

catawba county

north carolina

2022

Annual Comprehensive Financial Report



MAKING.



LIVING.

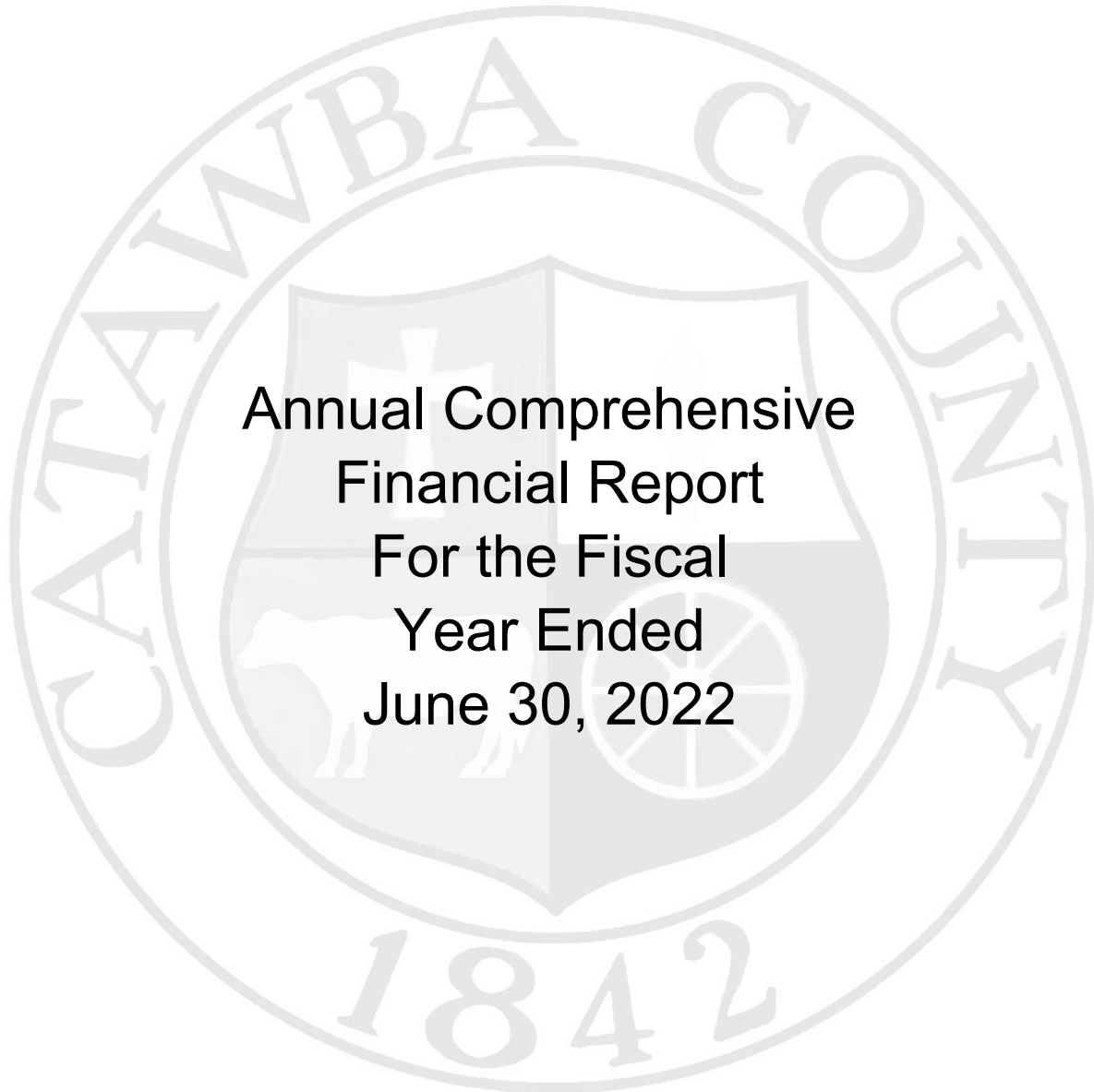


BETTER.

For the Fiscal Year Ended
June 30, 2022



Catawba County, North Carolina



Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2022

Mary Furtado, County Manager
Mary Morrison, Interim Chief Financial Officer

Prepared by Catawba County Finance Department
Published November 29, 2022



Catawba County, North Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022

Table of Contents

Page

Introductory Section

| | |
|--------------------------------------|----|
| Letter of Transmittal..... | i |
| GFOA Certificate of Achievement..... | ix |
| Organization Chart | x |

Financial Section

| | |
|--|---|
| Report of Independent Certified Public Accountants | 1 |
| Management Discussion and Analysis | 5 |

Basic Financial Statements:

Government-wide Financial Statements:

| | |
|---------------------------------|----|
| Statement of Net Position | 16 |
| Statement of Activities | 18 |

Fund Financial Statements:

| | |
|---|----|
| Balance Sheet – Governmental Funds | 20 |
| Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position ... | 21 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds | 22 |

| | |
|---|----|
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 24 |
|---|----|

| | |
|---|----|
| Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – General Fund | 26 |
|---|----|

| | |
|--|----|
| 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 | 27 |
|--|----|

| | |
|---|----|
| Statement of Net Position – Proprietary Funds | 28 |
|---|----|

| | |
|--|----|
| Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds | 30 |
|--|----|

| | |
|---|----|
| Statement of Cash Flows – Proprietary Funds | 32 |
|---|----|

| | |
|---|----|
| Statement of Fiduciary Net Position – Fiduciary Funds | 34 |
|---|----|

| | |
|--|----|
| Statement of Changes in Fiduciary Net Position – Fiduciary Funds | 35 |
|--|----|

| | |
|--|----|
| Notes to the Financial Statements..... | 38 |
|--|----|

Required Supplemental Financial Data:

Other Post Employment Health Care Benefit

| | |
|---|----|
| Schedule of Changes in Total OPEB Liability | 96 |
|---|----|

Local Government Employees' Retirement System

| | |
|--|----|
| Schedule of Proportionate Share of Net Pension Liability (Asset) | 98 |
|--|----|

Local Government Employees' Retirement System

| | |
|---------------------------------|-----|
| Schedule of Contributions | 100 |
|---------------------------------|-----|

Catawba County, North Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022

Table of Contents - continued

| | Page |
|---|------|
| Register of Deeds Supplemental Pension Fund | |
| Schedule of Proportionate Share of Net Pension Liability (Asset) | 102 |
| Register of Deeds Supplemental Pension Fund | |
| Schedule of Contributions | 104 |
| Law Enforcement Officers' Special Separation Allowance | |
| Schedule of Changes in Pension Liability and Liability as Percentage of Payroll | 106 |
| Law Enforcement Officers' Special Separation Allowance | |
| Notes to the Required Schedules | 107 |
| Individual and Combining Fund Financial Statements and Schedules: | |
| <i>General Fund</i> | |
| Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual | 111 |
| Reappraisal Fund | 127 |
| <i>Nonmajor Governmental Funds</i> | |
| Combining Balance Sheet – Nonmajor Governmental Funds | 130 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds | 131 |
| <i>Special Revenue Funds</i> | |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual | |
| American Rescue Plan Act (ARPA) Fund – Major Special Revenue Fund | 134 |
| Combining Balance Sheet - Nonmajor Special Revenue Funds | 136 |
| Subcombining Balance Sheet – Fire District Funds | 140 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds | 144 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual | |
| Emergency Telephone System Fund | 148 |
| PSAP Reconciliation..... | 149 |
| Narcotics Seized Funds and Property Fund | 150 |
| State Unauthorized Substance Abuse Fund | 151 |
| Narcotics Federal Seized Justice Fund | 152 |
| Narcotics Federal Seized Treasury Fund | 153 |
| Rescue Squads Fund | 154 |
| Library Endowment Fund | 155 |
| Gretchen Peed Scholarship Fund | 156 |
| Parks/Historic Preservation Trust Fund | 157 |
| Community Development Fund | 158 |
| Fines and Forfeitures Fund | 160 |
| Opioid Settlement Fund | 161 |
| Representative Payee Fund | 162 |

Catawba County, North Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022

Table of Contents – continued

| | Page |
|--|------|
| Deed of Trust Fund | 163 |
| Subcombining Schedule of Revenues, Expenditures and Changes in | |
| Fund Balances – Fire District Funds | 164 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual | |
| Mountain View Fire District Fund | 167 |
| Propst Fire District Fund | 168 |
| St. Stephens Fire District Fund | 169 |
| Conover Rural Fire District Fund | 170 |
| Oxford Fire District Fund | 171 |
| Sherrills Ford Fire District Fund | 172 |
| Bandys Fire District Fund | 173 |
| Maiden Fire District Fund | 174 |
| Claremont Fire District Fund | 175 |
| Catawba Fire District Fund | 176 |
| Long View Fire District Fund | 177 |
| Newton Rural Fire District Fund | 178 |
| Cooksville Fire District Fund | 179 |
| Hickory Rural Fire District Fund | 180 |
| <i>Capital Projects Funds</i> | |
| Combining Balance Sheet - Nonmajor Capital Projects Funds | 182 |
| Combining Statement of Revenues, Expenditures, and Changes in | |
| Fund Balances - Nonmajor Capital Projects Funds | 183 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual | |
| General Capital Projects Fund | 184 |
| Subdivision Road Improvement Fund | 186 |
| School Capital Projects Fund | 188 |
| School Construction Fund | 190 |
| Hospital Capital Reserve Fund | 192 |
| <i>Enterprise Funds</i> | |
| Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP) | |
| Solid Waste Management Fund | 194 |
| Solid Waste Management Capital Fund | 196 |
| Water and Sewer Fund | 198 |
| Water and Sewer Capital Fund | 200 |
| <i>Custodial Funds</i> | |
| Combining Statement of Fiduciary Net Position - | |
| All Custodial Funds | 202 |

Catawba County, North Carolina
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022

Table of Contents – continued

| | Page |
|---|------|
| Combining Statement of Changes in Fiduciary Net Position - | |
| All Custodial Funds..... | 203 |
| Other Schedules: | |
| Schedule of Cash and Investment Balances | 206 |
| Analysis of Current Tax Levy..... | 208 |
| Schedule of Taxes Receivable | 209 |
| General Long-Term Debt Requirements and Maturity Schedule | 210 |
| Statistical Section | |
| Net Position by Component..... | 212 |
| Changes in Net Position | 214 |
| Fund Balances, Governmental Funds | 216 |
| Changes in Fund Balances, Governmental Funds..... | 218 |
| Assessed Valuation and Actual Value of Taxable Property..... | 220 |
| Property Tax Rates – Direct and Overlapping Governments | 222 |
| Principal Property Taxpayers..... | 224 |
| Property Tax Levies and Collections | 226 |
| Ratios of Outstanding Debt by Type | 228 |
| Legal Debt Margin Information | 230 |
| Demographic and Economic Statistics | 232 |
| Principle Employers..... | 233 |
| Full Time Equivalent County Employees by Function | 234 |
| Operating Indicators by Function | 236 |
| Capital Asset Statistics by Function..... | 238 |

BOARD OF COMMISSIONERS



C. Randall Isenhower
Chair



Barbara G. Beatty
Vice Chair



Austin M. Allran



Kitty W. Barnes



Sherry E. Butler



catawba county finance

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

November 29, 2022

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, 2022.

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, 2022 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, 2022 are fairly presented in conformity with GAAP. Issuance of an unmodified opinion means an auditor, upon review of a county's financial statements and accompanying notes, certifies the financial statements are reliable and represent the true financial condition of the county. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader

catawbacountync.gov

Catawba County Government Center

25 Government Drive | PO Box 389 | Newton NC 28658 | 828.465.8210

MAKING. LIVING. BETTER.

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

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

COUNTY PROFILE

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

The County has eight cities and towns within its boundaries, and is home to a population of 161,909 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 Isenhour-Chair, Barbara Beatty-Vice Chair, Kitty Barnes, Sherry Butler, and Austin Allran) who are elected by countywide vote in partisan elections and serve four-year staggered terms.

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

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

FACTORS AFFECTING FINANCIAL CONDITION

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

BOND RATING

The County is rated ‘AA+’ for its General Obligation Debt by Standard and Poor’s (S&P). This rating highlights and confirms the financial and economic transition the County has been undergoing over the last few years. S&P’s rating overview of the County included descriptions such as “Very strong management, strong

budgetary performance and very low overall net debt.”

LOCAL ECONOMY

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

Covid-19's Effect on Catawba County Employment

As of Spring 2020, Catawba County was in the midst of over a decade of economic expansion, nearing or breaking record levels in low unemployment, gross domestic product and the value of exported goods. While Covid-19 certainly hampered that economic activity for a time, more recently the local economy has stabilized, and new and expanding industry announcements are at an all-time high despite national concerns about labor availability.

Employment figures in the Hickory MSA have increased dramatically over the last year with 7,910 jobs added to the economy between June 2021 and June 2022, a 5% increase. Catawba County's unemployment rate, 3.8% for the period of this audit in June 2022, has declined 1.5% since June 2021, and 16.2% from a high of 20% during the pandemic in April 2020. Catawba County's June 2022 rate of 3.8% remains below the Hickory MSA at 3.9% and North Carolina at 4.1%. This unemployment rate is among the lowest in North Carolina, with only 14 of 100 counties having a lower rate.

Strong Retail Sales & Tourism Performance Indicate Sustained Recovery

Catawba County remains a retail magnet for the region, capturing 59% of the \$5.6 billion in retail sales from the four-county MSA, while accounting for only 44% of the population. Catawba County's taxable sales of \$3.27 billion showed a significant increase from 2020-2021 of 13% indicating a steady comeback from the minimal growth during Covid-19. In the two previous years, retail sales increased 16% and 1%, respectively. **Statewide, the County ranks 18th in population but 14th highest in taxable sales.**

These figures cement Catawba County's position as a regional retail magnet, with

furniture, automotive, restaurants, and shopping options that draw visitors from surrounding communities and generate taxable sales within the County.

Catawba County ranks 21st in the State for tourism revenue, with \$292 million generated in 2021. This represents a 32.4% increase from the previous year. This economic sector is buttressed by the presence of a wide range of cultural amenities that appeal to all audiences:

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

A Focus on Job Growth and Investment

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

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

In 2021-2022, \$357.6 million in industry investments and 874 new jobs were announced in the County, according to the Catawba County Economic Development Corporation. A sampling

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

- **Everything Attachments**, a manufacturer of high-quality farm implements and tractor attachments, announced plans in September 2021 to expand its existing manufacturing facility in Conover. Over the next five years, Everything Attachments committed to create 147 new jobs and invest a minimum of \$20 million in new facility construction, machinery, and equipment.
- In September 2021, **Prysmian Group**, announced an expansion of their Claremont facility. The \$50 million expansion committed to create 50 jobs and introduce new, industry-leading technologies for the production of optical fiber. With this investment, Prysmian Group has approved capital expenditures of nearly \$130 million and created 174 jobs at its Claremont facility since 2014.
- **Corning Optical Communications** announced plans in September 2021 for a manufacturing expansion in Trivium Corporate Center in Hickory. Corning committed to invest \$150 million and create 200 jobs. With the expansion, Corning is addressing demand from leading network operators, in particular AT&T, which previously announced plans to significantly expand its fiber footprint.
- In October 2021 **Pöppelmann Plastics USA**, announced plans to expand its existing manufacturing facility in Claremont. Over the next three years, Pöppelmann committed to create 100 new jobs and invest a minimum of \$19 million in a new 100,000 square foot building on the company's existing campus.
- **WestRock Company**, a leading provider of differentiated paper and packaging solutions, announced plans in October 2021 to expand its existing manufacturing facility in Claremont. Over the next three years, WestRock committed to create 50 new jobs and invest a minimum of \$47 million to construct and equip a 285,000 square foot expansion of the company's existing facility.

- In November 2021, **CommScope Inc.** headquartered in Hickory, announced plans to invest \$25 million in both their Claremont and Catawba facilities with plans to create 50 additional jobs in each location.

Deliberately Driving Workforce Development

While Catawba County's economy is built upon a large industrial base (with 27.6% of its workforce in manufacturing), deliberate and targeted growth in several key sectors has resulted in a more balanced economic composition today than what existed a decade ago. From 2011 through 2021, the following sectors have experienced over 15% employment growth, collectively comprising 20% of the current total employment:

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

The growth in these sectors represents a 36% increase from 2011 employment levels.

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

In the context of Catawba County's efforts at economic diversification, manufacturing still represents a mainstay industry for the community, although to a lesser extent than in years past. **Steady growth in fiber optic and telecommunications investment and employment and continued reinvestment by newer industry sectors, combined with the effects of a "re-shoring" trend that has brought furniture manufacturing jobs back to Catawba County, has brought a more balanced and sustainable economy to the County.**

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

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

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

K-64

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

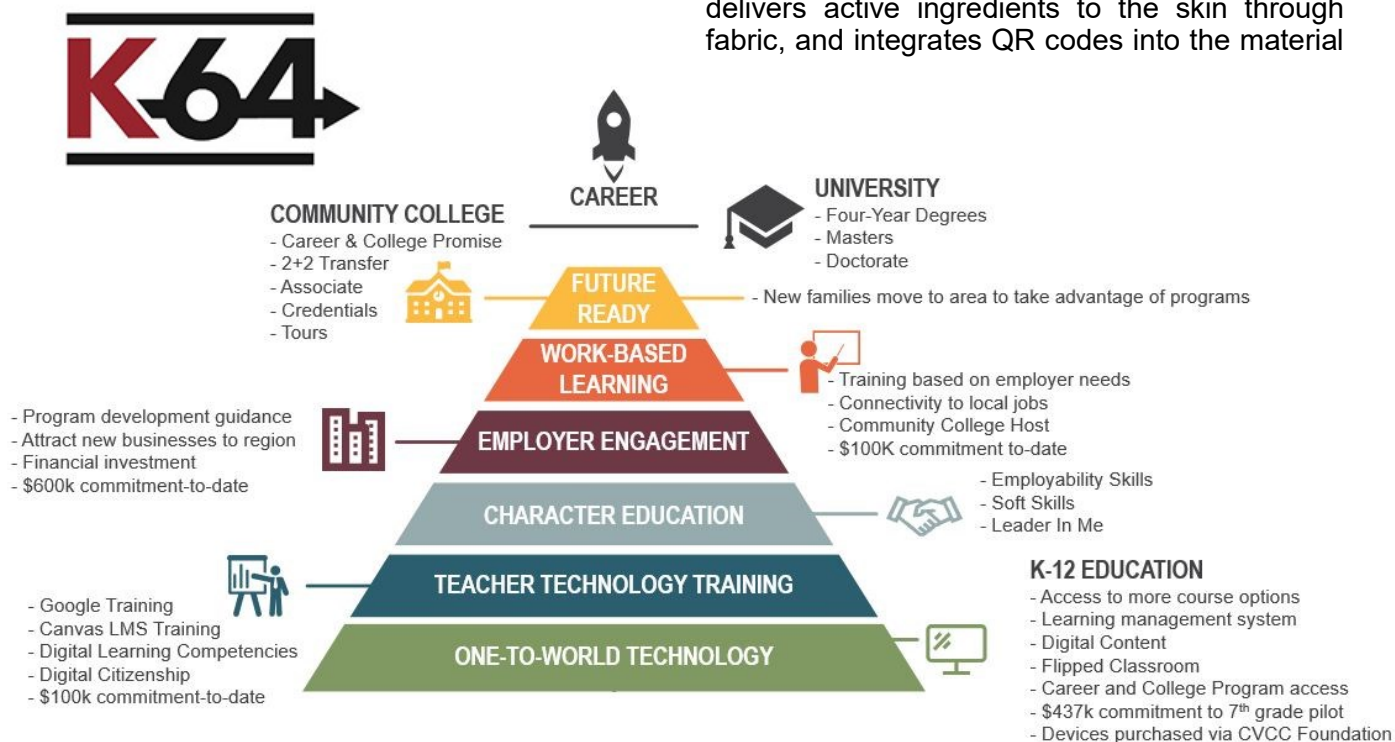
qualified workforce by collaborating with employers to align courses of study with workforce needs, connecting students to real-world careers and related curriculum choices from early on, and empowering adults to enhance employability in a dynamic work environment.

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

The Manufacturing Solutions Center (MSC)

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

This combination of expertise and equipment has enabled the development of innovative products such as wearable technology that measures and regulates blood circulation, delivers active ingredients to the skin through fabric, and integrates QR codes into the material



so it can be scanned and tracked through the production process. Future product possibilities are staggering, with the potential for everything from caffeine-infused driving gloves to sleeves that deliver heart medicine in the prescribed amount on the horizon.

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

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

Catawba Valley Furniture Academy

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

Catawba Valley Manufacturing Academy

The Catawba Valley Manufacturing Academy, modeled after the Furniture Academy, is an industry-driven training course designed with input and expertise from 25 local manufacturers to prepare students for high-demand manufacturing positions (such as machinists and maintenance technicians) with the region's largest employers. Graduates will be fast-tracked for open positions with sponsoring companies, earning Career Readiness Certificates.

Catawba County is committed to working with the private sector, municipalities, and the Catawba County Economic Development

Corporation to attract new businesses, development, and jobs and to support existing business and industry through the delivery of high quality government services supported by a low and stable property tax rate.

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

Trivium Corporate Center

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

Ground was broken on the park in May 2018 and improvements have been made, including extension of sewer into the park, a paved entryway, and landscaping. There have been five project announcements associated with the park so far – for a total of \$369 million in private investment supporting the creation of 772 jobs. (Project announcements include Corning (2 projects), ITM, Cataler North America, American Fuji Seal, and Gusmer Enterprises.)

Southeast Catawba County Business Park

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

Speculative Building Investments

Based on the success of previous speculative building initiatives in Catawba County, construction of two new spec buildings in Hickory was completed in early 2021 to spur new investment and job creation. Both have already

resulted in new project investment and job creation

Atlanta-based developer Stonemont Financial Group (SFG) constructed a 192,000 sq. ft. speculative building with 32' ceilings in Trivium Corporate Center. The Stonemont Spec Building is expandable to 348,000 sq. ft. and was acquired by Corning, Inc to facilitate their September 2021 expansion.

The Lake Park Spec building, 40,185 sq. ft. with 26' ceilings, fronts on Hickory's Aviation Walk greenway and was purchased by The Print Path, a local large format printing company that focuses on mobile event set ups, vehicle wraps, signage, and fabric displays. Moving into a larger and better designed space will create much better workflow and growth opportunities for the company.

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 technically owned by Catawba County, CVMC is completely self-supporting. Based on the quality and consistency of medical care provided by the facility, CVMC has received numerous awards in recent years, including:

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

LONG TERM FINANCIAL PLANNING

Catawba County's economy continues to grow as reflected in strong retail sales activity, increasing building permit activity, business investment, and the County's low unemployment

rate. The County is taking deliberate steps to accelerate and reinforce this economic growth.

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

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

Education

\$1.3 million dedicated to K-64 for the fifth year of a 5-year commitment, 5.3 percent per pupil current expense increase for the three public school systems, and a 3.5 percent increase in funding to CVCC. Additionally, the budget funds \$11.2 million in schools and community college annual capital needs and plans for up to \$30.8 million in projects for school construction approved in Fiscal Year 2022/2023.

Parks

The budget provides funds for investments in county parks including the new Mountain Creek Park in the southeastern section of the County.

Public Safety

The budget includes \$3 million in initial funding for the construction of a new emergency medical services base in Newton.

The County is able to make these investments within available revenues, maintaining the property tax rate of \$0.575 for every \$100 of valuation, thanks to a strong tradition of fiscal stewardship and conservative budgeting. Comprehensive long-range plans have been developed for critical service areas such as school construction, water and sewer infrastructure, parks, libraries, and solid waste.

AWARDS AND ACKNOWLEDGEMENTS

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Catawba County for its annual comprehensive financial report (ACFR) for the fiscal year ending June 30, 2021, the 40th 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 local government financial reports.

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

In addition, the County has prepared and will be submitting a Popular Annual Financial Report (PAFR) to GFOA for Fiscal Year 2021-2022. The PAFR is designed to provide citizens with easily understandable information about a government's finances and economic conditions in a more condensed fashion. PAFRs are supplements to – not replacements for – ACFRs, and are reviewed by a GFOA-appointed task force. The County has received an award for its PAFR for the past fourteen years and hopes to continue with the Fiscal Year 2021-2022 entry.

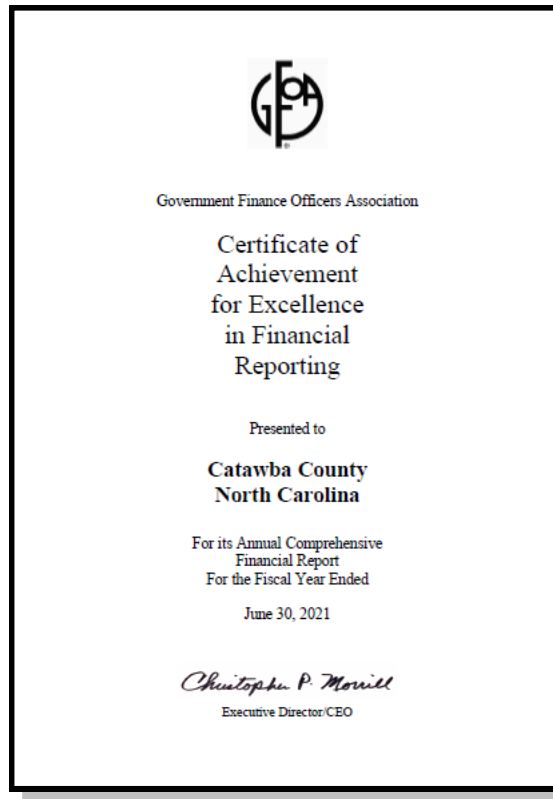
Finally, the County has also received the GFOA's Award for Distinguished Budget Presentation for its Fiscal Year 2021-2022 Adopted Budget effective July 1, 2021. This is the 33rd consecutive year the County has

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

ACKNOWLEDGEMENTS

Each County department's strong commitment to the goals, vision, and mission of Catawba County is reflected in the services provided to the citizens of Catawba County. We appreciate the cooperation of all County departments in carrying out the financial activities encompassed in this report. The preparation of the Comprehensive Annual Financial Report was made possible by the dedicated service of the entire Finance Department staff and independent auditors, Martin Starnes and Associates, CPAs. Each has our sincere appreciation for the contributions made in preparation of this report.

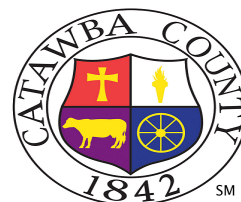
In closing, we thank the Catawba County Board of Commissioners for its leadership and support in positioning Catawba County as a fiscally sound, well-governed community.



