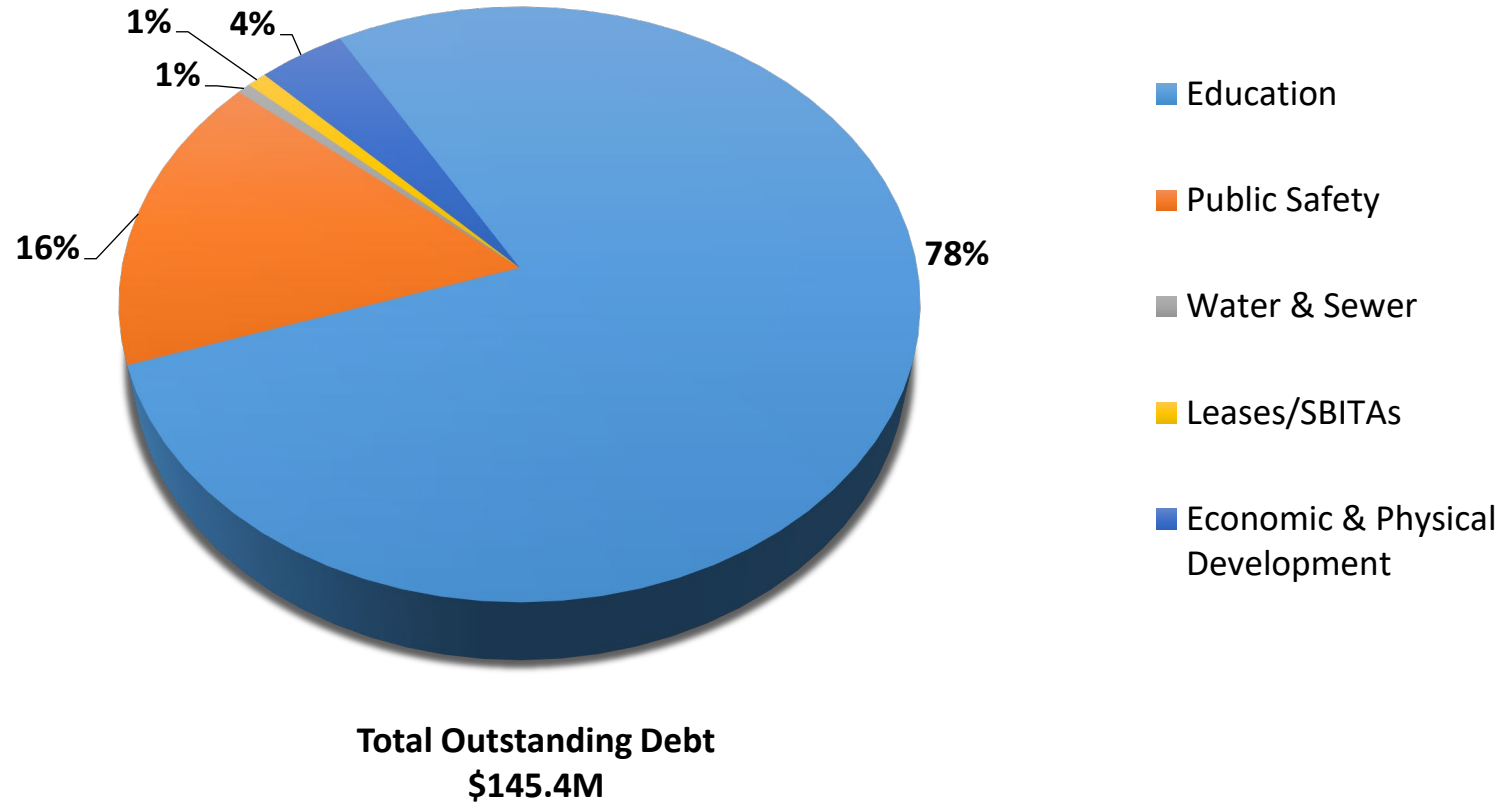
General Fund FY2024



Total Expenditures-\$220M



Outstanding Debt





Enterprise Funds -Highlights

- Solid Waste Fund
 - Increase in Net Position +\$5M (an increase of \$2.1M from prior year)
 - \$1M increase (10%) in service fee revenues compared to prior year
 - Investment earnings of \$1.24M or 11.4% increase compared to prior year
 - Decrease in operating expenses compared to prior year
- Water and Sewer Fund
 - Increase in Net Position +\$7M (an increase of \$1.3M from prior year)
 - \$1.4M or 9% increase in sales tax revenue (1/4 cent)
 - Transfer of ARPA funds for eligible water and sewer projects
 - Investment earnings of \$1.27M or 32.5% increase compared to prior year





SUMMARY

Strong Financial Position

- Increase in Fund Balance
- Increased Revenues
- Underspent Planned Expenditures