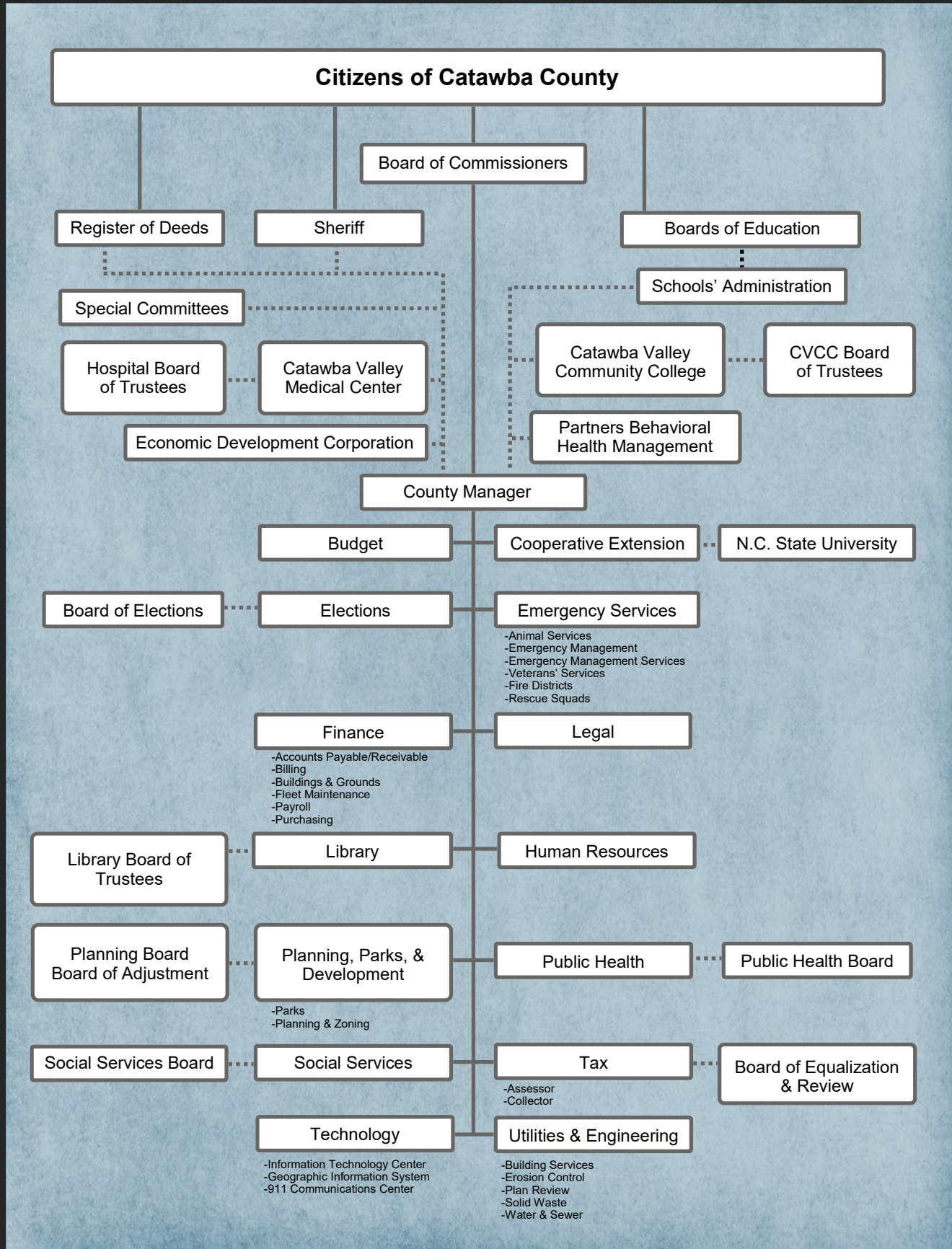
Respectfully submitted,

Mary Furtado
County Manager

Mary Morrison
Interim Chief Financial Officer



ORGANIZATIONAL STRUCTURE



MARTIN STARNES & ASSOCIATES, CPAs, P.A.

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

Independent Auditor's Report

Board of County Commissioners
Catawba County
Newton, North Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Catawba County, North Carolina, as of and for the year ended June 30, 2022, 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, 2022, 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 96.9%, 95.9%, and 92.7%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. We did not audit the financial statements of the Catawba County ABC Board, which represents 3.1%, 4.1%, and 7.3%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Catawba Valley Medical Center and Catawba County ABC Board, is based solely on the reports of the other auditors.

Basis for Opinions

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

Change in Accounting Principle

As discussed in Note 10 to the financial statements, in 2022 the County adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2022 on our consideration of Catawba County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of Catawba County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Catawba County's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 29, 2022

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, 2022. 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

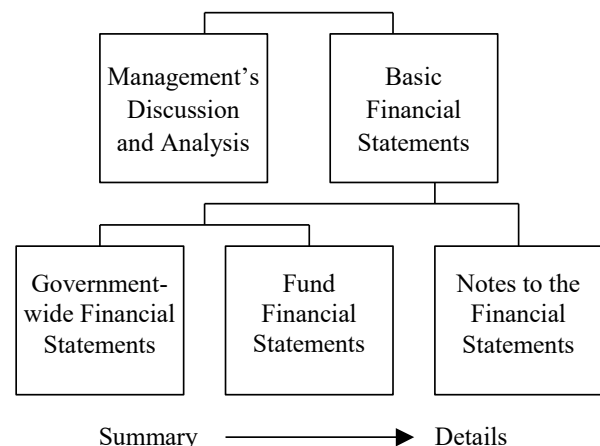
- ▶ The assets and deferred outflows of resources of Catawba County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$285,300,421 (*net position*). Of this figure, approximately \$206 million represents the County's investment in capital assets, which is not available for future spending.
- ▶ The government's total net position increased by \$40,145,991 resulting from an increase of \$ 48,374,256 in governmental activities and a decrease of (\$8,228,265) in business-type activities.
- ▶ As of the close of the current fiscal year, Catawba County's governmental funds reported combined ending fund balances of \$191,847,084 an increase of \$26,337,005 in comparison with the prior year. Approximately 12.91 percent of this total amount, or \$36,821,265 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 \$65,591,057 or 33 percent of total general fund expenditures for the fiscal year.
- ▶ Catawba County's total long-term debt decreased by \$29,584,894 during the current fiscal year due to new financing and payments on outstanding debt. Outstanding debt principal is \$149,590,087 and equates to \$924 per capita at the end of the fiscal year.
- ▶ In FY 2022, Standard and Poor's maintained Catawba County's bond rating of AA+ for the fourth consecutive year. Moody's Investors Service maintained its Aa1 bond

rating for the County for the twelfth 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 10) 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 pages 20-27 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 pages 28-33 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 page 34-35 of this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found beginning on page 38 of this report.

SUPPLEMENTARY INFORMATION

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

Required supplementary information can be found beginning on page 96 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 \$285,300,421 as of June 30, 2022. The County's net position increased by \$40,145,991 for the fiscal year ended June 30, 2022.

The largest portion of net position, 72.21%, 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 \$7,996,748 during the current year. Catawba County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Catawba County's investment in its capital assets is reported net of the outstanding related debt, the resources to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

Government-Wide Financial Analysis

Catawba County's Net Position

| | Governmental Activities | | Business-type Activities | | Total | | Total | |
|----------------------------------|-------------------------|----------------|--------------------------|----------------|----------------|----------------|---------------|----------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | Dollar Change | Percent Change |
| Current and other assets | \$ 224,238,528 | \$ 200,342,788 | \$ 43,939,368 | \$ 55,316,713 | \$ 268,177,896 | \$ 255,659,501 | \$ 12,518,395 | 4.90% |
| Capital assets | 172,513,330 | 164,390,764 | 76,451,253 | 76,577,071 | \$ 248,964,583 | 240,967,835 | 7,996,748 | 3.32% |
| Right to use assets | 1,290,907 | | 12,130 | | \$ 1,303,037 | | | |
| Total assets | 398,042,765 | 364,733,552 | 120,402,751 | 131,893,784 | 518,445,516 | 496,627,336 | 21,818,180 | 4.39% |
| Deferred outflow s of resources | 30,225,821 | 28,702,971 | 735,943 | 695,886 | 30,961,764 | 29,398,857 | 1,562,907 | 5.32% |
| Long-term liabilities | 203,964,700 | 231,389,092 | 412,903 | 17,200,650 | 204,377,603 | 248,589,742 | (44,212,139) | -17.79% |
| Other liabilities | 27,915,901 | 30,502,216 | 13,531,668 | 586,822 | 41,447,569 | 31,089,038 | 10,358,531 | 33.32% |
| Total liabilities | 231,880,601 | 261,891,308 | 13,944,571 | 17,787,472 | 245,825,172 | 279,678,780 | (33,853,608) | -12.10% |
| Deferred inflow s of resources | 17,639,661 | 1,171,147 | 642,026 | 21,836 | 18,281,687 | 1,192,983 | 17,088,704 | 1432.43% |
| Net position: | | | | | | | | |
| Net investment in capital assets | 131,737,711 | 124,449,252 | 74,283,661 | 70,980,887 | 206,021,372 | 195,430,139 | 10,591,233 | 5.42% |
| Restricted | 36,821,265 | 35,266,100 | - | - | 36,821,265 | 35,266,100 | 1,555,165 | 4.41% |
| Unrestricted | 10,189,348 | (29,341,284) | 32,268,436 | 43,799,475 | 42,457,784 | 14,458,191 | 27,999,593 | 193.66% |
| Total net position | \$ 178,748,324 | \$ 130,374,068 | \$ 106,552,097 | \$ 114,780,362 | \$ 285,300,421 | \$ 245,154,430 | \$ 40,145,991 | 16.38% |

The restricted portion of Catawba County's net position, 12.91%, represents resources that are subject to external restrictions on how they may be used.

The final component of net position is unrestricted, which is 14.88% of the total net position.

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

Governmental Activities - Governmental activities increased the County's net position by \$48,374,256. Several particular aspects of the County's financial operations influenced the unrestricted governmental net position.

- Property, sales and other taxes are approximately 74.2% of all revenues and increased by \$11.8 million from the prior year. The increase in property tax is primarily due to an overall 3.67% increase in assessed valuation. Due to

an increase in retail activities, sales taxes increased by 14%

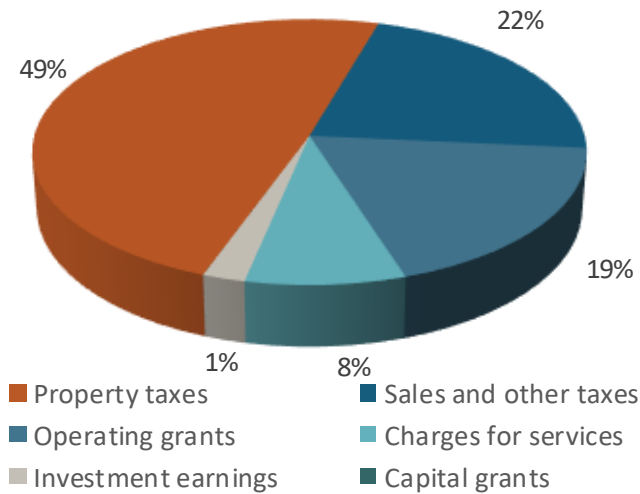
- Investment earnings decreased (\$5.6) million primarily from a decrease in investment fair value. However, the county did receive approximately \$1.2 million in investment interest payments.

Business-type Activities - Business-type activities decreased Catawba County's net position by (\$8,228,265). Key elements of this change are as follows:

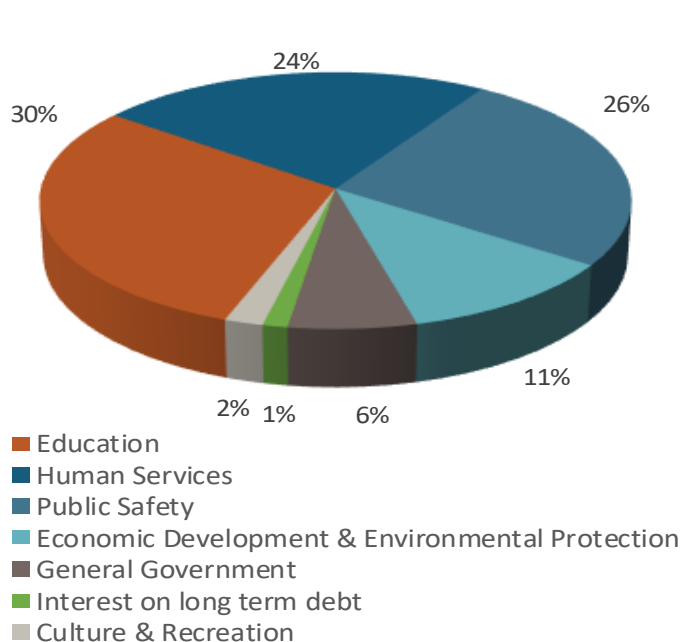
- Investment earnings decreased (\$1.8) million primarily from decrease in investment fair value. However, the county did receive approximately \$400,000 in investment interest payments.
- An authorized fund transfer from the American Rescue Plan Act (ARPA) Fund to the Water and Sewer Capital Fund was not recognized due to GAAP revenue recognition requirements, as no ARPA eligible expenses for these projects had been incurred as of June 30, 2022.

The following graphs represent the major sources of revenues and the major functions of expenses for governmental activities. Interest on long-term debt has been allocated to functional categories.

Revenues by Source - Governmental Activities



Expenses 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, the American Rescue Plan Act Fund, and the General Capital Projects Fund,, which are considered major funds. Data from other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules elsewhere in the report.

At June 30, 2022, the governmental funds of the County reported a combined fund balance of \$191,847,084, a 15.9 percent increase from the previous year. The primary reasons for this change are the increased revenues from property and sales taxes. Property tax revenue increased by 4%, primarily due to an overall 3.67% increase in assessed valuation. Sales taxes have increased by 14% due to increases in retail activities.

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

General Fund - The General Fund is the chief operating fund of Catawba County. At the end of the current fiscal year, fund balance available for appropriation in the General Fund was \$107,946,054 while total fund balance was \$131,228,183. 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 51.25% of total general fund expenditures, while the total fund balance represents 62% of that same amount.

Catawba County Changes in Net Position

| | Governmental Activities | | Business-type Activities | | Total | |
|---|----------------------------|-----------------------|-----------------------------|-----------------------|-----------------------|-----------------------|
| | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> |
| Revenues | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 21,319,718 | \$ 18,568,000 | \$ 9,772,558 | \$ 8,777,537 | \$ 31,092,276 | \$ 27,345,537 |
| Operating grants and contributions | 47,486,254 | 36,094,621 | 1,340,993 | 1,096,384 | \$ 48,827,247 | \$ 37,191,005 |
| Capital grants and contributions | 14,472 | 14,472 | - | - | \$ 14,472 | \$ 14,472 |
| General revenues: | | | | | | |
| Property taxes | 125,402,460 | 120,612,862 | - | - | \$ 125,402,460 | \$ 120,612,862 |
| Sales and other taxes | 56,158,266 | 49,101,043 | 439,249 | 397,811 | \$ 56,597,515 | \$ 49,498,854 |
| Investment earnings, unrestricted | (5,676,338) | (42,857) | (1,804,268) | 1,682 | \$ (7,480,606) | \$ (41,175) |
| Gain on sale of capital assets | | 8,075 | 429,000 | - | \$ 429,000 | \$ 8,075 |
| Total revenues | <u>244,704,832</u> | <u>224,356,216</u> | <u>10,177,532</u> | <u>10,273,414</u> | <u>254,882,364</u> | <u>234,629,630</u> |
| Expenses | | | | | | |
| General government | 12,447,523 | 13,652,217 | - | - | 12,447,523 | 13,652,217 |
| Public safety | 52,626,431 | 51,540,354 | - | - | 52,626,431 | 51,540,354 |
| Environmental protection | 707,228 | 632,202 | - | - | 707,228 | 632,202 |
| Economic and physical development | 23,117,588 | 21,826,814 | - | - | 23,117,588 | 21,826,814 |
| Human services | 48,364,606 | 48,655,343 | - | - | 48,364,606 | 48,655,343 |
| Cultural and recreation | 3,974,978 | 3,843,536 | - | - | 3,974,978 | 3,843,536 |
| Education | 61,203,839 | 65,156,094 | - | - | 61,203,839 | 65,156,094 |
| Interest on long-term debt | 2,562,883 | 3,951,535 | - | - | 2,562,883 | 3,951,535 |
| Solid waste management | - | - | 6,944,338 | 6,629,740 | 6,944,338 | 6,629,740 |
| Water and sewer | - | - | 2,786,959 | 1,624,958 | 2,786,959 | 1,624,958 |
| Total expenses | <u>205,005,076</u> | <u>209,258,095</u> | <u>9,731,297</u> | <u>8,254,698</u> | <u>214,736,373</u> | <u>217,512,793</u> |
| Increase (decrease) in net position before transfers | 39,699,756 | 15,098,121 | 446,235 | 2,018,716 | 40,145,991 | 17,116,837 |
| Transfers | 8,674,500 | 700,000 | (8,674,500) | (700,000) | - | - |
| Increase (decrease) in net position after transfers | 48,374,256 | 15,798,121 | (8,228,265) | 1,318,716 | 40,145,991 | 17,116,837 |
| Net position - beginning of year, Restatement | 130,374,068 | 114,471,218 | 114,780,362 | 113,461,646 | 245,154,430 | 227,932,864 |
| | - | 104,729 | - | - | - | 104,729 |
| Net position- beginning of year | <u>130,374,068</u> | <u>114,575,947</u> | <u>114,780,362</u> | <u>113,461,646</u> | <u>245,154,430</u> | <u>228,037,593</u> |
| Net position - end of year | <u>\$ 178,748,324</u> | <u>\$ 130,374,068</u> | <u>\$ 106,552,097</u> | <u>\$ 114,780,362</u> | <u>\$ 285,300,421</u> | <u>\$ 245,154,430</u> |

The overall fund balance increased by \$18,603,675 due, in part, to the increase in property and sales taxes. In addition, the County elected to utilize American Rescue Plan (ARPA) Revenue Replacement funding of \$10 million to support general governmental services.

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 Local Fiscal Recovery Funds. The County received an awarded of \$30.9 million for the purposes of funding ARPA eligible projects to address the impact of the COVID-19 pandemic. The change in fund balance consists of multiple ARPA eligible projects as well as interest revenue recognized and adjusted for negative change in fair market value in the amount of (\$255,049).

The General Capital Projects Funds is a major governmental fund. This fund accounts for the financing and construction

of all general government multi-year capital projects. Its fund balance increased by \$11,764,742. The net change in fund balance is the result of new capital expenditures and funding allocated for future capital projects.

Non-Major Funds - Fund balances for non-major funds decreased by \$3.7 million to \$30.2 million overall. The primary reason for this decrease was related to an adjustment for negative change in fair market value.

Proprietary Funds - The County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. The County has two enterprise funds, the Solid Waste Management and the Water and Sewer Fund. Total net position of the Enterprise Funds at the end of the fiscal year amounted to \$106 million with \$32.2 million of this amount being unrestricted. The decrease in net position in these funds was (\$8.2) 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

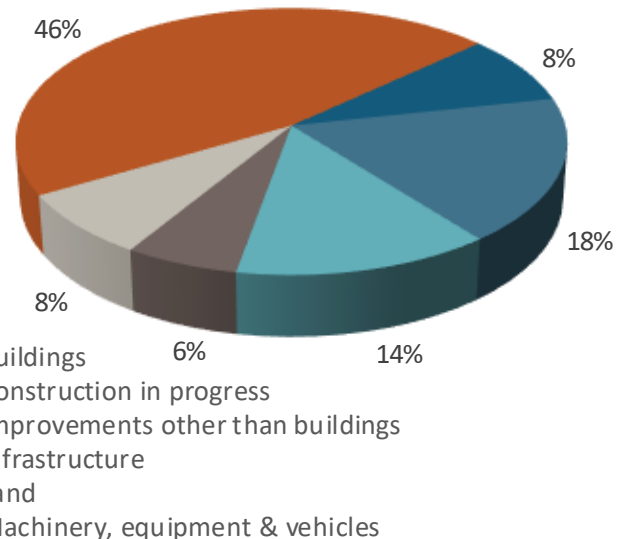
Federal and State grants.

- ▶ Increases in appropriations that become necessary to maintain services.

Total amendments to the General Fund increased revenues by \$9.5 million or 4.9%. 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 \$23 million. These cost savings resulted mainly from unspent appropriations of \$11.5 million from changes in federal and state grants for human services operation. Further savings are lapsed salaries and benefits from vacant positions in various departments.

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



Catawba County's Capital Assets (net of depreciation)

| | Governmental Activities | | Business-type Activities | | Total | |
|--|-------------------------|--------------|--------------------------|--------------|---------------|---------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Land | \$ 6,204,843 | \$ 6,204,843 | \$ 8,718,721 | \$ 8,273,913 | \$ 14,923,564 | \$ 14,478,756 |
| Construction in progress | 16,586,389 | 50,738,822 | 4,382,882 | 2,447,352 | 20,969,271 | 53,186,174 |
| Buildings | 112,825,350 | 82,537,691 | 3,073,770 | 3,153,129 | 115,899,120 | 85,690,820 |
| Improvements other than buildings | 20,675,911 | 8,095,665 | 23,299,015 | 23,922,546 | 43,974,926 | 32,018,211 |
| Plant and distribution systems and water lines | - | - | 33,746,311 | 35,135,854 | 33,746,311 | 35,135,854 |
| Machinery, equipment and vehicles | 16,220,837 | 16,813,743 | 3,230,554 | 3,644,277 | 19,451,391 | 20,458,020 |
| Total | 172,513,330 | 164,390,764 | 76,451,253 | 76,577,071 | 248,964,583 | 240,967,835 |

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets - Catawba County's investment in capital assets for its governmental and business-type activities as of June 30, 2022, totals \$248 million (net of accumulated depreciation). These assets include land, buildings, other improvements, infrastructure, machinery and equipment, and vehicles.

Major capital asset transactions during the year include the following:

- ▶ Increase in buildings as the new jail expansion become operational as well as the launch of a new County park.
- ▶ Increases in construction in progress for construction of a new Emergency Medical Services base and business development sites.
- ▶ Increase in construction in progress for solid waste resource recovery expansion.

More detailed information on capital assets can be found under Note 3.5 of this report.

Long-term Debt - As of June 30, 2022, Catawba County had outstanding debt of \$149,590,087. The overall change in long-term debt was a net decrease of \$19 million due an

early payoff of \$2.8 million for 2013 installment financing for water and sewer projects, \$15.7 in annual debt service payments, and \$1.5 million in new lease financing.

As mentioned in the financial highlights section of this document, Standard and Poor's maintained the AA+ bond rating for Catawba County for the 4th consecutive year. Moody's Investor Service maintained the Aa1 bond rating for the 12th consecutive year. 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 local government can issue. The County's debt limit is \$1,586,936,368. Total applicable debt of \$127,228,977 is 10% of that limit and results in a legal debt margin of \$1,457,851,491.

Additional information regarding Catawba County's long-term debt can be found in note 3.B of this report.

FISCAL YEAR 2021-22 ECONOMIC FACTORS

The following factors reflect economic activity of the County.

Catawba County's Outstanding Debt

| | Governmental Activities | | Business-type Activities | | Total | |
|--|----------------------------|-----------------------|-----------------------------|----------------------|-----------------------|-----------------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Certificates of Participation | \$ 2,880,000 | \$ 3,895,000 | \$ - | \$ - | \$ 2,880,000 | \$ 3,895,000 |
| Installment Purchases | 66,675,408 | 63,366,667 | - | 2,860,127 | 66,675,408 | 66,226,794 |
| Qualified Zone Academy Bonds | - | 50,000 | - | - | - | 50,000 |
| Qualified School Const. Bonds | 27,808,553 | 27,808,553 | - | - | 27,808,553 | 27,808,553 |
| Limited Obligation Bonds | 43,845,000 | 60,689,419 | 1,567,592 | 1,995,581 | 45,412,592 | 62,685,000 |
| Federal Revolving Loan | - | - | 600,000 | 675,000 | 600,000 | 675,000 |
| NC Department of Commerce | - | - | - | - | - | - |
| Premium on long-term debt | 4,971,483 | 7,369,170 | - | 90,672 | 4,971,483 | 7,459,842 |
| Long-Term Leases | 1,229,837 | - | 12,214 | - | 1,242,051 | - |
| Accrued landfill closure and postclosure costs | - | - | 10,029,316 | 8,427,091 | 10,029,316 | 8,427,091 |
| Compensated absences | 5,793,569 | 5,553,580 | 144,828 | 139,399 | 5,938,397 | 5,692,979 |
| Net pension liability (LGERS) | 11,475,671 | 26,661,166 | 298,206 | 709,133 | 11,773,877 | 27,370,299 |
| Total pension liability (LEOSSA) | 6,637,702 | 6,352,087 | - | - | 6,637,702 | 6,352,087 |
| Total OPEB liability | 32,647,477 | 29,643,450 | 879,480 | 795,135 | 33,526,957 | 30,438,585 |
| Total | <u>\$ 203,964,700</u> | <u>\$ 231,389,092</u> | <u>\$ 13,531,636</u> | <u>\$ 15,692,138</u> | <u>\$ 217,496,336</u> | <u>\$ 247,081,230</u> |

- ▶ Low debt burden and property tax rate. The County's existing debt obligations are only 8% of its statutory limit. The property tax rate of \$0.575/\$100 was below the State average of \$0.676/\$100 and the 22nd 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 \$5.6 billion in retail sales from the four-county MSA despite having only 44% of the population.
- ▶ The County's unemployment rate continues to improve. As of June 2022, the unemployment rate was 3.8% compared to 4.7% from June 2021.

IMPACT OF CORONAVIRUS AND AMERICAN RESCUE ACT

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

BUDGET HIGHLIGHTS FOR NEXT FISCAL YEAR ENDING JUNE 30, 2023

Governmental Activities - The local economy continues to thrive. The property tax rate remains at \$.575/100 in next year's budget. Revenue projections for the General Fund include a 2.4 percent increase in property tax revenue and a 14.6 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 8.2 percent in operating expenses for all government activities. The increase is primarily driven by increases in employee compensation to remain competitive and to address retention. The total approved budget is \$306,247,224 for fiscal year 2022-2023.

Education continues to represent the largest portion of the local budget, with 41.6 cents of every property and sales tax dollar allocated for the instructional costs and capital needs of the three public school systems and Catawba Valley Community College. Included in this budget is a 5.3% increase in per pupil funding.

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

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

As a commitment to public safety, in fiscal year 2022-2023 the County budgets additional funds for new positions in the Sheriff Office including two narcotics officers and two new positions in Emergency Services.

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

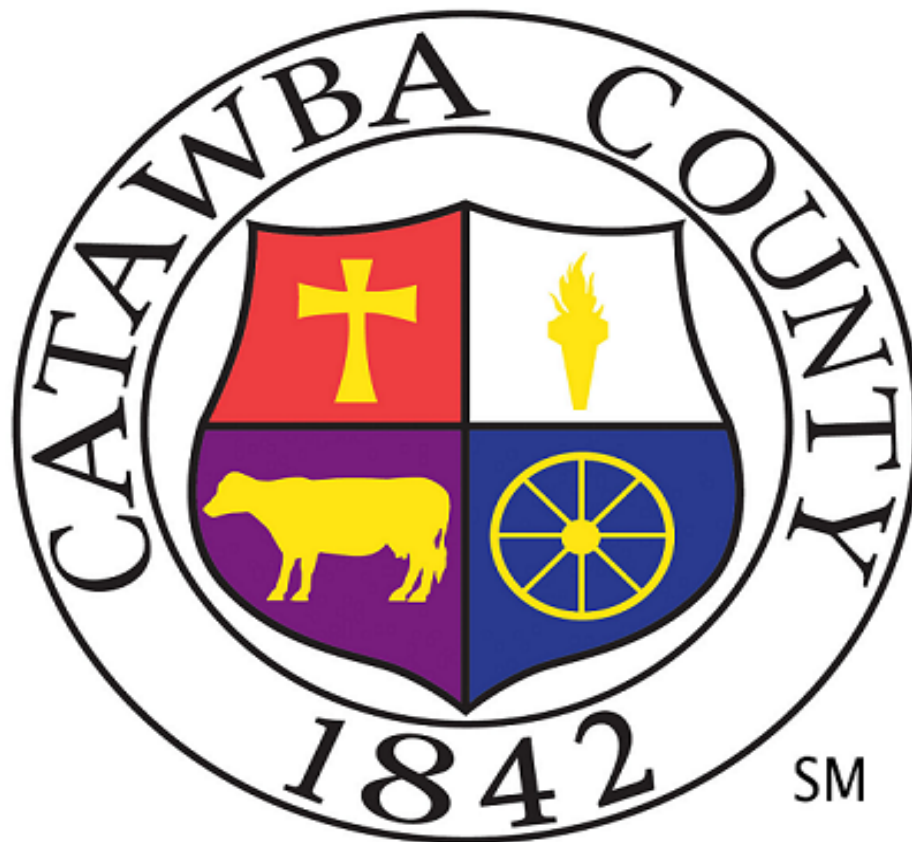
The County continues to review staffing needs annually, rightsizing in some areas while investing in others. The fiscal year 2022-2023 budget adds or increases 29 positions. Nineteen of these positions are in Public Health to address efforts to mitigate COVID-19. The County includes funds for a 2% 401-K contribution and an additional match up to 1% of salary for participating employees. In order to address staff retention and to ensure competitive compensation, the budget includes a 6% annual salary increase for all employees. In addition, the budget includes an annual salary increase based on employee performance with a 3% increase for effective performance and an additional .5% for top performance.

Business – type Activities - The 2023 budget includes \$8,169,064 for solid waste operations and \$1,368,750 for capital projects. The budget includes \$2,625,346 for water and sewer operations.

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 \$8,980,544 in related permits and fees to fund strategic operational and capital needs. Additional funding for capital projects comes from reallocation of unspent funds from previously approved projects.

Requests for Information

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



Basic Financial Statements

CATAWBA COUNTY, NORTH CAROLINA

Exhibit 1
Page 1 of 2

Statement of Net Position
June 30, 2022

| | Primary Government | | |
|---|---------------------------|----------------------|----------------|
| | Governmental | Business-type | |
| | Activities | Activities | Total |
| Assets | | | |
| Cash and investments | \$ 152,880,349 | \$ 40,650,758 | \$ 193,531,107 |
| Taxes receivable - net | 1,044,471 | - | 1,044,471 |
| Due from other governments | 21,910,867 | 649,434 | 22,560,301 |
| Notes receivable | 584,025 | 1,221,965 | 1,805,990 |
| Other receivables | 3,278,948 | 1,150,815 | 4,429,763 |
| Interest receivable | 228,670 | 73,409 | 302,079 |
| Lease Receivable | - | 192,682 | 192,682 |
| Lease Interest Receivable | - | 305 | 305 |
| Inventories | 299,637 | - | 299,637 |
| Prepaid items | 61,080 | - | 61,080 |
| Restricted cash and investments | 43,658,503 | - | 43,658,503 |
| Net pension asset - RODSPF | 291,978 | - | 291,978 |
| Other assets | - | - | - |
| Capital assets: | | | |
| Land and construction in progress | 22,791,232 | 13,101,603 | 35,892,835 |
| Other capital assets, net of depreciation | 149,722,098 | 63,349,650 | 213,071,748 |
| Total capital assets | 172,513,330 | 76,451,253 | 248,964,583 |
| Right to use leases assets, net of amortization | 1,290,907 | 12,130 | 1,303,037 |
| Total assets | 398,042,765 | 120,402,751 | 518,445,516 |
| Deferred outflows of resources | 30,225,821 | 735,943 | 30,961,764 |
| Liabilities | | | |
| Accounts payable and accrued liabilities | 7,366,238 | 412,935 | 7,779,173 |
| Liabilities paid from restricted assets | 20,549,663 | - | 20,549,663 |
| Long-term liabilities: | | | |
| Due within one year | 18,770,026 | 725,369 | 19,495,395 |
| Due in more than one year | 185,194,674 | 12,806,267 | 198,000,941 |
| Total long-term liabilities | 203,964,700 | 13,531,636 | 217,496,336 |
| Total liabilities | 231,880,601 | 13,944,571 | 245,825,172 |
| Deferred inflows of resources | 17,639,661 | 642,026 | 18,281,687 |
| Net Position | | | |
| Net investment in capital assets | 131,737,711 | 74,283,661 | 206,021,372 |
| Restricted | | | |
| Stabilization by State statute | 29,268,413 | - | 29,268,413 |
| Register of Deeds | 139,535 | - | 139,535 |
| Register of Deeds pension plan | 337,764 | - | 337,764 |
| Public safety | 2,042,228 | - | 2,042,228 |
| Fire Protection | 2,077,632 | - | 2,077,632 |
| Social services | 240,000 | - | 240,000 |
| Library Endowment | 197,841 | - | 197,841 |
| Social services scholarships | 56,244 | - | 56,244 |
| Parks preservation | 76,104 | - | 76,104 |
| Community development | 50,694 | - | 50,694 |
| Representative Payee | 104,255 | - | 104,255 |
| Hospital capital projects | 2,230,555 | - | 2,230,555 |
| Working Capital | - | - | - |
| Other | - | - | - |
| Unrestricted (deficit) | 10,189,348 | 32,268,436 | 42,457,784 |
| Total net position | \$ 178,748,324 | \$ 106,552,097 | \$ 285,300,421 |

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, 2022

| | Component Units | |
|---|------------------------|-------------------|
| | Catawba | |
| | Catawba Valley | County ABC |
| | Medical Center | Board |
| Assets | | |
| Cash and investments | \$ 202,270,726 | \$ 3,185,424 |
| Taxes receivable - net | - | - |
| Due from other governments | 1,843,549 | - |
| Notes receivable | 4,750,879 | - |
| Other receivables | 32,169,164 | - |
| Interest receivable | 2,267 | - |
| Lease Receivable | 195,244 | - |
| Lease Interest Receivable | - | - |
| Inventories | 7,411,200 | 5,122,522 |
| Prepaid items | - | - |
| Restricted cash and investments | 2,356,770 | - |
| Net pension asset | - | - |
| Other assets | 35,837,907 | - |
| Capital assets: | | |
| Land and construction in progress | 28,327,379 | 3,002,435 |
| Other capital assets, net of depreciation | 93,169,389 | 1,458,967 |
| Total capital assets | 121,496,768 | 4,461,402 |
| Right to use leases assets, net of amortization | 13,562,819 | 593,499 |
| Total assets | 421,897,293 | 13,362,847 |
| Deferred outflows of resources | 23,826,756 | 519,103 |
| Liabilities | | |
| Accounts payable and accrued liabilities | 48,369,693 | 1,842,095 |
| Liabilities paid from restricted assets | - | - |
| Long-term liabilities: | | |
| Due within one year | 9,838,612 | - |
| Due in more than one year | 96,451,894 | 622,747 |
| Total long-term liabilities | 106,290,506 | 622,747 |
| Total liabilities | 154,660,199 | 2,464,842 |
| Deferred inflows of resources | 27,611,049 | 313,320 |
| Net Position | | |
| Net investment in capital assets | 63,769,780 | 4,461,402 |
| Restricted | | |
| Stabilization by State statute | - | - |
| Register of Deeds | - | - |
| Register of Deeds pension plan | - | - |
| Public safety | - | - |
| Fire Protection | - | - |
| Social services | - | - |
| Library Endowment | - | - |
| Social services scholarships | - | - |
| Parks preservation | - | - |
| Community development | - | - |
| Representative Payee | - | - |
| Hospital capital projects | 2,307,987 | - |
| Working Capital | - | 871,147 |
| Other | 48,783 | - |
| Unrestricted (deficit) | 197,326,251 | 5,771,239 |
| Total net position | \$ 263,452,801 | \$ 11,103,788 |

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, 2022

| 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 | \$ 12,447,523 | \$ 1,930,031 | \$ 1,970,093 | \$ - |
| Public safety | 52,626,431 | 10,767,020 | 14,217,177 | - |
| Environmental protection | 707,228 | 30,545 | 27,316 | - |
| Economic and physical development | 23,117,588 | 5,442,985 | 912,205 | 14,472 |
| Human services | 48,364,606 | 3,012,971 | 29,634,688 | - |
| Culture and recreation | 3,974,978 | (218,953) | 724,775 | - |
| Education | 61,203,839 | 355,119 | - | - |
| Interest on long-term debt | 2,562,883 | - | - | - |
| Total governmental activities | <u>205,005,076</u> | <u>21,319,718</u> | <u>47,486,254</u> | <u>14,472</u> |
| Business-type activities | | | | |
| Solid waste management | 6,944,338 | 9,084,308 | 59,278 | - |
| Water and sewer | 2,786,959 | 688,250 | 1,281,715 | - |
| Total business-type activities | <u>9,731,297</u> | <u>9,772,558</u> | <u>1,340,993</u> | <u>-</u> |
| Total primary government | <u>\$ 214,736,373</u> | <u>\$ 31,092,276</u> | <u>\$ 48,827,247</u> | <u>\$ 14,472</u> |
| Component units | | | | |
| Catawba Valley Medical Center | \$ 353,447,198 | \$ 368,592,736 | \$ 5,041,491 | \$ 289,719 |
| Catawba County ABC Board | <u>28,036,066</u> | <u>29,486,004</u> | <u>-</u> | <u>-</u> |
| Total Component Units | <u>\$ 381,483,264</u> | <u>\$ 398,078,740</u> | <u>\$ 5,041,491</u> | <u>\$ 289,719</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, 2022**

| 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 | \$ (8,547,399) | \$ - | \$ (8,547,399) | | |
| Public safety | (27,642,234) | - | (27,642,234) | | |
| Environmental protection | (649,367) | - | (649,367) | | |
| Economic and physical development | (16,747,926) | - | (16,747,926) | | |
| Human services | (15,716,947) | - | (15,716,947) | | |
| Culture and recreation | (3,469,156) | - | (3,469,156) | | |
| Education | (60,848,720) | - | (60,848,720) | | |
| Interest on long-term debt | (2,562,883) | - | (2,562,883) | | |
| Total governmental activities | <u>(136,184,632)</u> | <u>-</u> | <u>(136,184,632)</u> | | |
| Business-type activities | | | | | |
| Solid waste management | - | 2,199,248 | 2,199,248 | | |
| Water and sewer | - | (816,994) | (816,994) | | |
| Total business-type activities | <u>-</u> | <u>1,382,254</u> | <u>1,382,254</u> | | |
| Total primary government | <u>\$ (136,184,632)</u> | <u>\$ 1,382,254</u> | <u>\$ (134,802,378)</u> | | |
| Component units | | | | | |
| Catawba Valley Medical Center | | | | \$ 20,476,748 | \$ - |
| Catawba County ABC Board | | | | - | 1,449,938 |
| Total Component Units | | | | <u>\$ 20,476,748</u> | <u>\$ 1,449,938</u> |
| General Revenues: | | | | | |
| Taxes | | | | | |
| Property taxes, levied for general purposes | 125,402,460 | - | 125,402,460 | - | - |
| Local option sales taxes | 53,494,247 | - | 53,494,247 | - | - |
| Other taxes | 2,664,019 | 439,249 | 3,103,268 | - | - |
| Investment earnings, unrestricted | (5,676,338) | (1,804,268) | (7,480,606) | 1,587,327 | 6,632 |
| Gain on sale of capital assets | - | 429,000 | 429,000 | 34,846 | 19,355 |
| Total general revenues | <u>175,884,388</u> | <u>(936,019)</u> | <u>174,948,369</u> | <u>1,622,173</u> | <u>25,987</u> |
| Transfers | <u>8,674,500</u> | <u>(8,674,500)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total general revenues and transfers | <u>184,558,888</u> | <u>(9,610,519)</u> | <u>174,948,369</u> | <u>1,622,173</u> | <u>25,987</u> |
| Change in net position | 48,374,256 | (8,228,265) | 40,145,991 | 22,098,921 | 1,475,925 |
| Net position, beginning | <u>130,374,068</u> | <u>114,780,362</u> | <u>245,154,430</u> | <u>241,353,880</u> | <u>9,627,863</u> |
| Net position, ending | <u>\$ 178,748,324</u> | <u>\$ 106,552,097</u> | <u>\$ 285,300,421</u> | <u>\$ 263,452,801</u> | <u>\$ 11,103,788</u> |

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

CATAWBA COUNTY, NORTH CAROLINA
Exhibit 3
**Balance Sheet
Governmental Funds
June 30, 2022**

| | Major Funds | | | Non Major Funds | Total |
|--|-------------------------|--|--|---|-------------------------------|
| | General Fund | American Rescue Plan Act Fund | General Capital Projects Fund | Other Governmental Funds | Governmental Funds |
| Assets | | | | | |
| Cash and investments | \$ 96,595,862 | \$ - | \$ 30,398,639 | \$ 25,885,848 | \$ 152,880,349 |
| Taxes receivable - net | 951,480 | - | - | 92,991 | 1,044,471 |
| Due from other governments | 18,126,097 | - | 599,692 | 3,185,078 | 21,910,867 |
| Notes receivable | 584,025 | - | - | - | 584,025 |
| Other receivables | 3,264,479 | - | 14,469 | - | 3,278,948 |
| Interest receivable | 145,476 | 10,283 | 36,537 | 36,373 | 228,669 |
| Inventories | 299,637 | - | - | - | 299,637 |
| Prepaid items | 61,080 | - | - | - | 61,080 |
| Restricted cash and investments | 21,502,625 | 19,755,911 | 89,786 | 2,310,181 | 43,658,503 |
| Total assets | 141,530,761 | 19,766,194 | 31,139,123 | 31,510,471 | 223,946,549 |
| Liabilities | | | | | |
| Accounts payable and accrued liabilities | 6,219,109 | - | 545,898 | 601,229 | 7,366,236 |
| Advance from grantor payable from restricted assets | - | 20,036,820 | - | 512,843 | 20,549,663 |
| Total liabilities | 6,219,109 | 20,036,820 | 545,898 | 1,114,072 | 27,915,899 |
| Deferred Inflows of Resources | 4,083,469 | - | - | 100,097 | 4,183,566 |
| Fund Balances | | | | | |
| Nonspendable | 946,779 | - | - | - | 946,779 |
| Restricted | 43,837,520 | 44,933 | 3,690,769 | 11,939,391 | 59,512,613 |
| Committed | 122,185 | - | 26,902,456 | 18,380,003 | 45,404,644 |
| Assigned | 20,730,642 | - | - | - | 20,730,642 |
| Unassigned | 65,591,057 | (315,559) | - | (23,092) | 65,252,406 |
| Total fund balances | 131,228,183 | (270,626) | 30,593,225 | 30,296,302 | 191,847,084 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 141,530,761 | \$ 19,766,194 | \$ 31,139,123 | \$ 31,510,471 | \$ 223,946,549 |

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, 2022**

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) | \$ 191,847,084 |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds | 172,513,330 |
| Right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds. | 1,290,907 |
| Charges related to refunding bond issues | 300,138 |
| Net pension asset RODSPF | 291,978 |
| Net pension liability LGERS | (11,475,671) |
| Total pension liability LEOSSA | (6,637,702) |
| Total pension liability OPEB | (32,647,477) |
| Pension related deferrals LGERS and ROD | 1,122,245 |
| Law enforcement separation (LEOSSA) deferrals | 1,559,222 |
| OPEB related deferrals | 9,884,427 |
| Liabilities for earned revenues considered deferred inflows of resources in fund statements | 3,903,691 |
| 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>(153,203,848)</u> |
| Net position of governmental activities (Exhibit 1) | <u>\$ 178,748,324</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, 2022**

| | Major Funds | | | Non Major Funds |
|--|-------------------------|--|--|---|
| | General Fund | American Rescue Plan Act Fund | General Capital Projects Fund | Other Governmental Funds |
| Revenues | | | | |
| Ad valorem taxes | \$ 115,081,281 | \$ - | \$ - | \$ 10,330,899 |
| Other taxes | 45,132,143 | - | 1,777,223 | 8,406,025 |
| Unrestricted intergovernmental revenues | 2,251,449 | - | - | - |
| Restricted intergovernmental revenues | 38,981,642 | 10,954,091 | 14,472 | 1,528,037 |
| Permits and fees | 5,672,207 | - | - | 511,697 |
| Sales and services | 10,128,551 | - | - | - |
| Investment earnings | (3,632,941) | (255,049) | (920,584) | (867,761) |
| Miscellaneous | 3,350,204 | - | 229,807 | 500 |
| Total revenues | <u>216,964,536</u> | <u>10,699,042</u> | <u>1,100,918</u> | <u>19,909,397</u> |
| Expenditures | | | | |
| Current | | | | |
| General government | 14,492,279 | - | - | 135,129 |
| Public safety | 40,408,652 | 15,100 | - | 10,650,657 |
| Environmental protection | 702,965 | - | - | - |
| Economic and physical development | 21,754,164 | - | - | 140,634 |
| Human services | 46,919,114 | - | - | 284,171 |
| Culture and recreation | 3,963,879 | - | - | 28,632 |
| Education | 47,029,774 | - | - | 354,669 |
| Capital outlay | - | - | 13,096,033 | 13,821,362 |
| Debt service | | | | |
| Principal | 14,950,643 | - | - | - |
| Interest | 3,835,712 | - | - | - |
| Bond issuance costs | 7,616 | - | - | - |
| Total expenditures | <u>194,064,798</u> | <u>15,100</u> | <u>13,096,033</u> | <u>25,415,254</u> |
| Excess of revenues over (under) expenditures | <u>22,899,738</u> | <u>10,683,942</u> | <u>(11,995,115)</u> | <u>(5,505,857)</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers from other funds | 12,279,006 | - | 23,759,857 | 2,819,487 |
| Transfers to other funds | (18,154,866) | (10,938,991) | - | (1,089,993) |
| Lease liabilities issued | 1,579,797 | - | - | - |
| Bonds issued | 10,757,408 | - | - | - |
| Payment to refunded bond escrow agent | (10,757,408) | - | - | - |
| Total other financing sources (uses) | <u>(4,296,063)</u> | <u>(10,938,991)</u> | <u>23,759,857</u> | <u>1,729,494</u> |
| Net change in fund balance | 18,603,675 | (255,049) | 11,764,742 | (3,776,363) |
| Fund Balances - Beginning of Year | <u>112,624,508</u> | <u>(15,577)</u> | <u>18,828,483</u> | <u>34,072,665</u> |
| Fund Balances - End of Year | <u>\$ 131,228,183</u> | <u>\$ (270,626)</u> | <u>\$ 30,593,225</u> | <u>\$ 30,296,302</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, 2022**

| | Total Governmental Funds |
|--|---|
| Revenues | |
| Ad valorem taxes | \$ 125,412,180 |
| Other taxes | 55,315,391 |
| Unrestricted intergovernmental revenues | 2,251,449 |
| Restricted intergovernmental revenues | 51,478,242 |
| Permits and fees | 6,183,904 |
| Sales and services | 10,128,551 |
| Investment earnings | (5,676,335) |
| Miscellaneous | 3,580,511 |
| Total revenues | <u>248,673,893</u> |
| Expenditures | |
| Current | |
| General government | 14,627,408 |
| Public safety | 51,074,409 |
| Environmental protection | 702,965 |
| Economic and physical development | 21,894,798 |
| Human services | 47,203,285 |
| Culture and recreation | 3,992,511 |
| Education | 47,384,443 |
| Capital outlay | 26,917,395 |
| Debt service | |
| Principal | 14,950,643 |
| Interest | 3,835,712 |
| Bond issuance costs | 7,616 |
| Total expenditures | <u>232,591,185</u> |
| Excess of revenues over (under) expenditures | <u>16,082,708</u> |
| Other Financing Sources (Uses) | |
| Transfers from other funds | 38,858,350 |
| Transfers to other funds | (30,183,850) |
| Lease liabilities issued | 1,579,797 |
| Bonds issued | 10,757,408 |
| Payment to refunded bond escrow agent | (10,757,408) |
| Total other financing sources (uses) | <u>10,254,297</u> |
| Net change in fund balance | 26,337,005 |
| Fund Balances - Beginning of Year | <u>165,510,079</u> |
| Fund Balances - End of Year | <u>\$ 191,847,084</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, 2022**

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) | \$ 26,337,005 |
| 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. | 9,454,913 |
| Net capital assets disposed during the year | (41,440) |
| 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. | 15,768,529 |
| 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) | 6,630,277 |
| Law Enforcement Separation Allowance (LEOSSA) | 111,690 |
| Revenues in the statement of activities that do not provide current financial resources are not recorded as revenues in the funds. | (1,117,242) |
| Deferral of revenue from receivables that do not provide current financial resources | 114,950 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. | <u>(8,884,426)</u> |
| Total changes in net position of governmental activities (Exhibit 2) | <u><u>48,374,256</u></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, 2022**

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Over/Under</u> |
|--|------------------------|---------------------|-----------------------|----------------------|
| Revenues | | | | |
| Ad Valorem taxes | \$ 108,699,000 | \$ 108,699,000 | \$ 115,081,281 | \$ 6,382,281 |
| Other taxes | 34,491,681 | 37,006,370 | 45,132,143 | 8,125,773 |
| Unrestricted intergovernmental revenues | 1,868,000 | 1,868,000 | 2,251,449 | 383,449 |
| Restricted intergovernmental revenues | 32,358,212 | 39,126,700 | 39,026,567 | (100,133) |
| Permits and fees | 4,001,839 | 4,079,839 | 5,672,207 | 1,592,368 |
| Sales and services | 9,056,625 | 9,214,647 | 10,128,551 | 913,904 |
| Investment earnings | 650,730 | 650,730 | (3,625,069) | (4,275,799) |
| Miscellaneous | 3,742,933 | 3,782,477 | 3,350,204 | (432,273) |
| Total revenues | <u>194,869,020</u> | <u>204,427,763</u> | <u>217,017,333</u> | <u>12,589,570</u> |
| Expenditures | | | | |
| Current | | | | |
| General government | 17,589,667 | 17,436,151 | 13,938,450 | 3,497,701 |
| Public safety | 42,193,059 | 45,029,913 | 40,408,652 | 4,621,261 |
| Environmental protection | 727,476 | 813,332 | 702,965 | 110,367 |
| Economic and physical development | 22,306,205 | 24,820,545 | 21,754,164 | 3,066,381 |
| Human services | 55,600,360 | 58,498,708 | 46,919,114 | 11,579,594 |
| Culture and recreation | 4,467,045 | 4,700,079 | 3,963,879 | 736,200 |
| Education | 47,029,774 | 47,029,774 | 47,029,774 | - |
| Debt service | | | | |
| Principal | 14,600,690 | 14,606,690 | 14,950,643 | (343,953) |
| Sinking fund payments | 1,853,905 | 1,853,905 | 1,853,902 | 3 |
| Interest | 4,019,460 | 4,019,460 | 3,835,712 | 183,748 |
| Bond issuance costs | - | 14,000 | 7,616 | 6,384 |
| Total expenditures | <u>210,387,641</u> | <u>218,822,557</u> | <u>195,364,871</u> | <u>23,457,686</u> |
| Excess of revenues over (under) expenditures | <u>(15,518,621)</u> | <u>(14,394,794)</u> | <u>21,652,462</u> | <u>36,047,256</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers from other funds | 2,912,165 | 12,616,258 | 12,279,006 | (337,252) |
| Transfers to other funds | (6,736,311) | (18,709,812) | (18,709,812) | - |
| Bonds issued | - | 10,757,408 | 10,757,408 | - |
| Payment to refunded escrow agent | - | (10,757,408) | (10,757,408) | - |
| Lease liabilities issued | - | - | 1,579,797 | 1,579,797 |
| Fund balance appropriated | 19,342,767 | 20,488,348 | - | (20,488,348) |
| Total other financing sources (uses) | <u>15,518,621</u> | <u>14,394,794</u> | <u>(4,851,009)</u> | <u>(19,245,803)</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>16,801,453</u> | <u>\$ 16,801,453</u> |
| Fund Balances - Beginning of Year | | | <u>112,624,508</u> | |
| Fund Balances - End of Year | | | <u>\$ 129,425,961</u> | |

General Fund**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

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

| | |
|--|--------------------|
| Investment earnings | (7,872) |
| Expenditures | (553,829) |
| Transfer from other funds | 554,946 |
| Fund Balance, Beginning | <u>130,395</u> |
| Fund Balance, Ending - Budget and Actual | 129,419,206 |
| Budget and actual reconciliation | <u>1,808,977</u> |
| Fund Balance, Ending (Exhibit 4) | <u>131,228,183</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 | \$ 16,801,453 |
| Tax Reappraisal Fund | (6,755) |
| Contra revenue notes receivable payments | (44,925) |

| | |
|---|---|
| Contra expense for issuance of notes receivable | - |
|---|---|

Payments to sinking funds for future debt service
are shown in the budget and actual statements
but do not reduce outstanding debt and are
excluded from the governmental funds statement
of revenues, expenditures, and changes in fund
balance

| | |
|--|------------------|
| | <u>1,853,902</u> |
|--|------------------|

| | |
|---|----------------------|
| Net change in fund balances - general fund (Exhibit 4) | <u>\$ 18,603,675</u> |
|---|----------------------|

| | |
|------------------------------------|-----------------------|
| Fund Balance Beginning (Exhibit 4) | <u>112,624,508</u> |
| Fund Balance Ending (Exhibit 4) | <u>\$ 131,228,183</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, 2022**
Business-Type Activities - Enterprise Funds

| | Solid Waste Management Fund | Water and Sewer Fund | Total |
|---|--|-------------------------------------|--------------------|
| Assets | | | |
| Current assets | | | |
| Cash and investments | \$ 19,425,221 | \$ 21,225,537 | \$ 40,650,758 |
| Due from other governments | 262,075 | 387,359 | 649,434 |
| Notes receivable | - | 192,669 | 192,669 |
| Accounts receivables (net of allowance) | 1,149,565 | 1,250 | 1,150,815 |
| Lease receivable | 13,704 | - | 13,704 |
| Lease accrued interest receivable | 305 | - | 305 |
| Interest receivables | 27,607 | 45,802 | 73,409 |
| Total current assets | <u>20,878,477</u> | <u>21,852,617</u> | <u>42,731,094</u> |
| Noncurrent assets | | | |
| Lease receivable | 178,978 | - | 178,978 |
| Notes receivable | - | 1,029,296 | 1,029,296 |
| Capital assets | | | |
| Land and construction in progress | 10,340,456 | 2,761,147 | 13,101,603 |
| Other capital assets, net of depreciation | 29,603,339 | 33,746,311 | 63,349,650 |
| Total capital assets | <u>39,943,795</u> | <u>36,507,458</u> | <u>76,451,253</u> |
| Right to use leased asset, net of amortization | 12,130 | - | 12,130 |
| Total noncurrent assets | <u>40,134,903</u> | <u>37,536,754</u> | <u>77,671,657</u> |
| Total assets | <u>61,013,380</u> | <u>59,389,371</u> | <u>120,402,751</u> |
| Deferred outflows of resources | | | |
| Pension - LGERS | 428,147 | 30,153 | 458,300 |
| OPEB deferrals | 268,572 | 9,071 | 277,643 |
| Total deferred outflows of resources | <u>696,719</u> | <u>39,224</u> | <u>735,943</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Accounts payable and accrued liabilities | 390,414 | 22,521 | 412,935 |
| Longterm lease | 4,486 | - | 4,486 |
| Accrued landfill closure and postclosure care costs | 100,000 | - | 100,000 |
| Installment loan payable | - | 530,715 | 530,715 |
| Compensated absences | 81,326 | 8,842 | 90,168 |
| Total current liabilities | <u>576,226</u> | <u>562,078</u> | <u>1,138,304</u> |
| Noncurrent liabilities | | | |
| Accrued landfill closure and postclosure care costs | 9,929,316 | - | 9,929,316 |
| Net pension liability | 278,586 | 19,620 | 298,206 |
| Total OPEB liability | 850,510 | 28,970 | 879,480 |
| Longterm lease | 7,728 | - | 7,728 |
| Installment loan payable | - | 1,636,877 | 1,636,877 |
| Compensated absences | 42,497 | 12,163 | 54,660 |
| Total noncurrent liabilities | <u>11,108,637</u> | <u>1,697,630</u> | <u>12,806,267</u> |
| Total liabilities | <u>11,684,863</u> | <u>2,259,708</u> | <u>13,944,571</u> |

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

Statement of Net Position
Proprietary Funds
June 30, 2022

Business-Type Activities - Enterprise Funds

| | Solid Waste Management Fund | Water and Sewer Fund | Total |
|--------------------------------------|--|-------------------------------------|----------------|
| Deferred inflows of resources | | | |
| Pension - LGERS | 402,015 | 28,312 | 430,327 |
| OPEB deferrals | 14,858 | 514 | 15,372 |
| Lease deferred revenue | 196,327 | - | 196,327 |
| Total deferred inflows of resources | 613,200 | 28,826 | 642,026 |
| Net Position | | | |
| Net investment in capital assets | 39,943,795 | 34,339,866 | 74,283,661 |
| Unrestricted | 9,468,241 | 22,800,195 | 32,268,436 |
| Total net position | \$ 49,412,036 | \$ 57,140,061 | \$ 106,552,097 |

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, 2022

| | Business-Type Activities - Enterprise Funds | | |
|---|--|-------------------------------------|-----------------------|
| | Solid Waste Management Fund | Water and Sewer Fund | Total |
| Operating Revenues | | | |
| Charges for services | \$ 8,464,414 | \$ - | \$ 8,464,414 |
| Methane recovery | 505,371 | - | 505,371 |
| Lease revenue | 8,178 | - | 8,178 |
| Other operating revenues | 89,191 | 5,000 | 94,191 |
| Total operating revenues | <u>9,067,154</u> | <u>5,000</u> | <u>9,072,154</u> |
| Operating Expenses | | | |
| Administration | 744,656 | 132,805 | 877,461 |
| Recycling | 167,589 | - | 167,589 |
| Solid waste management improvements | 54,548 | - | 54,548 |
| Solid waste code enforcement | 98,719 | - | 98,719 |
| Sanitary landfill | 4,100,610 | - | 4,100,610 |
| Blackburn landfill methane recovery | 175,881 | - | 175,881 |
| Water and sewer | - | 996,974 | 996,974 |
| Landfill closure and postclosure care costs | 100,000 | - | 100,000 |
| Lease amortization expense | 4,578 | - | 4,578 |
| Depreciation and amortization | 1,497,641 | 1,559,673 | 3,057,314 |
| Total operating expenses | <u>6,944,222</u> | <u>2,689,452</u> | <u>9,633,674</u> |
| Operating income (loss) | <u>2,122,932</u> | <u>(2,684,452)</u> | <u>(561,520)</u> |
| Nonoperating Revenues (Expenses) | | | |
| Solid waste disposal tax | 85,181 | - | 85,181 |
| Scrap tire disposal tax | 269,110 | - | 269,110 |
| White goods disposal tax | 84,958 | - | 84,958 |
| Scrap tire grant | 59,278 | - | 59,278 |
| Electronics management distribution | 8,239 | - | 8,239 |
| Gain on sale of capital asset | 429,000 | - | 429,000 |
| Property cleanup reimbursement | 4,485 | - | 4,485 |
| Court fees | 2,129 | - | 2,129 |
| Investment earnings | (684,831) | (1,119,437) | (1,804,268) |
| Engineering fees | - | 683,250 | 683,250 |
| Lease interest income | 2,301 | - | 2,301 |
| Lease interest expense | (116) | - | (116) |
| Interest on long term debt | - | (97,507) | (97,507) |
| Municipal revenue sharing | - | 1,281,715 | 1,281,715 |
| Total nonoperating revenues (expenses) | <u>259,734</u> | <u>748,021</u> | <u>1,007,755</u> |
| Income (loss) before transfers | <u>2,382,666</u> | <u>(1,936,431)</u> | <u>446,235</u> |
| Transfer to other funds | <u>-</u> | <u>(8,674,500)</u> | <u>(8,674,500)</u> |
| Change in net position | 2,382,666 | (10,610,931) | (8,228,265) |
| Net Position - Beginning of Year | <u>47,029,370</u> | <u>67,750,992</u> | <u>114,780,362</u> |
| Net Position - End of Year | <u>\$ 49,412,036</u> | <u>\$ 57,140,061</u> | <u>\$ 106,552,097</u> |

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, 2022

| | Business-Type Activities - Enterprise Funds | | |
|--|--|-------------------------------------|----------------------|
| | Solid Waste Management Fund | Water and Sewer Fund | Total |
| Cash Flows from Operating Activities | | | |
| Cash received from customers | \$ 8,389,122 | (32,953) | \$ 8,356,169 |
| Cash paid for goods and services | (3,228,037) | (909,118) | (4,137,155) |
| Cash paid to employees | (2,151,236) | (133,472) | (2,284,708) |
| Other operating revenues | 89,191 | 5,000 | 94,191 |
| Net cash provided (used) by operating activities | <u>3,099,040</u> | <u>(1,070,543)</u> | <u>2,028,497</u> |
| Cash Flows from Noncapital Financing Activities | | | |
| Solid waste disposal tax | 85,181 | - | 85,181 |
| Scrap tire disposal tax | 269,110 | - | 269,110 |
| White goods disposal tax | 84,958 | - | 84,958 |
| Scrap tire grant | 59,278 | - | 59,278 |
| Electronics management distribution | 8,239 | - | 8,239 |
| Court Fees | 2,129 | - | 2,129 |
| Property cleanup reimbursement | 4,485 | - | 4,485 |
| Domestic haulers and capital fees | - | 683,250 | 683,250 |
| Transfer to general capital projects fund | - | (8,290,500) | (8,290,500) |
| Transfer to general fund | - | (384,000) | (384,000) |
| Municipal revenue sharing | - | 1,281,715 | 1,281,715 |
| Total cash provided by noncapital financing activities | <u>513,380</u> | <u>(6,709,535)</u> | <u>(6,196,155)</u> |
| Cash Flows from Capital and Related Financing Activities | | | |
| Principal paid on installment notes payable | - | (4,930,708) | (4,930,708) |
| Interest paid on installment notes payable | - | (97,507) | (97,507) |
| Acquisition and construction of capital assets | (2,752,694) | (178,802) | (2,931,496) |
| Premium/deferred charge from debt refunding change | - | (65,476) | (65,476) |
| Proceeds from sale of assets | 429,000 | - | 429,000 |
| Proceeds from new debt | - | 1,567,592 | 1,567,592 |
| Net cash provided (used) by capital and related financing activities | <u>(2,323,694)</u> | <u>(3,704,901)</u> | <u>(6,028,595)</u> |
| Cash Flows from Investing Activities | | | |
| Investment earnings | <u>(697,578)</u> | <u>(1,138,425)</u> | <u>(1,836,003)</u> |
| Net increase (decrease) in cash and cash equivalents | 591,148 | (12,623,404) | (12,032,256) |
| Cash and cash equivalents - beginning of year | <u>18,834,073</u> | <u>33,848,941</u> | <u>52,683,014</u> |
| Cash and cash equivalents - end of year | <u>\$ 19,425,221</u> | <u>21,225,537</u> | <u>\$ 40,650,758</u> |

The accompanying notes are an integral part of the financial statements

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2022

| | 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) | \$ 2,122,932 | \$ (2,684,452) | \$ (561,520) |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities | | | |
| Depreciation and amortization | 1,497,641 | 1,559,673 | 3,057,314 |
| Lease amortization expense | 4,578 | - | 4,578 |
| Increase (decrease) in landfill closure and postclosure care costs | 100,000 | - | 100,000 |
| Changes in assets and liabilities, and deferred outflows and inflows of resources: | | | |
| (Increase) decrease in refundable sales tax | (49,738) | 37,000 | (12,738) |
| (Increase) decrease in other receivables | (539,103) | (69,953) | (609,056) |
| (Increase) decrease in notes receivables | - | 192,668 | 192,668 |
| (Increase) decrease in deferred outflows of resources - pensions | (56,068) | (5,832) | (61,900) |
| (Increase) decrease in deferred outflows of resources - OPEB | (3,245) | (108) | (3,353) |
| Increase (decrease) in accounts payable and other liabilities | (58,903) | (104,812) | (163,715) |
| Increase (decrease) in compensated absences | 3,379 | 2,050 | 5,429 |
| Increase (decrease) in accrued salaries and other benefits | (6,929) | (3,275) | (10,204) |
| Increase (decrease) in pension liability | (387,039) | (23,888) | (410,927) |
| Increase (decrease) in OPEB liability | 75,541 | 2,518 | 78,059 |
| Increase (decrease) in deferred inflows of resources - pensions | 394,430 | 27,816 | 422,246 |
| Increase (decrease) in deferred inflows of resources - OPEB | 1,564 | 52 | 1,616 |
| Total adjustments | 976,108 | 1,613,909 | 2,590,017 |
| Net cash provided (used) by operating activities | \$ 3,099,040 | \$ (1,070,543) | \$ 2,028,497 |
| Noncash investing, capital and financing activities: | | | |
| Donated capital asset to municipality | - | - | - |
| Right to use asset in exchange for lease liability | 16,707 | - | 16,707 |
| (Premium)/deferred charge from debt refunding | - | - | - |
| | \$ 16,707 | \$ - | \$ 16,707 |

The accompanying notes are an integral part of the financial statements

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

| | <u>Custodial Funds</u> |
|---|-------------------------------|
| Assets | |
| Cash and investments | \$ 81,516 |
| Taxes receivable for other governments, net | <u>3,189,406</u> |
| Total assets | <u>3,270,922</u> |
| Liabilities | |
| Due to other governments | <u>9,742</u> |
| Total liabilities | <u>9,742</u> |
| Net Position | |
| Individuals, organizations, and other governments | <u>3,261,180</u> |
| Total fiduciary net position | <u>\$ 3,261,180</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, 2022

| | <u>Custodial Funds</u> |
|---|-------------------------------|
| Additions | |
| Ad valorem taxes collected for other governments | \$ 53,991,098 |
| Collections on behalf of inmates | <u>572,448</u> |
| Total additions | <u>54,563,546</u> |
| Deductions | |
| Tax distributions to other governments | 54,225,692 |
| Payments on behalf of inmates | <u>559,116</u> |
| Total deductions | <u>54,784,808</u> |
| Net increase (decrease) in fiduciary net position | (221,262) |
| Net Position | |
| Net position - beginning | <u>3,482,442</u> |
| Net position - ending | <u>\$ 3,261,180</u> |

The accompanying notes are an integral part of the financial statements



Notes to Financial Statements - Contents
June 30, 2022

| Note | | Page |
|-------------|---|-------------|
| 1 | Summary of Significant Accounting Policies | 38 |
| | A Reporting Entity | 38 |
| | B Basis of Presentation | 39 |
| | C Measurement Focus and Basis of Accounting | 40 |
| | D Budgetary Data | 41 |
| | E Assets, Liabilities, Deferred Inflows and Outflows, Fund Equity | 42 |
| | F Reconciliation of Government-Wide and Fund Financial Statements | 48 |
| 2 | Stewardship, Compliance, and Accountability | 50 |
| | A Non-compliance with North Carolina Statutes | 50 |
| 3 | Details Notes on All Funds | 50 |
| | A: 1/2 Assets: Deposits and Investments | 50 |
| | 3 Property Tax Use Value Assessment | 52 |
| | 4 Receivables | 53 |
| | 5 Capital Assets | 56 |
| | 6 Right to Use Leased Assets | 58 |
| | B: 1 Liabilities: Payables | 59 |
| | 2 Pension Plan Obligations | 59 |
| | 3 Deferred Outflows and Inflows of Resources | 74 |
| | 4 Closure and Postclosure Care Costs | 74 |
| | 5 Risk Management | 75 |
| | 6 Contingent Liabilities | 76 |
| | 7 Long-Term Obligations | 76 |
| | C Interfund Balances and Activity | 89 |
| | D Fund Balance | 91 |
| 4 | Related Organization | 92 |
| 5 | Joint Ventures | 92 |
| 6 | Jointly Governed Organization | 93 |
| 7 | Benefit Payments Issued by State | 93 |
| 8 | Summary Disclosure of Significant Contingencies | 93 |
| 9 | Significant Effects of Subsequent Events | 93 |
| 10 | Change in Accounting Principle | 93 |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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, 2022

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

B. Basis of Presentation

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

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the County and for each function of the County's governmental activities. *Direct expenses* are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a specific function. *Indirect expense allocations* that have been made in the funds have been reversed for the statement of activities. *Program revenues* include 1) fees and charges by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as *general revenues*.

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

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

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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.

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

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-three legally budgeted funds. The Emergency Telephone System Fund, Narcotics Seized Funds and Property Fund, State Unauthorized Substance Abuse Fund, Narcotics Seized Justice Fund, Narcotics Seized Treasury Fund, Rescue Squads Fund, Library Endowment Fund, Gretchen Peed Scholarship Fund, Parks/Historic Preservation Fund, Community Development Fund, Fines and Forfeitures Fund, Opioid Settlement 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, School Construction 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 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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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 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 capital leases are reported as other financing sources.

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

Sales taxes and certain intergovernmental revenues, such as the beer and wine tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and 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.

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 Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances that may span more than one year are adopted for

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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, 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 Equity

1. Deposits and Investments

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

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

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

2. Cash and Cash Equivalents

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

3. Restricted Assets

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Catawba County Restricted Cash

| Governmental Activities | | |
|--------------------------------|-----------------------------|----------------------|
| General Fund | Debt service reserve | \$ 21,119,994 |
| General Fund | Unexpended debt proceeds | 2,641 |
| General Fund | Social services | 240,000 |
| General Fund | Tax reappraisal | 137,990 |
| General Fund | Advance from grantor | 2,000 |
| American Rescue Plan Act Fund | Unexpended grant funds | 19,755,911 |
| Opioid Settlement Fund | Unexpended settlement funds | 493,490 |
| General Capital Projects Fund | Unexpended debt proceeds | 89,786 |
| School Construction Fund | Unexpended debt proceeds | 1,816,691 |
| Total Governmental Activities | | <u>\$ 43,658,503</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, 2021.

5. Lease Receivable

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

6. Allowance for Doubtful Accounts

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

7. Inventories and Prepaid Items

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

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

8. Capital Assets

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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. 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.

10. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net assets that applies to future periods and so will not be recognized as an expense or expenditure until then. The County has several items that meet this criterion—a charge on refunding, OPEB and pension related deferrals, and contributions made to OPEB and pension plans in the current fiscal year. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net assets that applies to a future periods and so will not be recognized as revenue until then. The County items that meet the criterion for this category are prepaid taxes, ambulance, taxes receivable, human resource receivables, leases, other unearned revenue 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 County's liability for accumulated earned vacation and salary-related payments as of June 30, 2022, is recorded in the government-wide financial statements. For the County's proprietary fund, an expense and liability for compensated absences and the salary-related payments are recorded within those funds as the leave is earned, if the amount is considered to be material.

The sick leave policy of the County provides for an unlimited accumulation of earned but unused sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since neither employee nor the County has any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County.

13. Opioid Settlement Funds

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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

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

The County received \$512,843 as a part of this settlement in Fiscal Year 2022. 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. No funds have been expended as of June 30, 2022.

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. County staff and the Board of Commissioners elected to use \$10,000,000 of ARPA funds for revenue replacement for eligible government provisions and \$954,091 for COVID-19 efforts. The County plans on using the remaining funds for eligible infrastructure projects and continued support of COVID-19 mitigation.

15. Net Position/Fund Balances

Net Position

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

Fund Balances

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

The governmental fund types classify fund balance as follows:

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

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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.

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

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

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

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

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

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

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

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

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

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

Restricted net position on Exhibit 1 differs from restricted fund balance on Exhibit 3 due to sinking fund debt payments to date of (\$21,119,994), unspent debt proceeds of (\$1,909,118), and the Register of Deeds pension plan of \$337,764.

Committed Fund Balance - Portion of fund balance that can only be used for specific purpose imposed by majority vote of Catawba County's governing body. The Board of Commissioners is the highest level of decision-making authority that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

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

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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

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

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

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

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

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

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

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

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

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

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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 (\$13,098,760) 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) | \$ 258,892,707 |
| Less accumulated depreciation | (86,379,377) |
| Net capital assets | <u>172,513,330</u> |
| Right to use assets used in government activities are not financial resources and are therefore not reported in the funds | 1,579,802 |
| Less accumulated amortization | <u>(288,895)</u> |
| Net right to use assets | <u>1,290,907</u> |
| Charges related to debt refunding issued - included on government-wide statement of net position but are not current financial resources | 300,138 |
| Net pension asset RODSPF | 291,978 |
| LGERS and ROD pension related deferrals | 1,122,245 |
| LEOSSA related deferrals | 1,559,222 |
| OPEB related deferrals | 9,884,427 |
| Deferred inflows of resources reported in the fund statements but not the government-wide | 3,905,659 |
| 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 | (2,880,000) |
| Installment purchase | (66,675,408) |
| Qualified school construction bonds | (27,808,553) |
| Limited obligation bonds | (43,845,000) |
| Premium on long-term debt | (4,971,483) |
| Leases | (1,229,837) |
| Compensated absences | (5,793,569) |
| Net pension liability LGERS | (11,475,671) |
| Total pension liability LEOSSA | (6,637,702) |
| Total other post employment liability | <u>(32,647,477)</u> |
| | <u>(203,964,700)</u> |
| Total adjustment | \$ <u>(13,098,760)</u> |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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 \$(22,037,251) 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 | \$ 15,624,008 |
| 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 | (6,169,095) |
| Net capital assets disposed during the year | (41,440) |
| Proceeds from issuance of long term debt not recorded in statement of activities | (10,757,408) |
| Lease Liabilities Issued | (1,579,802) |
| Premium on issuance of long term debt not recorded in statement of activities | - |
| 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 | 1,015,000 |
| Installment purchases | 7,448,667 |
| Qualified zone academy bonds | 50,000 |
| Limited obligation bonds | 16,844,419 |
| Leases | 349,965 |
| 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) | 6,630,277 |
| Law Enforcement Separation Allowance (LEOSSA) | 111,690 |
| 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 | (5,360,820) |
| Pension expense | |
| OPEB expense | (2,937,173) |
| Amortization of deferred interest | (1,117,242) |
| Net (increase) decrease in compensated absences | (239,989) |
| Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements | |
| Difference of interest revenue between fund statements and government-wide | (346,443) |
| Amortization of premium on debt issuance | 2,397,687 |
| Net increase (decrease) in receivables and deferred revenue | 114,950 |
| Total adjustment | <u>\$ 22,037,251</u> |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Balance/Net Position

North Carolina General Statutes prohibits the County from having a deficit fund balance/net position in any fund. The American Rescue Plan Fund had a deficit fund balance/net position in the amount of \$270,626. Due to a NC statutory requirement, the proportional share of the mark to market loss must be allocated to the special revenue fund causing a deficit fund balance. This loss will be offset in future years by future market gains. If the fund balance remains negative at the end of next fiscal year, the County will transfer funds from the general fund to correct this in fiscal year 2023.

The Opioid Settlement Fund had a deficit fund balance/net position in the amount of \$18,666. Due to a NC statutory requirement, the proportional share of the mark to market loss must be allocated to the project fund causing a deficit fund balance. This loss will be offset in future years by future market gains. If the fund balance remains negative at the end of next fiscal year, the County will transfer funds from the general fund to correct this in fiscal year 2023.

NOTE 3 – DETAIL NOTES ON ALL FUNDS

A. Assets

1. Deposits

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

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County has no formal policy regarding custodial credit risk for deposits.

At June 30, 2022, the County's deposits had a carrying amount of \$43,245,637 and a bank balance of \$48,852,876. Of the bank balance, \$1,240,000 was covered by federal depository insurance and \$176,029 in non-interest bearing deposits and \$47,436,847 in interest bearing deposits was covered by collateral held under the Pooling Method.

At June 30, 2022, Catawba County had \$9,993 cash on hand.

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

2. Investments

As of June 30, 2022 the County had the following investments and maturities.

| Investment Type | Valuation | Fair Value | Less than 6 | | |
|-----------------------------------|--------------------|-----------------------|----------------------|-------------------|-----------------------|
| | Measurement Method | | months | 6-12 months | 1-5 years |
| U.S. Government Agencies* | Fair Value-Level 2 | \$ 136,140,637 | \$ - | \$ - | \$ 136,140,637 |
| Commercial Paper | Fair Value-Level 2 | 995,526 | | 995,526 | - |
| | | - | | | - |
| NC Capital Trust Management Trust | | | | | |
| Government Portfolio | Fair Value-Level 1 | 56,879,332 | 56,879,332 | - | - |
| Total: | | <u>\$ 194,015,495</u> | <u>\$ 56,879,332</u> | <u>\$ 995,526</u> | <u>\$ 136,140,637</u> |

*\$84,474,463 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, 2022, the North Carolina Capital Management Trust (NCCMT), which consists of an SEC registered fund, is authorized by G.S. 159-30(c)(8). The Government Portfolio, is a 2a7 fund which invests in treasuries and government agencies and is rated AAAM by S&P and AAA-mf by Moody's Investor Services. The Government Portfolio is reported at fair value.

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

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

Interest Rate Risk

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

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

Credit Risk

The County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). The County's investment in commercial paper carried a credit rating of A-1 by Standard & Poor's and P-1 by Moody's Investors Service. 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, 2022. The County's investment in U.S. Agencies includes Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (FreddieMac), Federal National Mortgage Association (FannieMae), and is rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The County does not have a board approved policy on credit risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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 70% of the County's investments are in United States government-sponsored enterprises. Investments in Federal Farm Credit are 13%, Federal Home Loan Bank are 44%, Federal Home Loan Mortgage Corporation are 6%, and Federal National Mortgage Agency are 7% of the County's total investments. The County does not have a board approved policy on concentration of credit risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

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

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

| <u>Year Levied</u> | <u>Tax</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|---------------------|-------------------|---------------------|
| 2019 | 1,433,507 | 404,966 | 1,838,473 |
| 2020 | 1,424,891 | 274,291 | 1,699,182 |
| 2021 | 1,429,512 | 146,525 | 1,576,037 |
| 2022 | 1,432,331 | - | 1,432,331 |
| Total | <u>\$ 5,720,241</u> | <u>\$ 825,782</u> | <u>\$ 6,546,023</u> |

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

4. Receivables

Receivables at the government-wide level at June 30, 2022 were as follows:

| Governmental activities | | | | | |
|--|----------------------|--|--|----------------------------|--|
| | General | American Rescue Plan Act Fund | General Capital Projects Fund | Non-major Funds | Total Governmental Activities |
| Receivables | | | | | |
| Accounts | \$ 3,689,745 | \$ - | \$ 14,469 | \$ - | \$ 3,704,214 |
| Taxes | 2,831,806 | - | - | 214,154 | 3,045,960 |
| Due from other governments | 18,126,097 | - | 599,692 | 3,185,078 | 21,910,867 |
| Notes | 584,025 | - | - | - | 584,025 |
| Other | 32,583 | - | - | - | 32,583 |
| Leases | 118,010 | - | - | - | 118,010 |
| Interest | 145,476 | 10,283 | 36,537 | 36,374 | 228,670 |
| Gross Receivables | 25,527,742 | 10,283 | 650,698 | 3,435,606 | 29,624,329 |
| Allowance for uncollectibles | (2,456,185) | - | - | (121,163) | (2,577,348) |
| Net total receivables | <u>\$ 23,071,557</u> | <u>\$ 10,283</u> | <u>\$ 650,698</u> | <u>\$ 3,314,443</u> | <u>\$ 27,046,981</u> |
| Amounts not scheduled for collection during the subsequent year | <u>\$ 494,175</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 494,175</u> |

| Business-type activities | | | |
|--|--|-------------------------------------|---|
| | Solid Waste Management Fund | Water and Sewer Fund | Total Business-type Activities |
| Receivables | | | |
| Accounts | \$ 1,149,565 | \$ 1,290,110 | \$ 2,439,675 |
| Notes | - | 1,221,965 | 1,221,965 |
| Due from other governments | 262,075 | 387,359 | 649,434 |
| Leases | 192,682 | - | 192,682 |
| Leases interest | 305 | - | 305 |
| Interest | 27,607 | 45,802 | 73,409 |
| Gross Receivables | 1,632,234 | 2,945,236 | 4,577,470 |
| Allowance for uncollectibles | - | (1,288,860) | (1,288,860) |
| Net total receivables | <u>\$ 1,632,234</u> | <u>\$ 1,656,376</u> | <u>\$ 3,288,610</u> |
| Amounts not scheduled for collection during the subsequent year | <u>\$ 171,041</u> | <u>\$ 1,029,296</u> | <u>\$ 1,200,337</u> |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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

| | Governmental Activities | Business-type Activities |
|--------------------------|------------------------------------|-------------------------------------|
| Local option sales tax | \$ 13,858,102 | \$ - |
| White goods disposal tax | - | 21,163 |
| Scrap tire tax | - | 72,587 |
| Solid waste disposal tax | - | 19,748 |
| Federal and state grants | 7,145,489 | 428,332 |
| Refundable sales tax | 907,276 | 107,604 |
| | <u>\$ 21,910,867</u> | <u>\$ 649,434</u> |

In December 2015, the County entered into a lease with Celco Partnership dba Verizon Wireless in exchange for use of the Communications Center tower. The agreement had a commencement date of July 1, 2016 for a 5-year term with an automatic extension of an additional 5-year term. Per the agreement, annual lease payments increase annually by 3% on the anniversary of the commencement date. For fiscal year 2022, Verizon Wireless paid the County \$24,720. There are no variable components in the lease. The lease received is measured as the present value of the future minimum rent payments expected to be received during the remaining lease term at a discount rate of 3%, which is the determined incremental borrowing rate.

In fiscal year 2022, the County recognized \$25,561.12 of lease revenue and \$1,125.82 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 2022, the annual payment was \$1,878.33 and will increase by 2% in 2023. For years 2024-2029, the annual payment will increase by 3%. The lease received is measured as the present value of the future minimum rent payments expected to be received during the remaining lease term at a discount rate of 1.527%, which is the determined incremental borrowing rate.

In fiscal year 2022, the County recognized \$1,790.65 of lease revenue and \$157.98 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 2022, the County recognized \$579.20 of lease revenue and \$22.34 of interest revenue under the lease.

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

In fiscal year 2022, the County recognized \$498.51 of lease revenue and \$49.82 of interest revenue under the

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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 2022 the lease payments received totaled \$6,726.07. 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 2022, the County recognized \$6,179.77 of lease revenue and \$1,416.46 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 2022, the County recognized \$918.79 of lease revenue and \$506.33 of interest revenue under the lease.

| | Governmental activities | | Business activities | |
|------------------------|--------------------------------|-----------------|----------------------------|------------------|
| | Lease | Interest | Lease | Interest |
| | Receivable | Income | Receivable | Income |
| 2023 | 26,181 | 1,196 | 13,704 | 7,936 |
| 2024 | 27,293 | 906 | 13,894 | 7,647 |
| 2025 | 28,442 | 603 | 14,337 | 6,047 |
| 2026 | 29,628 | 288 | 14,691 | 3,933 |
| 2027 | 2,057 | 100 | 9,461 | 3,570 |
| 2028-2032 | 4,409 | 99 | 50,861 | - |
| 2033-2037 | - | - | 39,394 | - |
| 2028-2042 | - | - | 26,143 | - |
| 2043-2044 | - | - | 10,197 | - |
| Total lease receivable | <u>\$ 118,010</u> | | <u>\$ 192,682</u> | |
| Total interest income | | <u>\$ 3,192</u> | | <u>\$ 29,133</u> |

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

5. Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

Primary Government

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|--|------------------------------|----------------------|------------------------|---------------------------|
| Governmental activities | | | | |
| Capital assets, not being depreciated | | | | |
| Land | \$ 6,204,843 | \$ - | \$ - | \$ 6,204,843 |
| Construction in progress | 50,738,822 | 11,639,246 | (45,791,679) | 16,586,389 |
| Total capital assets, not being depreciated | <u>56,943,665</u> | <u>11,639,246</u> | <u>(45,791,679)</u> | <u>22,791,232</u> |
| Capital assets, being depreciated | | | | |
| Buildings | 138,401,614 | 33,003,890 | - | 171,405,504 |
| Other improvements | 14,300,215 | 12,885,723 | - | 27,185,938 |
| Equipment and vehicles | <u>36,205,270</u> | <u>2,307,026</u> | <u>(1,002,263)</u> | <u>37,510,033</u> |
| Total capital assets, being depreciated | <u>188,907,099</u> | <u>48,196,639</u> | <u>(1,002,263)</u> | <u>236,101,475</u> |
| Less accumulated depreciation for | | | | |
| Buildings | (55,863,923) | (2,716,231) | - | (58,580,154) |
| Other improvements | (6,204,550) | (305,477) | - | (6,510,027) |
| Equipment and vehicles | <u>(19,391,527)</u> | <u>(2,858,492)</u> | <u>960,823</u> | <u>(21,289,196)</u> |
| Total accumulated depreciation | <u>(81,460,000)</u> | <u>(5,880,200)</u> | <u>960,823</u> | <u>(86,379,377)</u> |
| Total capital assets, being depreciated, net | <u>107,447,099</u> | <u>42,316,439</u> | <u>(41,440)</u> | <u>149,722,098</u> |
| Governmental activities capital assets, net | <u>\$ 164,390,764</u> | <u>\$ 53,955,685</u> | <u>\$ (45,833,119)</u> | <u>\$ 172,513,330</u> |

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

| | |
|---------------------------------|---------------------|
| Governmental activities | |
| General government | \$ 327,610 |
| Public safety | 3,680,042 |
| Environmental protection | 8,062 |
| Economic & physical development | 632,590 |
| Human services | 1,065,169 |
| Culture and recreation | <u>166,727</u> |
| Total depreciation expense | <u>\$ 5,880,200</u> |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

| Business-type activities | Beginning Balance | Increases | Decreases | Ending Balance |
|--|------------------------------|------------------|------------------|---------------------------|
| Solid Waste Management | | | | |
| Capital assets, not being depreciated | | | | |
| Land | \$ 7,406,459 | \$ 436,578 | \$ - | \$ 7,843,037 |
| Construction in progress | 604,727 | 1,892,692 | - | 2,497,419 |
| Total capital assets, not being depreciated | 8,011,186 | 2,329,270 | - | 10,340,456 |
| Capital assets, being depreciated | | | | |
| Buildings | 3,996,631 | 24,281 | - | 4,020,912 |
| Other improvements | 38,068,129 | 12,129 | - | 38,080,258 |
| Equipment and vehicles | 12,235,616 | 387,014 | (768,084) | 11,854,546 |
| Total capital assets, being depreciated | 54,300,376 | 423,424 | (768,084) | 53,955,716 |
| Less accumulated depreciation for | | | | |
| Buildings | (843,502) | (103,640) | - | (947,142) |
| Other improvements | (14,187,979) | (593,264) | - | (14,781,243) |
| Equipment and vehicles | (8,591,339) | (800,737) | 768,084 | (8,623,992) |
| Total accumulated depreciation | (23,622,820) | (1,497,641) | 768,084 | (24,352,377) |
| Total capital assets, being depreciated, net | 30,677,556 | (1,074,217) | - | 29,603,339 |
| Solid Waste Management capital assets, net | \$ 38,688,742 | \$ 1,255,053 | \$ - | \$ 39,943,795 |

| Business-type activities | Beginning Balance | Increases | Decreases | Ending Balance |
|--|------------------------------|------------------|------------------|---------------------------|
| Water & Sewer | | | | |
| Capital assets, not being depreciated | | | | |
| Land | \$ 867,454 | \$ 8,230 | \$ - | \$ 875,684 |
| Construction in progress | 1,842,625 | 42,838 | - | 1,885,463 |
| Total capital assets, not being depreciated | 2,710,079 | 51,068 | - | 2,761,147 |
| Capital assets, being depreciated | | | | |
| Plant and distribution systems/water lines | 41,391,732 | 127,734 | (716,001) | 40,803,465 |
| Other improvements | 58,885 | - | (58,885) | - |
| Total capital assets, being depreciated | 41,450,617 | 127,734 | (774,886) | 40,803,465 |
| Less accumulated depreciation for | | | | |
| Plant and distribution systems/water lines | (6,255,878) | (1,517,277) | 716,001 | (7,057,154) |
| Other improvements | (16,489) | (42,396) | 58,885 | - |
| Total accumulated depreciation | (6,272,367) | (1,559,673) | 774,886 | (7,057,154) |
| Total capital assets, being depreciated, net | 35,178,250 | (1,431,939) | - | 33,746,311 |
| Water & Sewer capital assets, net | \$ 37,888,329 | \$ (1,380,871) | \$ - | \$ 36,507,458 |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Construction Commitments

The County has active construction and other capital projects as of June 30, 2022. The government's commitments with contractors and vendors are composed of numerous projects within the following funds:

| | <u>Project Authorization</u> | <u>Expended to June 30, 2022</u> | <u>Committed</u> | <u>Required Future Financing</u> |
|--------------------------------|----------------------------------|--------------------------------------|-----------------------|--|
| Governmental activities | | | | |
| General Capital Projects | \$ 101,163,426 | \$ 71,373,035 | 29,790,391 | None |
| Schools Capital Projects | 33,244,211 | 27,215,849 | 6,028,362 | None |
| School Construction | 123,984,794 | 59,195,462 | 64,789,332 | None |
| Total governmental activities | <u>\$ 258,392,431</u> | <u>\$ 157,784,346</u> | <u>\$ 100,608,085</u> | |
| Business-type activities | | | | |
| Solid Waste Management Fund | \$ 15,121,936 | \$ 12,065,082 | 3,056,854 | None |
| Water and Sewer Fund | 28,123,088 | 4,952,593 | 23,170,495 | None |
| Total business-type activities | <u>\$ 43,245,024</u> | <u>\$ 17,017,675</u> | <u>\$ 26,227,349</u> | |

6. Right to Use Leased Assets

The County has recorded 9 right to use leased assets. The assets are the right to use assets for leased buildings, land and office equipment. The related leases are discussed in the Leases subsection of the Long-Term Obligations section of this note. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

Right to use asset activity at June 30, 2022 were as follows:

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|-----------------------------------|------------------------------|---------------------|------------------|---------------------------|
| Governmental activities | | | | |
| Right to use assets | | | | |
| Leased Buildings | \$ - | \$ 1,033,472 | \$ - | \$ 1,033,472 |
| Leased Office Equipment | - | 546,330 | - | 546,330 |
| Total right to use assets | <u>-</u> | <u>1,579,802</u> | <u>-</u> | <u>1,579,802</u> |
| Less accumulated amortization for | | | | |
| Leased Building | | 128,425 | - | 128,425 |
| Leased Office Equipment | - | 160,471 | - | 160,471 |
| Total accumulated amortization | <u>-</u> | <u>288,895</u> | <u>-</u> | <u>288,895</u> |
| Right to use assets, net | <u>\$ -</u> | <u>\$ 1,290,907</u> | <u>\$ -</u> | <u>\$ 1,290,907</u> |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

| Business-type Activities | Beginning Balance | Increases | Decreases | Ending Balance |
|-----------------------------------|------------------------------|------------------|------------------|---------------------------|
| Right to use assets | | | | |
| Leased Land | \$ - | \$ 5,126 | \$ - | \$ 5,126 |
| Leased Office Equipment | - | 11,581 | - | 11,581 |
| Total right to use assets | - | 16,707 | - | 16,707 |
| Less accumulated amortization for | | | | |
| Leased Land | - | 1,282 | - | 1,282 |
| Leased Office Equipment | - | 3,296 | - | 3,296 |
| Total accumulated amortization | - | 4,578 | - | 4,578 |
| Right to use assets, net | <u>\$ -</u> | <u>\$ 12,130</u> | <u>\$ -</u> | <u>\$ 12,130</u> |

B. Liabilities

1. Payables

Payables at the government-wide level at June 30, 2022 were as follows:

| | Vendors | Salaries and Benefits | Other | Total |
|--------------------------------|---------------------|----------------------------------|----------------------|----------------------|
| Governmental activities | | | | |
| General | \$ 2,370,106 | \$ 3,711,075 | \$ 137,928 | \$ 6,219,109 |
| American Rescue Plan Act Fund | - | - | 20,036,820 | 20,036,820 |
| General Capital Projects | 545,898 | - | - | 545,898 |
| Non-major Funds | 596,602 | 4,627 | 512,843 | 1,114,072 |
| Total governmental activities | <u>\$ 3,512,606</u> | <u>\$ 3,715,702</u> | <u>\$ 20,687,591</u> | <u>\$ 27,915,899</u> |
| Business-type Activities | | | | |
| Solid Waste Management | \$ 313,643 | \$ 66,491 | 10,280 | 390,414 |
| Water and Sewer | - | 6,580 | 15,941 | 22,521 |
| Total business-type activities | <u>\$ 313,643</u> | <u>\$ 73,071</u> | <u>\$ 26,221</u> | <u>\$ 412,935</u> |

2. Pension Plan Obligations

a. Local Governmental Employees' Retirement System

Plan Description. The County is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Comprehensive Financial Report includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

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

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

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2022, was 12.1% of compensation for law enforcement officers and 11.35% 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 \$6,763,530 for the year ended June 30, 2022.

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

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

At June 30, 2022, the County reported a liability of \$11,773,877 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 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, 2022, the County's proportion was .76773% (measured as of June 30, 2021), which was an increase of .00179% from its proportion as of June 30, 2021 (measured as of June 30, 2020).

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

For the year ended June 30, 2022, the County recognized pension expense of \$5,070,549. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Governmental Activities | | |
| Differences between expected and actual experience | \$ 3,650,823 | \$ - |
| Change of assumptions | 7,209,653 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 16,395,287 |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 164,295 | 164,743 |
| County contributions subsequent to the measurement date | 6,611,718 | - |
| Total | <u>\$ 17,636,489</u> | <u>\$ 16,560,030</u> |
| Business-Type Activities | | |
| Solid Waste Management | | |
| Differences between expected and actual experience | \$ 88,628 | \$ - |
| Change of assumptions | 175,023 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 398,016 |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 3,988 | 3,999 |
| County contributions subsequent to the measurement date | 160,508 | - |
| Total | <u>\$ 428,147</u> | <u>\$ 402,015</u> |
| Business-Type Activities | | |
| Water & Sewer | | |
| Differences between expected and actual experience | \$ 6,242 | \$ - |
| Change of assumptions | 12,326 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 28,030 |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 281 | 282 |
| County contributions subsequent to the measurement date | 11,304 | - |
| Total | <u>\$ 30,153</u> | <u>\$ 28,312</u> |
| Governmental Activities - Total | <u>\$ 17,636,489</u> | <u>\$ 16,560,030</u> |
| Business-Type Activities - Total | <u>458,300</u> | <u>430,327</u> |
| Total deferred | <u>\$ 18,094,789</u> | <u>\$ 16,990,357</u> |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

\$6,783,530 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, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:

| | |
|------------|--------------|
| 2023 | \$ (350,539) |
| 2024 | (1,248,110) |
| 2025 | (5,147,430) |
| 2026 | - |
| 2027 | - |
| Thereafter | - |

Actuarial Assumptions. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 2.5 percent |
| Salary increases | 3.50 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, 2020 valuation with the exception of the discount rate 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. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2021 are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|----------------------------|--------------------------|---|
| Fixed Income | 29.0% | 1.4% |
| Global Equity | 42.0% | 5.3% |
| Real Estate | 8.0% | 4.3% |
| Alternatives | 8.0% | 8.9% |
| Opportunistic Fixed Income | 7.0% | 6.0% |
| Inflation Sensitive | <u>6.0%</u> | 4.0% |
| Total | <u>100.0%</u> | |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

The information above is based on 30 year expectations developed with the consulting actuary for the 2016 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. 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) | \$ 45,705,209 | \$ 11,773,877 | \$ (16,149,638) |

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, 2020, the Separation Allowance's membership consisted of:

| | |
|--|------------|
| Inactive Members Currently Receiving Benefits | 14 |
| Terminated plan members entitled to but not yet receiving benefits | 0 |
| Active plan members | <u>153</u> |
| | <u>167</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.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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

Actuarial Assumptions

The entry age normal actuarial cost method was used in the December 31, 2020 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 | 2.25% 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, 2020 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employee's Retirement System for the five-year period ending December 31, 2019.

Mortality Rate

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

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

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

Death Prior to Retirement: Mortality rates are based on the Safety Mortality Table for Employees.

Contributions

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$181,910 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, 2022, the County reported a total pension liability of \$6,637,702. The total pension liability was measured as of December 31, 2021 based on a December 31, 2020 actuarial valuation. The total pension liability was rolled forward to December 31, 2021 utilizing update procedures incorporating the actuarial assumption. For the year ended June 30, 2022, the County recognized pension expense of \$825,594.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

| | Deferred Outflow of Resources | Deferred Inflow of Resources |
|---|-------------------------------------|------------------------------------|
| Difference between expected and actual experiences | \$ 373,347 | \$ 19,763 |
| Changes of assumptions | 1,311,458 | 217,510 |
| County benefit payments and plan administrative expenses made subsequent to the measurement date | 111,690 | - |
| Total | <u>\$ 1,796,495</u> | <u>\$ 237,273</u> |

The County paid \$111,690 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, 2023. 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:

| | |
|------------|------------|
| 2023 | \$ 360,352 |
| 2024 | 350,810 |
| 2025 | 351,165 |
| 2026 | 318,638 |
| 2027 | 66,606 |
| Thereafter | (39) |

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 2.25 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 (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

| | 1% Decrease (1.25%) | Discount Rate (2.25%) | 1% Increase (3.25%) |
|-------------------------|------------------------|--------------------------|------------------------|
| Total pension liability | \$ 7,221,129 | \$ 6,637,702 | \$ 6,102,938 |

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

| | 2022 |
|--|---------------------|
| Total Pension Liability as of December 31, 2020 | \$ 6,352,087 |
| Service Cost | 349,034 |
| Interest on the total pension liability | 120,840 |
| Changes of benefit terms | - |
| Differences between expected and actual experience | 178,937 |
| Changes of assumptions and other inputs | (181,286) |
| Benefit payments | (181,910) |
| Other changes | - |
| Total Pension Liability as of December 31, 2021 | <u>\$ 6,637,702</u> |

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 1.93 percent at June 30, 2021 to 2.25 percent at June 30, 2022.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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, 2022 were \$516,835 which consisted of \$414,758 from the County and \$102,077 from the law enforcement officers. No amounts were forfeited.

d. Register of Deeds' Supplemental Pension Fund

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

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

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$18,559 for the year ended June 30, 2022.

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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

At June 30, 2022, the County reported an asset of \$291,978 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020. The total pension liability was then rolled forward to the measurement date of June 30, 2021 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, 2021, the County's proportion was 1.51969%, which was a decrease of .05297% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the County recognized pension expense of \$21,318. At June 30, 2022, 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 | \$ 3,115 | \$ 3,541 |
| Changes of assumptions | 21,291 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 897 |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 16,562 | 9,303 |
| County contributions subsequent to the measurement date | 18,559 | - |
| Total | <u>\$ 59,527</u> | <u>\$ 13,741</u> |

\$18,559 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, 2023.

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: | |
|----------------------|-----------|
| 2023 | \$ 11,909 |
| 2024 | 9,194 |
| 2025 | (684) |
| 2026 | 6,808 |
| 2027 | - |
| Thereafter | - |

Actuarial Assumptions. The total pension liability in the December 31, 2020 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, 2022

The actuarial assumptions used in the December 31, 2020 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 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2021 is 1.4%.

The information above is based on 30 year expectations developed with the consulting actuary for the 2016 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. 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) | \$ (231,920) | \$ (291,978) | \$ (342,447) |

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, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as December 31, 2020. The total pension liability for LEOSA was measured as of December 31, 2021, with an actuarial valuation date of December 31, 2020.

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, 2022

| | LGERS | ROD | LEOSSA | Total |
|--|--------------|-------------|-------------|--------------|
| Proportionate Share of Net Pension Liability (Asset) | \$11,773,877 | \$(291,978) | \$ - | \$11,481,899 |
| Proportion of the Net Pension Liability (Asset) | 0.76773% | -1.51969% | n/a | |
| Total Pension Liability | - | - | \$6,637,702 | \$ 6,637,702 |
| Pension Expense | \$ 5,070,549 | \$ 21,318 | \$ 825,594 | \$ 5,917,461 |

At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | LGERS | ROD | LEOSSA | Total |
|---|--------------|----------|------------|--------------|
| Deferred Outflows of Resources | | | | |
| Differences between expected and actual experience | \$ 3,745,693 | \$ 3,115 | \$ 373,347 | \$ 4,122,155 |
| Changes of assumptions | 7,397,002 | 21,291 | 1,311,458 | 8,729,751 |
| Net difference between projected and actual earnings on pension plan investments | - | - | - | - |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 168,564 | 16,562 | - | 185,126 |
| County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date | 6,783,530 | 18,559 | 111,690 | 6,913,779 |
| Deferred Inflows of Resources | | | | |
| Difference between expected and actual experience | \$ - | \$ 3,541 | \$ 19,763 | \$ 23,304 |
| Changes of assumptions | - | - | 217,510 | 217,510 |
| Net difference between projected and actual earnings on pension plan investments | 16,821,333 | 897 | - | 16,822,230 |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 169,024 | 9,303 | - | 178,327 |

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, 2022

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, 2020, the date of the latest actuarial valuation:

| | |
|--|---------------------|
| Inactive employees or beneficiaries currently receiving benefits | 58 |
| Inactive members entitled to but not yet receiving benefits | - |
| Active employees | <u>1,082</u> |
| Total | <u><u>1,140</u></u> |

Total OPEB Liability

The County's total OPEB liability (TOL) of \$33,526,956 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2020.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

| | |
|--|--|
| Inflation | 2.50 percent |
| Real wage growth | .75 percent |
| Wage inflation | 3.25 percent |
| Salary increases, including wage inflation | |
| General Employees | 3.25% - 8.41% |
| Firefighters | 3.25% - 8.15% |
| Law Enforcement Officers | 3.25% - 7.90% |
| Municipal Bond Index Rate | |
| Prior Measurement Date | 2.21% |
| Measurement Date | 2.16% |
| Health Care Cost Trend Rates | |
| Pre-Medicare Medical and Prescription Drug | 7.00% for 2020 decreasing to an ultimate rate of 4.50% by 2030 |

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, 2022

Changes in the Total OPEB Liability

| | Governmental Activities | Business-Type Activities | | |
|---|----------------------------|-----------------------------|------------------|----------------------|
| | | Solid Waste Management | Water & Sewer | Total |
| Total OPEB Liability as of June 30, 2021 | \$ 29,643,450 | \$ 774,969 | \$ 26,452 | \$ 30,444,871 |
| Changes for the year: | | | | |
| Service Cost at the end of the year* | 1,733,624 | 43,595 | 1,453 | 1,778,672 |
| Interest on TOL and Cash Flows | 688,077 | 17,303 | 577 | 705,957 |
| Change in benefit terms | - | - | - | - |
| Difference between expected and actual experience | (199,369) | (5,014) | (167) | (204,550) |
| Changes of assumptions or other inputs | 1,330,065 | 33,447 | 1,115 | 1,364,627 |
| Benefit payments | (548,370) | (13,791) | (460) | (562,621) |
| Other | - | - | - | - |
| Net changes | \$ 3,004,027 | \$ 75,541 | \$ 2,518 | \$ 3,082,085 |
| Total OPEB Liability as of June 30, 2022 | \$ 32,647,477 | \$ 850,510 | \$ 28,970 | \$ 33,526,956 |

*The service cost includes interest for the year

Changes in assumptions and other inputs reflect a change in the discount rate from 2.21% to 2.16%.

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, 2020 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, 2020 valuation were based on a review of recent plan experience performed concurrently with the June 30, 2020 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 2.16%:

| | 1% Decrease (1.16%) | Discount (2.16%) | 1% Increase (3.16%) |
|-------------------------|------------------------|---------------------|------------------------|
| Total OPEB Liability \$ | 37,166,624 | \$ 33,526,956 | \$ 30,272,961 |

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 \$ | 29,194,500 | \$ 33,526,956 | \$ 38,716,974 |

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resource Related to OPEB
For the year ended June 30, 2022, the County recognized OPEB expense of \$4,017,994. At June 30, 2022, the

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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 | \$ 4,499,914 | \$ 173,777 |
| Changes of assumptions or other inputs | 4,955,176 | 374,968 |
| Benefit payments for the OPEB plan paid subsequent to measurement date | 978,082 | - |
| Total | <u>\$ 10,433,172</u> | <u>\$ 548,745</u> |
| Business-Type Activities | | |
| Solid Waste Management | | |
| Differences between expected and actual experience | \$ 116,548 | \$ 4,370 |
| Changes of assumptions or other inputs | 126,490 | 10,488 |
| Benefit payments for the OPEB plan paid subsequent to measurement date | 25,534 | - |
| Total | <u>\$ 268,572</u> | <u>\$ 14,858</u> |
| Business-Type Activities | | |
| Water & Sewer | | |
| Differences between expected and actual experience | \$ 3,933 | \$ 146 |
| Changes of assumptions or other inputs | 4,256 | 368 |
| Benefit payments for the OPEB plan paid subsequent to measurement date | 882 | - |
| Total | <u>\$ 9,071</u> | <u>\$ 514</u> |
| Governmental Activities - Total | <u>\$ 10,433,172</u> | <u>\$ 548,745</u> |
| Business-Type Activities - Total | <u>277,643</u> | <u>15,372</u> |
| Total deferred | <u>\$ 10,710,815</u> | <u>\$ 564,117</u> |

\$1,004,499 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, 2023. Other amounts reported as deferred inflows or outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:

| | |
|------------|--------------|
| 2023 | \$ 1,533,365 |
| 2024 | 1,533,365 |
| 2025 | 1,533,365 |
| 2026 | 1,552,555 |
| 2027 | 1,362,029 |
| Thereafter | 1,627,520 |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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, 2022

3. Deferred Outflows and Inflows of Resources

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Exhibit 1 | | |
| Charge on refunding of debt | \$ 300,138 | \$ - |
| (Pensions, OPEB) - difference between expected and actual experience | 8,742,550 | 201,597 |
| (Pensions, OPEB) - difference between projected and actual investment earnings | - | 16,822,230 |
| (Pensions) - change in proportion and difference between employer contributions and proportionate share of contributions | 185,126 | 178,327 |
| (Pensions, OPEB) - change in assumptions | 13,815,673 | 603,334 |
| Contributions to pension plan subsequent to measurement date (LGERS, ROD) | 6,802,089 | - |
| Benefit payments for the OPEB plan paid subsequent to measurement date | 1,004,498 | - |
| Benefit payments and admin costs paid subsequent to the measurement date (LEOSSA) | 111,690 | - |
| Leases | | 312,299 |
| Prepaid taxes not yet earned (General) | - | 156,798 |
| Prepaid taxes not yet earned (Special Revenue) | - | 7,102 |
| Advance from grantor | | 2,000 |
| Deferred revenue collected in advance (General) | - | - |
| Total - Exhibit 1 | <u>\$ 30,961,764</u> | <u>\$ 18,283,687</u> |

| | | |
|---|-------------|---------------------|
| Exhibit 3 | | |
| Prepaid taxes not yet earned (General) | \$ - | \$ 156,798 |
| Prepaid taxes not yet earned (Special Revenue) | - | 7,102 |
| Unearned revenue collected in advance (General) | - | - |
| Advance from grantor (General) | - | 2,000 |
| Leases | | 115,973 |
| Taxes receivable, net (General) | - | 951,480 |
| Taxes receivable, net (Special Revenue) | - | 92,991 |
| Ambulance receivable, net (General) | - | 2,383,336 |
| Human resource receivable, net (General) | - | 473,882 |
| Total - Exhibit 3 | <u>\$ -</u> | <u>\$ 4,183,562</u> |

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

State and Federal laws and regulations require the County to place a final cover on its current operating cell at Blackburn Resource Recovery facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County also has a closed cell at the Blackburn Resource Recovery facility for which the entire amount of the closure and postclosure costs has been recognized as the cell capacity was used. Although closure and postclosure care costs will be paid only or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$10,029,316 reported as landfill closure and postclosure care liability as of June 30, 2022 represents a cumulative amount reported to date based on the use of 68.8% of the total estimated capacity of the municipal solid waste operating cell and 97.7% of the total estimated capacity of the construction and demolition operating cell of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$20,006,411 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2022. 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, 2022

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

5. Risk Management

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

The County is a member of the North Carolina Health Insurance Pool (NCHIP) since July 1, 2018, which is a local government risk pool for employee health benefits of cities and counties. Under NCHIP, a portion of the County's claims for employee health benefits is self-funded and a portion of the claims is pooled with other NCHIP member. NCHIP has contracted with Blue Cross and Blue Shield as a third-party administrator to adjudicate claims and manage cost containment. To safeguard against catastrophic claims, NCHIP has specific stop-loss coverage that occurs after \$200,000 in claims per member. The specific stop loss is brokered through Blue Cross and Blue Shield.

The County carries flood insurance as a part of its property insurance through Travelers Insurance Companies with limits as follows: Flood excluded at these locations: Loc. No.6.1, 6.2, 24, 26, 30, 39, 63, 71.1, 71.2, 71.3, 71.4, 71.5, 71.6, 71.7, 71.8, 71.9, 72.1, 72.2, 73.1, 73.2, 74.1, 74.2. 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 director of finance and tax collector are each individually bonded for \$100,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR's). Liabilities for claims are reported in the County's General Fund.

Changes in the balances of claims liabilities during the past three fiscal years are as follows:

| | 2022 | 2021 | 2020 |
|--------------------------|---------------------|--------------------|--------------------|
| Unpaid claims, beginning | \$ 710,016 | \$ 643,356 | \$ 607,431 |
| Incurred claims | 10,254,495 | 9,404,955 | 8,873,233 |
| Claim payments | <u>(10,231,182)</u> | <u>(9,338,295)</u> | <u>(8,837,308)</u> |
| Unpaid claims, ending | <u>\$ 733,329</u> | <u>\$ 710,016</u> | <u>\$ 643,356</u> |
| Gallagher Reserves | <u>(733,329)</u> | <u>-</u> | <u>-</u> |
| Unpaid claims, ending | <u>\$ -</u> | <u>\$ 710,016</u> | <u>\$ 643,356</u> |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

6. Contingent Liabilities

At June 30, 2022, the County was a defendant to various lawsuits. In the opinion of management and the County attorney, the ultimate effect of these legal matters will not have a material effect on the County's financial position.

7. Long-Term Obligations Governmental Activities

a. Certificates of Participation

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

The future minimum payments as of June 30, 2022, including \$118,560 of interest are as follows:

| | Governmental Activities | |
|--------------------------|-------------------------|-------------------|
| | Principal | Interest |
| 2023 | 990,000 | 59,904 |
| 2024 | 960,000 | 39,312 |
| 2025 | 930,000 | 19,344 |
| Total principal payments | <u>\$ 2,880,000</u> | |
| Total interest payments | | <u>\$ 118,560</u> |

b. Installment Purchases

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

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

For Catawba County, the future minimum payments as of June 30, 2022, including \$850,640 of interest are:

| | Governmental Activities | |
|--------------------------|-------------------------|-------------------|
| | Principal | Interest |
| 2023 | 2,066,666 | 243,040 |
| 2024 | 2,066,667 | 202,533 |
| 2025 | 2,066,667 | 162,027 |
| 2026 | 2,066,667 | 121,520 |
| 2027 | 2,066,667 | 81,013 |
| 2028 | 2,066,666 | 40,507 |
| Total principal payments | <u>\$ 12,400,000</u> | |
| Total interest payments | | <u>\$ 850,640</u> |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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, 2022, including \$2,078,560 of interest are:

| | Governmental Activities | |
|--------------------------|-------------------------|---------------------|
| | Principal | Interest |
| 2023 | 4,110,000 | 461,208 |
| 2024 | 4,085,000 | 388,872 |
| 2025 | 3,020,000 | 316,976 |
| 2026 | 2,720,000 | 263,824 |
| 2027 | 2,455,000 | 215,952 |
| 2028-2031 | 9,815,000 | 431,728 |
| Total principal payments | <u>\$ 26,205,000</u> | |
| Total interest payments | | <u>\$ 2,078,560</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.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

For Catawba County, the future minimum payments as of June 30, 2022, including \$2,132,566 of interest are:

| | Governmental Activities | |
|--------------------------|--------------------------------|---------------------|
| | Principal | Interest |
| 2023 | 1,237,000 | 293,823 |
| 2024 | 1,237,000 | 272,052 |
| 2025 | 1,237,000 | 250,281 |
| 2026 | 1,237,000 | 228,510 |
| 2027 | 1,237,000 | 206,738 |
| 2028-2032 | 6,184,000 | 707,133 |
| 2033-2036 | 4,944,000 | 174,029 |
| Total principal payments | <u>\$ 17,313,000</u> | |
| Total interest payments | | <u>\$ 2,132,566</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 20, 2022, including \$396,975 of interest are:

| | Governmental Activities | | Business-type Activities | |
|--------------------------|--------------------------------|-------------------|---------------------------------|------------------|
| | Principal | Interest | Principal | Interest |
| 2023 | 3,127,285 | 128,713 | 455,715 | 18,756 |
| 2024 | 2,884,644 | 86,629 | 420,356 | 12,624 |
| 2025 | 1,220,191 | 57,895 | 177,809 | 8,437 |
| 2026 | 1,199,244 | 40,959 | 174,756 | 5,969 |
| 2027-2028 | 2,326,044 | 32,275 | 338,956 | 4,718 |
| Total principal payments | <u>\$ 10,757,408</u> | | <u>\$ 1,567,592</u> | |
| Total interest payments | | <u>\$ 346,471</u> | | <u>\$ 50,504</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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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

The future minimum interest payments at June 30, 2022 are \$3,763,997.

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

The future minimum interest payments at June 30, 2022 are \$1,391,040.

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, 2022, including \$2,565,719 of interest are:

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

| | Governmental Activities | |
|--------------------------|--------------------------------|---------------------|
| | Principal | Interest |
| 2023 | 1,185,000 | 513,494 |
| 2024 | 1,185,000 | 454,244 |
| 2025 | 1,185,000 | 394,994 |
| 2026 | 1,185,000 | 335,744 |
| 2027 | 1,185,000 | 276,493 |
| 2028-2031 | 4,730,000 | 590,750 |
| Total principal payments | <u>\$ 10,655,000</u> | |
| Total interest payments | | <u>\$ 2,565,719</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 3.125% – 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, 2022, including \$12,105,556 of interest are:

| | Governmental Activities | |
|--------------------------|--------------------------------|----------------------|
| | Principal | Interest |
| 2023 | 1,965,000 | 1,464,488 |
| 2024 | 1,965,000 | 1,366,238 |
| 2025 | 1,965,000 | 1,267,988 |
| 2026 | 1,960,000 | 1,169,862 |
| 2027 | 1,960,000 | 1,071,863 |
| 2028-2032 | 9,755,000 | 3,894,437 |
| 2033-2037 | 9,740,000 | 1,733,668 |
| 2038-2039 | 3,880,000 | 137,012 |
| Total principal payments | <u>\$ 33,190,000</u> | |
| Total interest payments | | <u>\$ 12,105,556</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.

An agreement was executed September 2017 to lease space at the City of Conover EMS base for the purpose of providing County EMS services. 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 \$733,387 at June 30, 2022. The right to use asset is discussed in more detail in the right to use section of this note.

An agreement was executed September 2019 to lease office equipment for multifunctional copiers/printers for Social Services operations. The lease agreement requires 60 monthly payments of \$10,929.83. The lease liability is measured at a discount rate 0.893% which is the determined incremental borrowing rate. As a result of the lease, the County has recorded a right to use asset with a net book value of \$330,872 at June 30, 2022. The right to use asset is discussed in more detail in the right to use section of this note.

An agreement was executed January 2020 to lease office equipment for multifunctional copiers/printers for use throughout County departments with the exception of Social Services. The lease agreement requires 60 monthly

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

payments of \$2,171. The lease liability is measured at a discount rate 0.727% which is the determined incremental borrowing rate. As a result of the lease, the County has recorded a right to use asset with a net book value of \$57,020 at June 30, 2022. The right to use asset is discussed in more detail in the right to use section of this note.

An agreement was executed April 2020 to lease office space for the purpose of housing court probation staff. The lease agreement requires 12 monthly payments of \$3,200 through April 2023 and 12 monthly payments of \$3,250 from May 2023 through April 2024. 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 \$31,684 at June 30, 2022. The right to use asset is discussed in more detail in the right to use section of this note.

An agreement was executed July 2020 to lease a building for the purpose of providing library services. The lease agreement requires 10 biannual payments of \$23,400. There are no variable payment components of the lease. The lease liability is measured at a discount rate 0.316% which is the determined incremental borrowing rate. As a result of the lease, the County has recorded a right to use asset with a net book value of \$135,883 at June 30, 2022. The right to use asset is discussed in more detail in the right to use section of this note.

An agreement was executed July 2020 to lease office equipment for provision and preservation of records for the Register of Deeds Office. The lease agreement requires 60 monthly payments of \$746.26. The lease liability is measured at a discount rate 0.5146% which is the determined incremental borrowing rate. As a result of the lease, the County has recorded a right to use asset with a net book value of \$6,254 at June 30, 2022. The right to use asset is discussed in more detail in the right to use section of this note.

An agreement was executed July 2021 to lease office space for the purpose of providing public health services. The lease agreement requires 24 monthly payments of \$342.17. The lease liability is measured at a discount rate 0.332% 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 \$4,093 at June 30, 2022. The right to use asset is discussed in more detail in the right to use section of this note.

| | Lease Payments | |
|--------------------------|----------------|-----------|
| | Principal | Interest |
| 2023 | 316,099 | 20,369 |
| 2024 | 277,410 | 16,876 |
| 2025 | 205,297 | 13,531 |
| 2026 | 81,866 | 11,134 |
| 2027 | 83,981 | 9,019 |
| 2028-2033 | 265,184 | 13,816 |
| Total principal payments | \$ 1,229,837 | |
| Total interest payments | | \$ 84,745 |

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.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

The future minimum payments as of June 30, 2022 are:

| | Business-type Activities | |
|--------------------------|---------------------------------|-----------------|
| | Principal | Interest |
| 2023 | 75,000 | - |
| 2024 | 75,000 | - |
| 2025 | 75,000 | - |
| 2026 | 75,000 | - |
| 2027 | 75,000 | - |
| 2028-2030 | 225,000 | - |
| Total principal payments | <u>\$ 600,000</u> | |
| Total interest payments | | <u>\$ -</u> |

h. Leases

An agreement was executed July 2009 to lease land for the purpose of a waste convenience site. The lease agreement requires annual payments of \$1,300 through January 2025. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 0.893% which is the determined incremental borrowing rate. As a result of the lease, the County has recorded a right to use asset with a net book value of \$3,845 at June 30, 2022. The right to use asset is discussed in more detail in the right to use section of this note.

| | Lease Payments | |
|--------------------------|-----------------------|-----------------|
| | Principal | Interest |
| 2023 | 4,486 | 98 |
| 2024 | 4,528 | 56 |
| 2025 | 3,200 | 17 |
| Total principal payments | <u>\$ 12,214</u> | |
| Total interest payments | | <u>\$ 171</u> |

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Bonds and Notes Outstanding at June 30, 2022 consist of the following:

| | | Amount Issued | Amount Outstanding | Interest Rate |
|---|--|--------------------|-----------------------|------------------------------|
| Governmental Activities | | | | |
| Certificates of Participation | | | | |
| 2012 Certificates of Participation | Refunding debt for schools and community college, County facility | <u>10,965,000</u> | <u>2,880,000</u> | 2.08% |
| Direct Placement Installment Purchases | | | | |
| 2013 installment purchase | Public school and community college construction/renovation, County animal shelter | 31,000,000 | 12,400,000 | 1.96% |
| 2016 installment purchase | Public school and community college construction/renovation, refunding | 50,530,000 | 26,205,000 | 1.76% |
| 2020 installment purchase | Public school construction/renovation | 18,550,000 | 17,313,000 | 1.76% |
| 2021 installment purchase | Refunding debt for public schools, community college | 12,325,000 | 10,757,408 | 1.40% |
| Total installment purchases | | <u>112,405,000</u> | <u>66,675,408</u> | |
| Direct Placement Qualified Zone Academy Bonds | | | | |
| | Public school construction/renovation | <u>700,000</u> | <u>-</u> | 0.00% |
| 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> | |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Limited Obligation Bonds

| | | | | |
|--------------------------------|---|-------------------|-------------------|-------------|
| 2014 LOB | Refunding debt for public schools, community college, new debt Justice Center | 21,935,000 | 10,655,000 | 2.00-5.00% |
| 2018 LOB | Public school and community college construction/renovations, County park, jail expansion | <u>39,085,000</u> | <u>33,190,000</u> | 3.125-5.00% |
| Total limited obligation bonds | | <u>61,020,000</u> | <u>43,845,000</u> | |

Lease Liabilities Issued

| | | | | |
|-----------------------|--|------------------|----------------|--|
| 2022 Building Leases | Building and office space leases for governmental activities | <u>1,033,472</u> | <u>840,149</u> | |
| 2022 Equipment Leases | Equipment leases for governmental activities | <u>546,329</u> | <u>389,688</u> | |

| | | | | |
|-------------------------------|--|--------------------|--------------------|--|
| Total Governmental Activities | | <u>212,898,553</u> | <u>142,438,798</u> | |
|-------------------------------|--|--------------------|--------------------|--|

Business-type activities

Direct Placement Installment Purchases

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

Direct Borrowing Federal Revolving Loan

| | | | | |
|-----------|--------------------|------------------|----------------|-------|
| 2010 loan | Water improvements | <u>3,000,000</u> | <u>600,000</u> | 0.00% |
|-----------|--------------------|------------------|----------------|-------|

Lease Liabilities Issued

| | | | | |
|--------------------------------|---|------------------|------------------|--|
| 2022 Land Lease | Land lease for waste convenient center | <u>5,127</u> | <u>3,830</u> | |
| 2022 Equipment Lease | Copier lease for solid waste operations | <u>11,581</u> | <u>8,384</u> | |
| Total Business-type activities | | <u>4,567,592</u> | <u>2,179,806</u> | |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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, 2022:

| | Balance June 30, 2021 | Increases | Decreases | Balance June 30, 2022 | Current Portion of Balance |
|--|--------------------------|----------------------|------------------------|--------------------------|----------------------------------|
| Governmental activities | | | | | |
| Certificates of participation | \$ 3,895,000 | | \$ (1,015,000) | \$ 2,880,000 | \$ 990,000 |
| Direct placement installment purchase | 63,366,667 | 10,757,408 | (7,448,667) | 66,675,408 | 10,540,952 |
| Direct placement Qualified Zone Academy Bonds | 50,000 | - | (50,000) | - | - |
| Direct placement Qualified School Const. Bond | 27,808,553 | - | - | 27,808,553 | - |
| Limited obligation bonds | 60,689,419 | - | (16,844,419) | 43,845,000 | 3,150,000 |
| Premium on long-term debt | 7,369,170 | - | (2,397,687) | 4,971,483 | - |
| Long-Term Leases | - | 1,579,802 | (349,965) | 1,229,837 | 316,099 |
| Compensated absences | 5,553,580 | 4,012,964 | (3,772,975) | 5,793,569 | 3,772,975 |
| Net pension liability (LGERS) | 26,661,166 | | (15,185,495) | 11,475,671 | - |
| Total pension liability (LEOSSA) | 6,352,087 | 285,615 | - | 6,637,702 | - |
| Total OPEB liability | 29,643,450 | 3,004,027 | - | 32,647,477 | - |
| Total governmental activities | <u>\$ 231,389,092</u> | <u>\$ 19,639,816</u> | <u>\$ (47,064,208)</u> | <u>\$ 203,964,700</u> | <u>\$ 18,770,026</u> |
| Business-type activities | | | | | |
| Solid-Waste Management | | | | | |
| Accrued landfill closure and postclosure costs | \$ 9,929,316 | \$ 100,000 | \$ - | \$ 10,029,316 | \$ 100,000 |
| Long-Term Leases | \$ - | \$ 16,708 | \$ (4,494) | \$ 12,214 | \$ 4,486 |
| Compensated absences | 120,444 | 84,705 | (81,326) | 123,823 | 81,326 |
| Net pension liability (LGERS) | 665,625 | | (387,039) | 278,586 | - |
| Total OPEB liability | 774,969 | 75,541 | - | 850,510 | - |
| Total Solid Waste Management | <u>\$ 11,490,354</u> | <u>\$ 276,954</u> | <u>\$ (472,859)</u> | <u>\$ 11,294,449</u> | <u>\$ 185,812</u> |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

| | Balance | | | Balance | Current |
|---|----------------------|---------------------|-----------------------|----------------------|-------------------|
| | June 30, 2021 | Increases | Decreases | June 30, 2022 | Portion |
| | | | | | of Balance |
| Water & Sewer | | | | | |
| Direct placement Installment purchase | \$ 2,860,127 | \$ 1,567,592 | \$ (2,860,127) | \$ 1,567,592 | \$ 455,715 |
| Limited obligation bonds | 1,995,581 | - | (1,995,581) | - | |
| Direct borrowing federal revolving loan | 675,000 | - | (75,000) | 600,000 | 75,000 |
| Premium on long-term debt | 90,673 | - | (90,673) | - | - |
| Compensated absences | 18,955 | 10,892 | (8,842) | 21,005 | 8,842 |
| Net pension liability (LGERS) | 43,508 | | (23,888) | 19,620 | - |
| Total OPEB liability | <u>26,452</u> | <u>2,518</u> | <u>-</u> | <u>28,970</u> | <u>-</u> |
| Total Water & Sewer | <u>\$ 5,710,296</u> | <u>\$ 1,581,002</u> | <u>\$ (5,054,111)</u> | <u>\$ 2,237,187</u> | <u>\$ 539,557</u> |
| Total business-type activities | <u>\$ 17,200,650</u> | <u>\$ 1,857,956</u> | <u>\$ (5,526,970)</u> | <u>\$ 13,531,636</u> | <u>\$ 725,369</u> |

Compensated absences typically have been liquidated in the general fund and are accounted for on a last in first out (LIFO) basis, assuming that employees are taking leave time as it is earned. The current portion of compensated absences is estimated at \$3,772,975 for governmental activities and \$90,168 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 \$40,836,812 relates to assets the County holds title. Unexpended debt proceeds related to capital debt are \$2,167,592 for governmental activities and \$0 for business-type activities.

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

Net investment in capital assets for June 30, 2022 was calculated as follows:

| | Governmental activities | Business-type activities |
|--|------------------------------------|-------------------------------------|
| Capital assets | <u>\$ 172,513,330</u> | <u>\$ 76,451,253</u> |
| Long term debt outstanding | (141,208,961) | (2,167,592) |
| School debt for which County does not hold asset title | 103,605,858 | - |
| Premium on long term debt, net of school related debt | (3,584,746) | - |
| Deferred outflows, net of school related debt | 261,374 | - |
| Unexpended proceeds - net of school related debt | 89,786 | - |
| Total related debt | <u>(40,836,689)</u> | <u>(2,167,592)</u> |
| Net investment in capital assets | <u><u>\$ 131,676,641</u></u> | <u><u>\$ 74,283,661</u></u> |

| | Governmental activities | Business-type activities |
|---------------------------------------|------------------------------------|-------------------------------------|
| Right to use assets | <u>\$ 1,290,907</u> | <u>\$ 12,130</u> |
| Lease liability | (1,229,837) | (12,130) |
| Total related debt | <u>(1,229,837)</u> | <u>(12,130)</u> |
| Net investment in right to use assets | <u><u>\$ 61,070</u></u> | <u><u>\$ -</u></u> |

I. Legal Debt Margin

At June 30, 2020, Catawba County had a legal debt margin of \$1,457,851,491.

m. Revenue Bonds

Catawba Valley Medical Center

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

Total 2016A Hospital Refunding Bonds outstanding at June 30, 2022 were \$21,706,668. Total 2016B Hospital Refunding Bonds outstanding at June 30, 2022 were \$8,252,497.

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, 2022 were \$36,000,000.

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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, 2022.

n. Catawba Valley Medical Center Lease Obligations

Catawba Valley Medical Center (the "Medical Center") has entered into agreements to lease certain equipment and real property. Under GASB 87, the lease agreements qualify as other than short-term leases and are considered financing and require the recording of lease liabilities as well as right-to-use assets. At June 30, 2022, right-to-use assets, net of depreciation, had a carrying value of \$13,562,819 and lease liabilities totaling \$13,793,047.

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

C. Interfund Balances and Activity

Transfers to/from other funds for the year ending June 30, 2022, consist of the following:

General Fund

From the General fund to the Emergency Telephone System fund to supplement other funding sources

From the General fund to the State Substance Abuse Fund to supplement other funding sources

| | |
|--|---------|
| From the General fund to the Subdivision Road Improvement Projects Fund to provide subdivision road improvement for existing roads | 588,000 |
|--|---------|

| | |
|---|--------|
| From the General fund to the Emergency Telephone fund to supplement other funding sources | 22,509 |
|---|--------|

| | |
|--|------------|
| From the General fund to the General Capital Projects fund for new construction and various capital improvement projects | 15,469,357 |
|--|------------|

| | |
|---|---|
| From the General fund to the School Capital Projects fund for various school capital improvement projects | - |
|---|---|

| | |
|---|-----------|
| From the General fund to the School Construction fund for various school capital improvement projects | 2,075,000 |
|---|-----------|

| | |
|-----------------------|-------------------|
| Subtotal General Fund | <u>18,154,866</u> |
|-----------------------|-------------------|

Other Governmental Funds

| | |
|--|--------|
| From the Federal Narcotics Seized Fund to special revenue Federal Narcotics Seized Justice Fund to align with federal requirements | 36,353 |
|--|--------|

| | |
|---|-------|
| From the Federal Narcotics Seized Fund to special revenue Federal Narcotics Seized Treasury Fund to align with federal requirements | 4,544 |
|---|-------|

| | |
|---|------------|
| From the ARPA Fund to the General Fund for expenses related to the Coronavirus pandemic | 10,938,991 |
|---|------------|

| | |
|---|---------|
| From the Hospital Capital Reserve fund to the General fund to support the school nurse initiative | 500,000 |
|---|---------|

| | |
|--|--------|
| From the School Capital Projects fund to the General fund to supplement funds for debt service | 50,000 |
|--|--------|

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

| | |
|--|-----------------------------|
| From the School Construction fund to the School Capital Projects fund to supplement funds for various school renovations | 93,081 |
| From the School Construction fund to the General Fund to supplement funds for debt service | <u>406,015</u> |
| Subtotal Other Governmental Funds | <u><u>12,028,984</u></u> |
| Enterprise Funds | |
| From Water and Sewer Capital Fund to General Fund for Economic Development activities | 384,000 |
| From Water and Sewer Capital Fund to General Capital Projects for ARPA eligible projects | 3,000,000 |
| From Water and Sewer Fund to General Capital Projects for ARPA eligible projects | <u>5,290,500</u> |
| Subtotal Enterprise Funds | <u><u>8,674,500</u></u> |
| Total Interfund Transfers | <u><u>\$ 38,858,350</u></u> |

(continued on next page)

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

D. Fund Balance

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

| | General | American | General | Other | Total |
|---------------------------------|-----------------------|---------------------|----------------------|----------------------|-----------------------|
| | General | Rescue Plan | Capital | Governmental | Governmental |
| | Fund | Act Fund | Projects Fund | Funds | Funds |
| FUND BALANCES | | | | | |
| Nonspendable: | | | | | |
| Inventories | \$ 299,637 | \$ - | \$ - | \$ - | \$ 299,637 |
| Prepaid | 61,080 | - | - | - | 61,080 |
| Notes receivable | 584,025 | - | - | - | 584,025 |
| Leases | 2,037 | - | - | - | 2,037 |
| Restricted: | | | | | |
| Stabilization by State Statute | 22,335,350 | 44,933 | 3,600,983 | 3,287,147 | 29,268,413 |
| Register of Deeds | 139,535 | - | - | - | 139,535 |
| Public Safety | - | - | - | 2,042,228 | 2,042,228 |
| Fire Protection | - | - | - | 2,077,632 | 2,077,632 |
| Debt Service | 21,122,635 | - | - | - | 21,122,635 |
| Social Services | 240,000 | - | - | - | 240,000 |
| Library Endowment | - | - | - | 197,841 | 197,841 |
| Scholarship | - | - | - | 56,244 | 56,244 |
| Parks Preservation | - | - | - | 76,104 | 76,104 |
| Community Development | - | - | - | 50,694 | 50,694 |
| American Rescue Plan Act | - | - | - | - | - |
| Representative Payee | - | - | - | 104,255 | 104,255 |
| General Capital | - | - | 89,786 | - | 89,786 |
| School Capital and Construction | - | - | - | 1,816,691 | 1,816,691 |
| Hospital Capital | - | - | - | 2,230,555 | 2,230,555 |
| Committed: | | | | | |
| Tax Reappraisal | 122,185 | - | - | - | 122,185 |
| Subdivision Road Improvement | - | - | - | 565,810 | 565,810 |
| General Capital | - | - | 26,902,456 | - | 26,902,456 |
| School Capital | - | - | - | 9,825,269 | 9,825,269 |
| School Construction | - | - | - | 7,988,924 | 7,988,924 |
| Assigned: | | | | | |
| Public Health | 991,262 | - | - | - | 991,262 |
| Social Services | 7,125,114 | - | - | - | 7,125,114 |
| County Manager | 422,335 | - | - | - | 422,335 |
| Human Resources | 361,748 | - | - | - | 361,748 |
| Library | 675,350 | - | - | - | 675,350 |
| Subsequent year's expenditures | 11,154,833 | - | - | - | 11,154,833 |
| Unassigned | 65,591,057 | (315,559) | - | (23,092) | 65,252,406 |
| Total fund balances | <u>\$ 131,228,183</u> | <u>\$ (270,626)</u> | <u>\$ 30,593,225</u> | <u>\$ 30,296,302</u> | <u>\$ 191,847,084</u> |

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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 | \$ 131,228,183 |
| Less: | |
| Inventories | 299,637 |
| Prepaid | 61,080 |
| Notes receivable | 584,025 |
| Leases | 2,037 |
| Stabilization by State Statute | <u>22,335,350</u> |
| Fund Balance Available | <u>107,946,054</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 | Enterprise Funds |
|--------------|---------------------|--|--|--|-----------------------------|
| Encumbrances | \$ 3,776,526 | \$ 34,650 | \$ 2,950,285 | \$ 65,695 | \$ 1,147,572 |

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 \$15,786,816 are outstanding at June 30, 2022. The County made debt service payments of \$2,535,278 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 \$4,837,860 and \$1,178,425 to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2022. 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, 2022. 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

CATAWBA COUNTY, NORTH CAROLINA

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2022

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 implemented. The County contributed \$1.3 million to K-64 during the fiscal year ended June 30, 2022.

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 \$8,750 to the Lake Norman Marine Commission for operating expenses during the fiscal year ended June 30, 2022. 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 \$70,221 to the Council during the fiscal year ended June 30, 2022.

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 – SIGNIFICANT EFFECTS OF SUBSEQUENT EVENTS

Catawba County received its second installment of Opioid Settlement funds totaling \$580,198 in September 2022.

NOTE 10 – CHANGE IN ACCOUNTING PRINCIPLE

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No.87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources.



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.)

CATAWBA COUNTY, NORTH CAROLINA

Schedule 11
Page 1 of 2

**Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2022***

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|---|----------------------|----------------------|----------------------|----------------------|
| Total OPEB Liability | | | | |
| Service Cost | \$ 1,778,672 | \$ 1,035,331 | \$ 954,524 | \$ 810,810 |
| Interest | 705,957 | 755,582 | 724,417 | 560,351 |
| Current-period benefit changes | - | (24,416) | - | - |
| Differences between expected and actual experience | (204,550) | 4,649,863 | 185,125 | 1,339,405 |
| Changes of assumptions | 1,364,627 | 3,843,738 | 825,667 | 880,348 |
| Benefit payments | <u>(562,621)</u> | <u>(729,603)</u> | <u>(788,262)</u> | <u>(630,877)</u> |
| Net change in total OPEB liability | 3,082,085 | 9,530,495 | 1,901,471 | 2,960,037 |
| Total OPEB liability - beginning | <u>30,444,871</u> | <u>20,914,376</u> | <u>19,012,905</u> | <u>16,052,868</u> |
| Total OPEB liability - ending | <u>\$ 33,526,956</u> | <u>\$ 30,444,871</u> | <u>\$ 20,914,376</u> | <u>\$ 19,012,905</u> |
| Covered-employee payroll | \$ 52,032,994 | \$ 52,032,994 | \$ 48,146,318 | \$ 48,146,318 |
| Total OPEB liability as a percentage of covered-employee payroll | 64.43% | 58.51% | 43.44% | 39.49% |

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> |
|--------------------|-------------|
| 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 CAROLINASchedule 11
Page 2 of 2**Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2022***

| | <u>2018</u> |
|---|-----------------------------|
| Total OPEB Liability | |
| Service Cost | \$ 878,210 |
| Interest | 466,530 |
| Current-period benefit changes | - |
| Differences between expected and actual experience | 703,309 |
| Changes of assumptions | (958,259) |
| Benefit payments | <u>(1,064,618)</u> |
| Net change in total OPEB liability | 25,172 |
| Total OPEB liability - beginning | <u>16,027,696</u> |
| Total OPEB liability - ending | <u>\$ 16,052,868</u> |
| Covered-employee payroll | \$ 45,889,403 |
| Total OPEB liability as a percentage of covered-employee payroll | 34.98% |

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

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|---------------|---------------|---------------|---------------|---------------|
| County's proportion of the net pension liability (asset) % | 0.76773% | 0.76954% | 0.75972% | 0.79633% | 0.80961% |
| County's proportionate share of the net pension liability (asset) | \$ 11,773,877 | \$ 27,370,299 | \$ 20,747,361 | \$ 18,891,671 | \$ 12,368,598 |
| County's covered payroll | \$ 56,412,509 | \$ 53,799,929 | \$ 51,972,953 | \$ 50,767,144 | \$ 50,968,956 |
| County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 20.87% | 50.87% | 39.92% | 37.21% | 24.27% |
| Plan fiduciary net position as a percentage of the total pension liability ** | 95.51% | 88.61% | 90.86% | 91.63% | 94.18% |

* 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.

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

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

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

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

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

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 13

Page 1 of 2

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

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|---|------------------|------------------|------------------|------------------|------------------|
| Contractually required contribution | \$ 6,783,530 | \$ 5,827,222 | \$ 4,927,547 | \$ 4,145,168 | \$ 3,946,861 |
| Contributions in relation to the contractually required contribution | <u>6,783,530</u> | <u>5,827,222</u> | <u>4,927,547</u> | <u>4,145,168</u> | <u>3,946,861</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered payroll | \$ 58,538,462 | \$ 56,412,509 | \$ 53,799,929 | \$ 51,972,953 | \$ 50,767,144 |
| Contributions as a percentage of covered payroll | 11.59% | 10.33% | 9.16% | 7.98% | 7.77% |

*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 13

Page 2 of 2

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

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

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

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

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|--------------|--------------|--------------|--------------|--------------|
| County's proportion of the net pension liability (asset) % | 1.51969% | 1.57266% | 1.42572% | 1.61832% | 1.64463% |
| County's proportionate share of the net pension liability (asset) | \$ (291,978) | \$ (360,422) | \$ (281,466) | \$ (268,042) | \$ (280,722) |
| County's covered payroll | \$ 102,959 | \$ 100,646 | \$ 98,647 | \$ 94,480 | \$ 95,104 |
| County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | (283.59%) | (358.11%) | (285.33%) | (283.70%) | (295.17%) |
| Plan fiduciary net position as a percentage of the total pension liability ** | 156.53% | 173.62% | 164.11% | 153.31% | 153.77% |

* 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.

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

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

| | 2017 | 2016 | 2015 | 2014 |
|--|--------------|--------------|--------------|--------------|
| County's proportion of the net pension liability (asset) % | 1.68672% | 1.65814% | 1.61440% | 1.59029% |
| County's proportionate share of the net pension liability (asset) | \$ (315,346) | \$ (384,257) | \$ (365,928) | \$ (339,686) |
| County's covered payroll | \$ 89,954 | \$ 86,722 | \$ 83,768 | \$ 75,798 |
| County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | (350.56%) | (443.09%) | (436.84%) | (448.15%) |
| Plan fiduciary net position as a percentage of the total pension liability ** | 160.17% | 197.29% | 193.88% | 190.50% |

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

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

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 15

Page 1 of 2

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

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|-------------|-------------|-------------|-------------|-------------|
| Contractually required contribution | \$ 18,559 | \$ 18,238 | \$ 15,058 | \$ 14,772 | \$ 12,629 |
| Contributions in relation to the contractually required contribution | 18,559 | 18,238 | 15,058 | 14,772 | 12,629 |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered payroll | \$ 104,222 | \$ 102,959 | \$ 100,646 | \$ 98,647 | \$ 94,480 |
| Contributions as a percentage of covered payroll | 17.81% | 17.71% | 14.96% | 14.97% | 13.37% |

*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 15

Page 2 of 2

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

| | 2017 | 2016 | 2015 | 2014 |
|---|---------------|---------------|---------------|---------------|
| Contractually required contribution | \$ 14,289 | \$ 13,779 | \$ 13,268 | \$ 13,181 |
| Contributions in relation to the contractually required contribution | <u>14,289</u> | <u>13,779</u> | <u>13,268</u> | <u>13,181</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered payroll | \$ 95,104 | \$ 88,954 | \$ 86,722 | \$ 83,768 |
| Contributions as a percentage of covered payroll | 15.02% | 15.49% | 15.30% | 15.74% |

*This schedule is intended to show information for ten years, and additional years' information will be displayed 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 Six Fiscal Years**

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total pension liability - beginning | \$ 6,352,087 | \$ 4,190,800 | \$ 3,817,860 | \$ 3,715,011 | \$ 3,344,006 |
| Service cost at end of year | 349,034 | 203,422 | 176,222 | 194,334 | 170,110 |
| Interest on the total pension liability | 120,840 | 134,056 | 136,083 | 115,531 | 127,178 |
| Differences between expected and actual experience in the measurement of the total pension liability | 178,937 | 225,161 | 89,070 | 77,270 | (92,418) |
| Changes of assumptions or other inputs | (181,286) | 1,755,968 | 130,193 | (166,363) | 264,596 |
| Benefit payments | (181,910) | (157,320) | (158,628) | (117,923) | (98,461) |
| Net changes | 285,615 | 2,161,287 | 372,940 | 102,849 | 371,005 |
| Total pension liability - ending | <u>\$ 6,637,702</u> | <u>\$ 6,352,087</u> | <u>\$ 4,190,800</u> | <u>\$ 3,817,860</u> | <u>\$ 3,715,011</u> |
| Covered-employee payroll | 8,113,038 | 7,445,935 | 6,841,603 | 7,131,126 | 6,979,639 |
| Total pension liability as percentage of covered-employee payroll | 81.82% | 85.31% | 61.25% | 53.54% | 53.23% |

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, 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 Six Fiscal Years**

| | <u>2017</u> |
|--|---------------------|
| Total pension liability - beginning | \$ 3,245,785 |
| Service cost at end of year | 171,342 |
| Interest on the total pension liability | 114,108 |
| Differences between expected and actual experience in the measurement of the total pension liability | - |
| Changes of assumptions or other inputs | (88,280) |
| Benefit payments | <u>(98,949)</u> |
| Net changes | <u>98,221</u> |
| Total pension liability - ending | <u>\$ 3,344,006</u> |
| Covered-employee payroll | 6,548,828 |
| Total pension liability as percentage of covered-employee payroll | 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 16

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | |
|--|---------------------|----------------|-------------------|--------------------------|
| | Final Budget | Actuals | Over/Under | Actual Prior Year |
| REVENUES | | | | |
| Ad Valorem Taxes | | | | |
| Current year taxes | 107,249,000 | 113,541,410 | | |
| Prior year taxes | 675,000 | 571,690 | | |
| Penalties and interest | 575,000 | 694,462 | | |
| Tax leased vehicles and equipment | 200,000 | 273,719 | | |
| Total ad valorem taxes | 108,699,000 | 115,081,281 | 6,382,281 | 110,862,502 |
| Other Taxes | | | | |
| Local Option Sales Taxes | | | | |
| Article 39 (1%) | 16,339,800 | 19,657,261 | | |
| Article 40 (1/2%) | 8,466,500 | 10,044,685 | | |
| Article 42 (1/2%) | 3,842,100 | 4,734,107 | | |
| Article 44 (1/2%) | - | (711) | | |
| Article 46 (1/4%) | 5,057,781 | 6,360,968 | | |
| Medicaid Hold Harmless | 2,514,689 | 2,514,689 | | |
| Subtotal local option sales taxes | 36,220,870 | 43,310,999 | 7,090,129 | 38,499,728 |
| Other Taxes and Licenses | | | | |
| Real estate excise stamps | 730,000 | 1,740,881 | | |
| ABC 5 cents per bottle | 55,500 | 72,518 | | |
| Privilege licenses | - | 7,745 | | |
| Subtotal other taxes and licenses | 785,500 | 1,821,144 | 1,035,644 | 1,332,912 |
| Total other taxes | 37,006,370 | 45,132,143 | 8,125,773 | 39,832,640 |
| Unrestricted Intergovernmental Revenues | | | | |
| Beer & Wine Tax | 370,000 | 336,955 | | |
| Video Programming fees | 528,000 | 505,920 | | |
| Catawba County ABC profit distribution | 970,000 | 1,408,574 | | |
| Total unrestricted intergovernmental revenues | 1,868,000 | 2,251,449 | 383,449 | 2,094,948 |
| Restricted Intergovernmental Revenues | | | | |
| State grants | 8,127,828 | 6,743,554 | | |
| Federal grants | 17,929,850 | 19,395,016 | | |
| State and federal grants shared | 6,491,767 | 6,545,420 | | |
| Local/Other | 6,577,255 | 6,342,577 | | |
| Total restricted intergovernmental revenues | 39,126,700 | 39,026,567 | (100,133) | 34,701,981 |
| Permits and Fees | | | | |
| Building permits | 2,413,284 | 3,237,921 | | |
| Register of deeds | 873,500 | 1,174,862 | | |
| Environmental health fees | 360,000 | 415,858 | | |
| Other permits and fees | 433,055 | 843,566 | | |
| Total permits and fees | 4,079,839 | 5,672,207 | 1,592,368 | 4,847,407 |
| Sales and Services | | | | |
| Human resources services | 1,011,300 | 1,259,187 | | |
| Services to municipalities | 760,575 | 666,341 | | |
| Ambulance services | 6,787,600 | 7,253,426 | | |

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 2 of 16

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | |
|-------------------------------|---------------------|----------------|-------------------|--------------------------|
| | Final Budget | Actuals | Over/Under | Actual Prior Year |
| Other sales and services | 655,172 | 949,597 | | |
| Total sales and services | 9,214,647 | 10,128,551 | 913,904 | 7,780,817 |
| Investment Earnings | 650,730 | (3,625,069) | (4,275,799) | (40,349) |
| Miscellaneous | | | | |
| Rental fees | 34,723 | 37,439 | | |
| Donations and local grants | 377,329 | 211,283 | | |
| Insurance premiums | 3,053,000 | 2,754,438 | | |
| Other | 317,424 | 347,044 | | |
| Total miscellaneous | 3,782,476 | 3,350,204 | (432,272) | 3,517,635 |
| Total revenues | 204,427,762 | 217,017,333 | 12,589,571 | 203,597,581 |
| EXPENDITURES | | | | |
| General Government | | | | |
| Board of Commissioners | | | | |
| Salaries & employee benefits | 120,934 | 120,049 | | |
| Other operating | 108,700 | 70,367 | | |
| | 229,634 | 190,416 | 39,218 | 189,706 |
| Administration | | | | |
| County Manager | | | | |
| Salaries & employee benefits | 1,090,551 | 1,071,682 | | |
| Other operating | 140,050 | 120,923 | | |
| Capital Outlay | - | 6,117 | | |
| Non-operating | 308,802 | - | | |
| | 1,539,403 | 1,198,722 | 340,681 | 1,105,234 |
| Legal Services | | | | |
| Salaries & employee benefits | 480,405 | 445,606 | | |
| Other operating | 50,083 | 19,295 | | |
| | 530,488 | 464,901 | 65,587 | 509,548 |
| Budget | | | | |
| Salaries & employee benefits | 230,812 | 217,323 | | |
| Other operating | 13,850 | 4,236 | | |
| Capital Outlay | - | 3,155 | | |
| | 244,662 | 224,714 | 19,948 | 221,984 |
| Total Administration | 2,314,553 | 1,888,337 | 426,216 | 1,836,766 |
| Tax Administration | | | | |
| Tax Assessor | | | | |
| Salaries & employee benefits | 692,826 | 644,118 | | |
| Other operating | 165,010 | 156,834 | | |
| Capital Outlay | 2,487 | 9,648.0 | | |
| Non-operating tax refunds | 5,000 | - | | |
| | 865,323 | 810,600 | 54,723 | 738,291 |

General Fund

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

For the Fiscal Year Ended June 30, 2022

With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | Actual Prior Year |
|-------------------------------|--------------|-----------|------------|-------------------|
| | Final Budget | Actuals | Over/Under | |
| Tax Collector | | | | |
| Salaries & employee benefits | 619,944 | 611,644 | | |
| Other operating | 626,655 | 605,465 | | |
| | 1,246,599 | 1,217,109 | 29,490 | 1,124,613 |
| Total Tax Administration | 2,111,922 | 2,027,709 | 84,213 | 1,862,904 |
| Board of Elections | | | | |
| Salaries & employee benefits | 580,672 | 490,519 | | |
| Other operating | 297,152 | 217,133 | | |
| Capital outlay | - | 1,041 | | |
| | 877,824 | 708,693 | 169,131 | 1,124,627 |
| Human Resources | | | | |
| Human Resources | | | | |
| Salaries & employee benefits | 758,983 | 652,218 | | |
| Other operating | 77,522 | 60,012 | | |
| Capital outlay | 3,455 | 14,436 | | |
| Non-operating | 214,213 | - | | |
| | 1,054,173 | 726,666 | 327,507 | 785,313 |
| Recruitment | | | | |
| Salaries & employee benefits | 101,415 | 100,869 | | |
| Other operating | 14,609 | 13,710 | | |
| | 116,024 | 114,579 | 1,445 | 104,197 |
| Risk Management | | | | |
| Salaries & employee benefits | 149,366 | 121,124 | | |
| Other operating | 14,425 | 12,395 | | |
| | 163,791 | 133,519 | 30,272 | 139,196 |
| Total Human Resources | 1,333,988 | 974,764 | 359,224 | 1,028,706 |
| Register of Deeds | | | | |
| Salaries & employee benefits | 724,261 | 684,195 | | |
| Other operating | 257,925 | 187,007 | | |
| Capital outlay | 30,800 | 42,947 | | |
| | 1,012,986 | 914,149 | 98,837 | 892,536 |
| Finance | | | | |
| Administration and Accounting | | | | |
| Salaries & employee benefits | 1,069,768 | 912,513 | | |
| Other operating | 287,600 | 239,284 | | |
| Capital outlay | - | 22,607 | | |
| | 1,357,368 | 1,174,404 | 182,964 | 979,100 |
| Purchasing | | | | |
| Salaries & employee benefits | 281,461 | 267,490 | | |
| Other operating | 44,725 | 30,639 | | |
| Capital outlay | - | 10,494 | | |
| | 326,186 | 308,623 | 17,563 | 298,197 |

General Fund

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

For the Fiscal Year Ended June 30, 2022

With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | Actual Prior Year |
|--|--------------|------------|------------|-------------------|
| | Final Budget | Actuals | Over/Under | |
| Total Finance | 1,683,554 | 1,483,027 | 200,527 | 1,277,297 |
| Other General Government Programs | | | | |
| Government Agencies - Justice Center | | | | |
| Other operating | 10,500 | 7,148 | | |
| | 10,500 | 7,148 | 3,352 | 2,074 |
| Other Government Costs | | | | |
| Salaries & employee benefits | 777,345 | 54,493 | | |
| Other operating | 491,875 | 452,287 | | |
| Capital outlay | - | 69,706 | | |
| | 1,269,220 | 576,486 | 692,734 | 557,198 |
| Self Insurance | | | | |
| Wellness | 378,150 | 376,182 | | |
| Premiums | 4,573,872 | 3,037,694 | | |
| Liability | 871,348 | 979,634 | | |
| Workers Compensation | 768,600 | 774,211 | | |
| | 6,591,970 | 5,167,721 | 1,424,249 | 5,499,627 |
| Total Other General Government Programs | 7,871,690 | 5,751,355 | 2,120,335 | 6,058,899 |
| Total General Government | 17,436,151 | 13,938,450 | 3,497,701 | 14,271,441 |
| Public Safety | | | | |
| Sheriff and Law Enforcement | | | | |
| Administration and Law Enforcement | | | | |
| Salaries & employee benefits | 5,693,758 | 5,646,834 | | |
| Other operating | 2,171,244 | 1,714,759 | | |
| Capital outlay | 939,301 | 821,652 | | |
| | 8,804,303 | 8,183,245 | 621,058 | 7,541,428 |
| Catawba Valley Community College - | | | | |
| Resource Officers | | | | |
| Salaries & employee benefits | 235,483 | 234,396 | | |
| Other operating | 3,000 | 3,000 | | |
| | 238,483 | 237,396 | 1,087 | 215,249 |
| School Resource Officers | | | | |
| Salaries & employee benefits | 1,125,431 | 1,085,251 | | |
| Other operating | 81,300 | 80,095 | | |
| | 1,206,731 | 1,165,346 | 41,385 | 1,091,220 |
| Records | | | | |
| Salaries & employee benefits | 359,991 | 347,768 | | |
| Other operating | 26,795 | 20,762 | | |
| Capital outlay | - | 19,301 | | |
| | 386,786 | 387,831 | (1,045) | 378,236 |

General Fund

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

For the Fiscal Year Ended June 30, 2022

With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | Actual Prior Year |
|-----------------------------------|-------------------|-------------------|------------------|-------------------|
| | Final Budget | Actuals | Over/Under | |
| Narcotics | | | | |
| Salaries & employee benefits | 784,583 | 774,008 | | |
| Other operating | 173,706 | 124,800 | | |
| Capital outlay | 104,731 | 74,503 | | |
| | <u>1,063,020</u> | <u>973,311</u> | <u>89,709</u> | <u>766,048</u> |
| Detectives | | | | |
| Salaries & employee benefits | 1,296,450 | 1,280,923 | | |
| Other operating | 109,902 | 95,656 | | |
| Capital outlay | - | 6,946 | | |
| | <u>1,406,352</u> | <u>1,383,525</u> | <u>22,827</u> | <u>1,301,708</u> |
| Lake Norman Water Patrol | | | | |
| Salaries & employee benefits | 236,984 | 233,450 | | |
| Other operating | 60,805 | 52,213 | | |
| Capital outlay | - | 3,476 | | |
| | <u>297,789</u> | <u>289,139</u> | <u>8,650</u> | <u>278,410</u> |
| Court Security | | | | |
| Salaries & employee benefits | 1,055,197 | 1,051,157 | | |
| Other operating | 20,000 | 19,942 | | |
| | <u>1,075,197</u> | <u>1,071,099</u> | <u>4,098</u> | <u>974,569</u> |
| Newton Detention Center | | | | |
| Salaries & employee benefits | 6,307,853 | 6,040,298 | | |
| Other operating | 2,781,934 | 2,542,277 | | |
| Capital outlay | 169,500 | 200,756 | | |
| | <u>9,259,287</u> | <u>8,783,331</u> | <u>475,956</u> | <u>7,855,951</u> |
| Prisoner Food Services | | | | |
| Other operating | 778,403 | 688,731 | | |
| | <u>778,403</u> | <u>688,731</u> | <u>89,672</u> | <u>559,278</u> |
| Total Sheriff and Law Enforcement | <u>24,516,351</u> | <u>23,162,954</u> | <u>1,353,397</u> | <u>20,962,097</u> |
| Emergency Services | | | | |
| Emergency Services Administration | | | | |
| Salaries & employee benefits | 366,102 | 362,468 | | |
| Other operating | 186,918 | 103,716 | | |
| Capital outlay | 168,552 | 189,206 | | |
| | <u>721,572</u> | <u>655,390</u> | <u>66,182</u> | <u>490,151</u> |
| Veterans Services | | | | |
| Salaries & employee benefits | 129,999 | 127,146 | | |
| Other operating | 9,650 | 7,778 | | |
| | <u>139,649</u> | <u>134,924</u> | <u>4,725</u> | <u>129,772</u> |
| Fire Marshal | | | | |
| Salaries & employee benefits | 342,917 | 337,466 | | |
| Other operating | 33,693 | 32,073 | | |
| Capital outlay | 10,815 | 10,815 | | |

General Fund

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

For the Fiscal Year Ended June 30, 2022

With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | Actual Prior Year |
|---------------------------------|--------------|------------|------------|-------------------|
| | Final Budget | Actuals | Over/Under | |
| | 387,425 | 380,354 | 7,071 | 402,217 |
| Emergency Medical Services | | | | |
| Salaries & employee benefits | 9,179,116 | 9,000,764 | | |
| Other operating | 2,286,210 | 1,866,259 | | |
| Capital outlay | 2,175,149 | 1,084,592 | | |
| | 13,640,475 | 11,951,615 | 1,688,860 | 11,382,190 |
| Animal Control | | | | |
| Salaries & employee benefits | 332,998 | 285,648 | | |
| Other operating | 37,800 | 30,085 | | |
| Capital outlay | 75,000 | - | | |
| | 445,798 | 315,733 | 130,065 | 320,348 |
| Animal Shelter | | | | |
| Salaries & employee benefits | 784,933 | 645,399 | | |
| Other operating | 311,450 | 231,174 | | |
| Capital outlay | 92,318 | 75,880 | | |
| | 1,188,701 | 952,453 | 236,248 | 934,029 |
| Total Emergency Services | 16,523,620 | 14,390,469 | 2,133,151 | 13,658,707 |
| Communication Center | | | | |
| Salaries & employee benefits | 2,064,021 | 1,976,239 | | |
| Other operating | 195,420 | 165,677 | | |
| Capital outlay | - | 8,985 | | |
| | 2,259,441 | 2,150,901 | 108,540 | 1,985,660 |
| Other Public Safety | | | | |
| Other operating | 1,730,501 | 704,328 | 1,026,173 | 415,949 |
| Total Public Safety | 45,029,913 | 40,408,652 | 4,621,261 | 37,022,413 |
| Environmental Protection | | | | |
| Cooperative Extension | | | | |
| Salaries & employee benefits | 84,557 | 67,465 | | |
| Other operating | 385,995 | 371,745 | | |
| Capital outlay | - | 9,960 | | |
| | 470,552 | 449,170 | 21,382 | 365,210 |
| Soil & Water Conservation | | | | |
| Salaries & employee benefits | 179,481 | 177,949 | | |
| Other operating | 92,376 | 5,871 | | |
| Capital outlay | - | 4,855 | | |
| | 271,857 | 188,675 | 83,182 | 174,617 |
| Forest Ranger | | | | |
| Other operating | 70,923 | 65,120 | 5,803 | 61,218 |
| Total Environmental Protection | 813,332 | 702,965 | 110,367 | 601,045 |

General Fund

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

For the Fiscal Year Ended June 30, 2022

With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | Actual Prior Year |
|--|-------------------|------------------|------------------|-------------------|
| | Final Budget | Actuals | Over/Under | |
| Economic and Physical Development | | | | |
| Technology | | | | |
| Information Technology Center | | | | |
| Salaries & employee benefits | 2,299,214 | 2,243,150 | | |
| Other operating | 2,194,162 | 1,889,270 | | |
| Capital outlay | - | 6,468 | | |
| | <u>4,493,376</u> | <u>4,138,888</u> | <u>354,488</u> | <u>3,896,389</u> |
| Geospatial Information Services | | | | |
| Salaries & employee benefits | 728,381 | 698,713 | | |
| Other operating | 65,165 | 40,822 | | |
| Capital outlay | - | 7,736 | | |
| | <u>793,546</u> | <u>747,271</u> | <u>46,275</u> | <u>694,460</u> |
| Total Technology | <u>5,286,922</u> | <u>4,886,159</u> | <u>400,763</u> | <u>4,590,849</u> |
| Economic Development and Planning | | | | |
| Planning & Zoning | | | | |
| Salaries & employee benefits | 489,889 | 436,225 | | |
| Other operating | 221,465 | 78,574 | | |
| | <u>711,354</u> | <u>528,599</u> | <u>182,755</u> | <u>519,224</u> |
| County Parks | | | | |
| Salaries & employee benefits | 980,096 | 892,402 | | |
| Other operating | 331,860 | 329,457 | | |
| Capital outlay | 83,603 | 83,551 | | |
| | <u>1,395,559</u> | <u>1,305,410</u> | <u>90,149</u> | <u>635,817</u> |
| Other Economic and Physical Development | | | | |
| Other operating | <u>9,777,217</u> | <u>7,912,115</u> | <u>1,865,102</u> | <u>6,724,933</u> |
| Total Economic Development and Planning | <u>11,884,130</u> | <u>9,746,124</u> | <u>2,138,006</u> | <u>7,879,974</u> |
| Utilities & Engineering | | | | |
| Utilities & Engineering Administration | | | | |
| Salaries & employee benefits | 165,227 | 164,308 | | |
| Other operating | 16,995 | 6,381 | | |
| Capital outlay | - | 5,918 | | |
| | <u>182,222</u> | <u>176,607</u> | <u>5,615</u> | <u>165,495</u> |
| Building Inspection | | | | |
| Salaries & employee benefits | 2,004,881 | 1,988,070 | | |
| Other operating | 494,325 | 464,035 | | |
| Capital outlay | 193,528 | 140,640 | | |
| | <u>2,692,734</u> | <u>2,592,745</u> | <u>99,989</u> | <u>2,232,627</u> |
| Permit Center | | | | |
| Salaries & employee benefits | 376,813 | 367,589 | | |
| Other operating | 65,860 | 51,276 | | |
| Capital outlay | - | 12,283 | | |
| | <u>442,673</u> | <u>431,148</u> | <u>11,525</u> | <u>355,574</u> |

General Fund

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

For the Fiscal Year Ended June 30, 2022

With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | Actual Prior Year |
|-----------------------------------|----------------------|----------------------|--------------------|----------------------|
| | Final Budget | Actuals | Over/Under | |
| Local Code Compliance | | | | |
| Salaries & employee benefits | 72,792 | 70,166 | | |
| Other operating | 13,135 | 6,932 | | |
| | <u>85,927</u> | <u>77,098</u> | <u>8,829</u> | <u>79,696</u> |
| Total Utilities & Engineering | <u>3,403,556</u> | <u>3,277,598</u> | <u>125,958</u> | <u>2,833,392</u> |
| Facilities Division | | | | |
| Construction Manager | | | | |
| Salaries & employee benefits | 140,307 | 140,199 | | |
| Other operating | 6,400 | 3,792 | | |
| Capital outlay | - | 4,855 | | |
| | <u>146,707</u> | <u>148,846</u> | <u>(2,139)</u> | <u>130,678</u> |
| Garage | | | | |
| Salaries & employee benefits | 288,051 | 286,461 | | |
| Other operating | 371,083 | 333,406 | | |
| Capital outlay | 29,925 | 35,118 | | |
| | <u>689,059</u> | <u>654,985</u> | <u>34,074</u> | <u>616,051</u> |
| General maintenance | | | | |
| Salaries & employee benefits | 825,992 | 822,193 | | |
| Other operating | 89,175 | 72,486 | | |
| Capital outlay | 92,899 | 43,670 | | |
| | <u>1,008,066</u> | <u>938,349</u> | <u>69,717</u> | <u>873,226</u> |
| General Buildings | | | | |
| Other operating | 571,002 | 481,362 | | |
| | <u>571,002</u> | <u>481,362</u> | <u>89,640</u> | <u>485,174</u> |
| Justice Buildings | | | | |
| Other operating | 1,438,610 | 1,279,445 | | |
| | <u>1,438,610</u> | <u>1,279,445</u> | <u>159,165</u> | <u>1,218,549</u> |
| Library Buildings | | | | |
| Other operating | 132,659 | 112,608 | | |
| | <u>132,659</u> | <u>112,608</u> | <u>20,051</u> | <u>100,839</u> |
| Leased Buildings | | | | |
| Other operating | 34,395 | 29,815 | | |
| | <u>34,395</u> | <u>29,815</u> | <u>4,580</u> | <u>36,938</u> |
| Social Services Buildings | | | | |
| Other operating | 146,725 | 136,337 | | |
| | <u>146,725</u> | <u>136,337</u> | <u>10,388</u> | <u>115,119</u> |
| Public Health Buildings | | | | |
| Other operating | 43,429 | 35,110 | | |
| | <u>43,429</u> | <u>35,110</u> | <u>8,319</u> | <u>35,081</u> |

General Fund

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

For the Fiscal Year Ended June 30, 2022

With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | Actual Prior Year |
|--|--------------|------------|------------|-------------------|
| | Final Budget | Actuals | Over/Under | |
| Family Services Center | | | | |
| Other operating | 17,785 | 12,814 | | |
| | 17,785 | 12,814 | 4,971 | 10,114 |
| Street Signs | | | | |
| Other operating | 17,500 | 14,612 | | |
| | 17,500 | 14,612 | 2,888 | 9,693 |
| Total Facilities Division | 4,245,937 | 3,844,283 | 401,654 | 3,631,462 |
| Total Economic & Physical Development | 24,820,545 | 21,754,164 | 3,066,381 | 18,935,677 |
| Human Services | | | | |
| Medical Examiner | | | | |
| Other operating | 200,000 | 178,950 | | |
| | 200,000 | 178,950 | 21,050 | 178,500 |
| Mental Health Services | | | | |
| General Administration | | | | |
| Partners Behavioral Health Management | 650,000 | 681,518 | | |
| | 650,000 | 681,518 | (31,518) | 673,153 |
| Social Services Department | | | | |
| Administration | | | | |
| Salaries & employee benefits | 1,461,017 | 1,428,387 | | |
| Other operating | 1,246,577 | 1,066,678 | | |
| Non-operating | 5,149,537 | - | | |
| Capital outlay | - | 72,070 | | |
| | 7,857,131 | 2,567,135 | 5,289,996 | 2,245,456 |
| CQI Quality Team | | | | |
| Salaries & employee benefits | 779,808 | 688,906 | | |
| Other operating | 2,000 | 69 | | |
| | 781,808 | 688,975 | 92,833 | 748,862 |
| Child Protective Services Investigations | | | | |
| Salaries & employee benefits | 4,347,831 | 4,266,906 | | |
| Other operating | 255,000 | 240,193 | | |
| Social Services assistance | 500 | - | | |
| | 4,603,331 | 4,507,099 | 96,232 | 4,176,381 |
| Department of Human Resources Teams | | | | |
| Salaries & employee benefits | 133,542 | 112,273 | | |
| Other operating | 3,000 | 19 | | |
| Social Services assistance | 1,000 | - | | |
| | 137,542 | 112,292 | 25,250 | 131,697 |
| Children's Day Care | | | | |
| Salaries & employee benefits | 424,704 | 401,338 | | |
| Other operating | 500 | - | | |

General Fund

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

For the Fiscal Year Ended June 30, 2022

With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | Actual Prior Year |
|---|--------------|-----------|------------|-------------------|
| | Final Budget | Actuals | Over/Under | |
| | 425,204 | 401,338 | 23,866 | 403,020 |
| Early Childhood Development | | | | |
| Other operating | 12,000 | 11,993 | | |
| Social Services assistance | 108,000 | 51,314 | | |
| | 120,000 | 63,307 | 56,693 | 284,357 |
| ARRA Project MOVES | | | | |
| Social Services assistance | - | - | | |
| | - | - | - | 16,000 |
| Family Children Teams / Family Preservation | | | | |
| Salaries & employee benefits | 4,294,148 | 4,203,428 | | |
| Social Services assistance | 216,500 | 206,862 | | |
| | 4,510,648 | 4,410,290 | 100,358 | 4,130,639 |
| Duke Endowment Family Children Project | | | | |
| Salaries & employee benefits | 533,753 | 482,776 | | |
| Other operating | 40,500 | 29,151 | | |
| Social Services assistance | 9,500 | 2,499 | | |
| | 583,753 | 514,426 | 69,327 | 549,300 |
| Teen Up | | | | |
| Salaries & employee benefits | 96,311 | 83,590 | | |
| Other operating | 4,900 | 1,245 | | |
| Social Services assistance | 29,062 | 15,002 | | |
| | 130,273 | 99,837 | 30,436 | 104,969 |
| Community Services Block Grant | | | | |
| Salaries & employee benefits | 197,704 | 177,180 | | |
| Other operating | 17,623 | 6,344 | | |
| Social Services assistance | 53,405 | 29,503 | | |
| | 268,732 | 213,027 | 55,705 | 210,454 |
| Adoptions | | | | |
| Salaries & employee benefits | 1,827,152 | 1,807,420 | | |
| Other operating | 5,250 | 364 | | |
| Social Services assistance | 45,000 | 6,789 | | |
| | 1,877,402 | 1,814,573 | 62,829 | 1,716,047 |
| Post Adoption State Region | | | | |
| Salaries & employee benefits | 400,845 | 346,032 | | |
| Other operating | 28,514 | 14,815 | | |
| Social Services assistance | 42,143 | 15,818 | | |
| | 471,502 | 376,665 | 94,837 | 431,200 |
| Child Advocacy | | | | |
| Salaries & employee benefits | 511,445 | 444,349 | | |
| Other operating | 8,373 | 6,936 | | |
| | 519,818 | 451,285 | 68,533 | 469,247 |

General Fund

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

For the Fiscal Year Ended June 30, 2022

With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | Actual Prior Year |
|---------------------------------------|------------------|------------------|----------------|-------------------|
| | Final Budget | Actuals | Over/Under | |
| FamilyNet Administration | | | | |
| Salaries & employee benefits | 243,473 | 231,542 | | |
| Other operating | 154,700 | 75,850 | | |
| Capital outlay | - | 6,267 | | |
| Social Services assistance | 500 | - | | |
| | <u>398,673</u> | <u>313,659</u> | <u>85,014</u> | <u>314,618</u> |
| FamilyNet In-home Services | | | | |
| Salaries & employee benefits | 241,912 | 187,945 | | |
| Other operating | 4,000 | 576 | | |
| | <u>245,912</u> | <u>188,521</u> | <u>57,391</u> | <u>283,779</u> |
| FamilyNet ECST | | | | |
| Salaries & employee benefits | 500,212 | 483,275 | | |
| Other operating | 49,211 | 24,149 | | |
| Capital outlay | - | 19,522 | | |
| | <u>549,423</u> | <u>526,946</u> | <u>22,477</u> | <u>519,489</u> |
| Work First | | | | |
| Salaries & employee benefits | 403,992 | 389,679 | | |
| Other operating | 1,376,320 | 1,357,417 | | |
| Social Services assistance | 603,803 | 526,024 | | |
| | <u>2,384,115</u> | <u>2,273,120</u> | <u>110,995</u> | <u>1,472,259</u> |
| Office Juvenile Justice Girls Program | | | | |
| Other operating | - | - | | |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>703</u> |
| Administration Group Homes | | | | |
| Salaries & employee benefits | - | - | | |
| Other operating | - | - | | |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>289,741</u> |
| Girls Program | | | | |
| Other operating | - | - | | |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>785</u> |
| Boys Program | | | | |
| Other operating | - | - | | |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>21,203</u> |
| Office Juvenile Justice Boys Program | | | | |
| Other operating | - | - | | |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,805</u> |
| Adult Services | | | | |
| Other operating | - | 6,611 | | |
| Social Services assistance | 195,585 | 130,455 | | |
| | <u>195,585</u> | <u>137,066</u> | <u>58,519</u> | <u>188,404</u> |

General Fund

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

For the Fiscal Year Ended June 30, 2022

With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | Actual Prior Year |
|----------------------------------|------------------|------------------|------------------|-------------------|
| | Final Budget | Actuals | Over/Under | |
| Adult Social Work | | | | |
| Salaries & employee benefits | 1,673,763 | 1,663,329 | | |
| Other operating | 48,100 | 22,632 | | |
| Social Services assistance | 16,000 | 16,798 | | |
| | <u>1,737,863</u> | <u>1,702,759</u> | <u>35,104</u> | <u>1,620,294</u> |
| Medicaid Administration | | | | |
| Salaries & employee benefits | 1,417,807 | 1,294,045 | | |
| Other operating | 1,000 | 476 | | |
| | <u>1,418,807</u> | <u>1,294,521</u> | <u>124,286</u> | <u>1,363,388</u> |
| Transportation | | | | |
| Salaries & employee benefits | 573,991 | 496,574 | | |
| Other operating | 58,686 | 56,383 | | |
| Capital outlay | 55,000 | 1,500 | | |
| | <u>687,677</u> | <u>554,457</u> | <u>133,220</u> | <u>698,191</u> |
| Nutrition | | | | |
| Salaries & employee benefits | 528,065 | 519,468 | | |
| Other operating | 449,600 | 381,160 | | |
| Capital outlay | - | 3,333 | | |
| Social Services assistance | 455,261 | 468,867 | | |
| | <u>1,432,926</u> | <u>1,372,828</u> | <u>60,098</u> | <u>1,104,564</u> |
| Public Assistance Administration | | | | |
| Salaries & employee benefits | 2,166,078 | 2,118,115 | | |
| Other operating | 18,200 | 11,854 | | |
| | <u>2,184,278</u> | <u>2,129,969</u> | <u>54,309</u> | <u>1,874,509</u> |
| Food Stamps | | | | |
| Salaries & employee benefits | 2,019,584 | 1,961,788 | | |
| Other operating | 42,000 | 63,250 | | |
| | <u>2,061,584</u> | <u>2,025,038</u> | <u>36,546</u> | <u>1,924,856</u> |
| Child Support | | | | |
| Salaries & employee benefits | 1,450,869 | 1,371,487 | | |
| Other operating | 255,000 | 234,797 | | |
| | <u>1,705,869</u> | <u>1,606,284</u> | <u>99,585</u> | <u>1,635,796</u> |
| General Assistance | | | | |
| Other operating | 206,000 | 23,784 | | |
| Social Services assistance | 175,000 | 93,632 | | |
| | <u>381,000</u> | <u>117,416</u> | <u>263,584</u> | <u>190,204</u> |
| Public Assistance Payments | | | | |
| Social Services assistance | 1,017,165 | 715,765 | | |
| | <u>1,017,165</u> | <u>715,765</u> | <u>301,400</u> | <u>798,968</u> |
| Children's Purchase Services | | | | |
| Social Services assistance | 5,110,246 | 3,270,541 | | |
| | <u>5,110,246</u> | <u>3,270,541</u> | <u>1,839,705</u> | <u>4,404,466</u> |

General Fund

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

For the Fiscal Year Ended June 30, 2022

With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | Actual Prior Year |
|---------------------------------|--------------|------------|------------|-------------------|
| | Final Budget | Actuals | Over/Under | |
| Total Social Services | 43,798,267 | 34,449,139 | 9,349,128 | 34,325,651 |
| Public Health Department | | | | |
| Health Administration | | | | |
| Salaries & employee benefits | 815,110 | 810,479 | | |
| Other operating | 304,790 | 195,775 | | |
| Capital Outlay | - | 25,619 | | |
| | 1,119,900 | 1,031,873 | 88,027 | 936,840 |
| Environmental Health | | | | |
| Salaries & employee benefits | 1,436,084 | 1,424,523 | | |
| Other operating | 157,386 | 150,065 | | |
| Capital Outlay | - | 6,819 | | |
| | 1,593,470 | 1,581,407 | 12,063 | 1,429,133 |
| Maternal Health | | | | |
| Salaries & employee benefits | - | - | | |
| Other operating | 142,732 | 133,053 | | |
| Capital Outlay | - | 19,500 | | |
| | 142,732 | 152,553 | (9,821) | 141,430 |
| Pregnancy Care Management | | | | |
| Salaries & employee benefits | 395,611 | 380,493 | | |
| Other operating | 15,810 | 9,217 | | |
| | 411,421 | 389,710 | 21,711 | 375,340 |
| Laboratory | | | | |
| Salaries & employee benefits | 106,658 | 105,266 | | |
| Other operating | 35,890 | 28,598 | | |
| | 142,548 | 133,864 | 8,684 | 118,877 |
| Child Health - Smart Start | | | | |
| Salaries & employee benefits | 187,705 | 185,986 | | |
| Other operating | 27,206 | 15,244 | | |
| Capital Outlay | - | 8,186 | | |
| | 214,911 | 209,416 | 5,495 | 203,670 |
| Care Coordination for Children | | | | |
| Salaries & employee benefits | 382,956 | 369,309 | | |
| Other operating | 15,018 | 12,878 | | |
| | 397,974 | 382,187 | 15,787 | 373,189 |
| School Nurse Fund Initiative | | | | |
| Salaries & employee benefits | 4,333,831 | 3,463,005 | | |
| Other operating | 474,911 | 111,989 | | |
| Capital Outlay | - | 21,640 | | |
| | 4,808,742 | 3,596,634 | 1,212,108 | 2,028,243 |
| Dental Health | | | | |
| Other operating | 12,200 | 11,734 | | |

General Fund

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

For the Fiscal Year Ended June 30, 2022

With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | Actual Prior Year |
|---------------------------------------|--------------|------------|------------|-------------------|
| | Final Budget | Actuals | Over/Under | |
| | 12,200 | 11,734 | 466 | 9,623 |
| Bioterrorism Grant | | | | |
| Salaries & employee benefits | 72,028 | 71,809 | | |
| Other operating | 5,480 | 2,362 | | |
| | 77,508 | 74,171 | 3,337 | 73,018 |
| OBCM Grant | | | | |
| Salaries & employee benefits | 77,980 | 77,203 | | |
| Other operating | 2,655 | 1,933 | | |
| | 80,635 | 79,136 | 1,499 | 69,606 |
| Healthy People/Carolinas | | | | |
| Salaries & employee benefits | 71,392 | 24,558 | | |
| Other operating | 170,365 | 34,397 | | |
| | 241,757 | 58,955 | 182,802 | 79,573 |
| Healthy Promotion and Strategy | | | | |
| Salaries & employee benefits | 439,280 | 373,082 | | |
| Other operating | 112,650 | 58,024 | | |
| | 551,930 | 431,106 | 120,824 | 476,062 |
| Clinical Services | | | | |
| Salaries & employee benefits | 1,816,914 | 1,743,695 | | |
| Other operating | 1,023,416 | 689,079 | | |
| Capital outlay | 144,155 | 79,972 | | |
| | 2,984,485 | 2,512,746 | 471,739 | 2,552,160 |
| Women Infants Children Program | | | | |
| Salaries & employee benefits | 1,017,777 | 907,456 | | |
| Other operating | 52,451 | 45,018 | | |
| Capital outlay | - | 11,541 | | |
| | 1,070,228 | 964,015 | 106,213 | 959,382 |
| Total Public Health | 13,850,441 | 11,609,507 | 2,240,934 | 9,826,146 |
| Total Human Services | 58,498,708 | 46,919,114 | 11,579,594 | 45,003,450 |
| Culture and Recreation | | | | |
| County Library | | | | |
| Library Administration - Main Library | | | | |
| Salaries & employee benefits | 1,270,821 | 1,232,939 | | |
| Other operating | 514,640 | 425,761 | | |
| Capital outlay | - | 35,057 | | |
| Non-operating | 446,253 | - | | |
| | 2,231,714 | 1,693,757 | 537,957 | 1,563,464 |
| Pop Up Library | | | | |
| Salaries & employee benefits | 85,377 | 63,449 | | |
| Other operating | 12,990 | 8,314 | | |
| | 98,367 | 71,763 | - | 76,374 |

General Fund

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

For the Fiscal Year Ended June 30, 2022

With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | Actual Prior Year |
|----------------------------------|------------------|------------------|------------------|-------------------|
| | Final Budget | Actuals | Over/Under | |
| Sherrills Ford Branch | | | | |
| Salaries & employee benefits | 286,282 | 272,347 | | |
| Other operating | 75,552 | 64,378 | | |
| Capital outlay | - | 8,022 | | |
| | <u>361,834</u> | <u>344,747</u> | <u>17,087</u> | <u>330,126</u> |
| Maiden Branch | | | | |
| Salaries & employee benefits | 95,321 | 87,916 | | |
| Other operating | 32,820 | 24,270 | | |
| Capital outlay | - | 8,022 | | |
| | <u>128,141</u> | <u>120,208</u> | <u>7,933</u> | <u>117,042</u> |
| St. Stephens Branch | | | | |
| Salaries & employee benefits | 258,615 | 216,853 | | |
| Other operating | 93,130 | 89,298 | | |
| Capital Outlay | 243,000 | 29,110 | | |
| | <u>594,745</u> | <u>335,261</u> | <u>259,484</u> | <u>330,553</u> |
| Southwest Branch Library | | | | |
| Salaries & employee benefits | 224,350 | 220,434 | | |
| Other operating | 113,894 | 54,044 | | |
| Capital outlay | - | 189,200 | | |
| | <u>338,244</u> | <u>463,678</u> | <u>(125,434)</u> | <u>280,861</u> |
| Conover Branch Library | | | | |
| Salaries & employee benefits | 124,623 | 110,395 | | |
| Other operating | 22,820 | 17,443 | | |
| Capital outlay | - | 8,022 | | |
| | <u>147,443</u> | <u>135,860</u> | <u>11,583</u> | <u>121,563</u> |
| Claremont Branch Library | | | | |
| Salaries & employee benefits | 53,319 | 52,374 | | |
| Other operating | 20,440 | 12,377 | | |
| Capital outlay | - | 8,022 | | |
| | <u>73,759</u> | <u>72,773</u> | <u>986</u> | <u>64,806</u> |
| Total County Library | <u>3,974,247</u> | <u>3,238,047</u> | <u>709,596</u> | <u>2,884,789</u> |
| Arts-Administration | | | | |
| Other operating | 609,910 | 609,910 | - | 608,941 |
| Other Cultural | | | | |
| Other operating | 115,922 | 115,922 | - | - |
| Total Culture and Recreation | <u>4,700,079</u> | <u>3,963,879</u> | <u>736,200</u> | <u>3,493,730</u> |
| Education | | | | |
| Current expense | | | | |
| Catawba County Schools | 28,467,734 | 28,467,734 | | |
| Hickory Public Schools | 7,211,778 | 7,211,778 | | |
| Newton-Conover City Schools | 5,212,402 | 5,212,402 | | |
| Catawba Valley Community College | 4,837,860 | 4,837,860 | | |

CATAWBA COUNTY, NORTH CAROLINA

Schedule A-1

Page 16 of 16

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year June 30, 2021

| | 2022 | | | |
|--|---------------------|----------------|-------------------|--------------------------|
| | Final Budget | Actuals | Over/Under | Actual Prior Year |
| K64 Initiative | 1,300,000 | 1,300,000 | | |
| Total Education | 47,029,774 | 47,029,774 | - | 46,134,748 |
| Debt Service | | | | |
| Principal retirement | 14,606,690 | 14,950,643 | | |
| Sinking fund payments | 1,853,905 | 1,853,902 | | |
| Interest and other charges | 4,019,460 | 3,835,712 | | |
| Bond issuance costs | 14,000 | 7,616 | | |
| Total Debt Service | 20,494,055 | 20,647,873 | (153,818) | 20,890,809 |
| Total expenditures | 218,822,557 | 195,364,871 | 23,457,686 | 186,353,313 |
| Revenues over (under) expenditures | (14,394,795) | 21,652,462 | 36,047,257 | 17,244,268 |
| Other financing sources (uses) | | | | |
| Transfers from | | | | |
| Hospital Capital Reserve | 500,000 | 500,000 | - | 500,000 |
| CARES Act Fund | 0 | 0 | - | 4,472,297.00 |
| American Rescue Plan Act Fund | 11,276,243 | 10,938,991 | (337,252) | |
| School Capital Fund | 50,000 | 50,000 | - | 50,000 |
| School Construction Fund | 406,015 | 406,015 | - | - |
| Water and Sewer Fund | 384,000 | 384,000 | - | - |
| Transfers to | | | | |
| Reappraisal Fund | (554,946) | (554,946) | - | (535,837) |
| Emergency Telephone System | (22,509) | (22,509) | - | (4,333) |
| General Capital Projects Fund | (15,469,357) | (15,469,357) | - | (8,222,996) |
| Road Improvement Projects Fund | (588,000) | (588,000) | - | - |
| School Construction Fund | (2,075,000) | (2,075,000) | - | (400,000) |
| Proceeds from sale of assets | - | - | - | 8,075 |
| Bonds issued | 10,757,408 | 10,757,408 | - | - |
| Payment to refunded bond escrow agent | (10,757,408) | (10,757,408) | - | - |
| Lease liabilities issued | - | 1,579,797 | 1,579,797 | - |
| Fund Balance appropriated | 20,488,348 | - | (20,488,348) | - |
| Total other financing sources (uses) | 14,394,794 | (4,851,009) | (19,245,803) | (4,132,794) |
| Net change in fund balance | - | 16,801,453 | 16,801,453 | 13,111,474 |
| Fund Balances - Beginning of Year | | 112,624,508 | | |
| Fund Balances - End of Year | | 129,425,961 | | |

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, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|---------------|---------------|-------------------|---------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Investment earnings | \$ - | \$ (7,872) | \$ (7,872) | 794 |
| Total revenues | - | (7,872) | (7,872) | 794 |
| Expenditures | | | | |
| Current | | | | |
| General government | | | | |
| Salaries & employee benefits | 501,927 | 484,713 | 17,214 | |
| Other operating | 84,852 | 69,116 | 15,736 | |
| Total expenditures | 586,779 | 553,829 | 32,950 | 525,805 |
| Excess of revenues over (under) expenditures | (586,779) | (561,701) | 25,078 | (525,011) |
| Other Financing Sources (Uses) | | | | |
| Transfers from | | | | |
| General Fund | 554,946 | 554,946 | - | |
| Fund balance appropriated | 31,833 | - | (31,833) | - |
| Total other financing sources (uses) | 586,779 | 554,946 | (31,833) | 558,563 |
| Net change in fund balance | \$ - | (6,755) | \$ (6,755) | 33,552 |
| Fund Balances - Beginning of Year | | 130,395 | | 96,843 |
| Fund Balances - End of Year | | \$ 123,640 | | \$ 130,395 |



SM

Combining Statements for Nonmajor Funds

CATAWBA COUNTY, NORTH CAROLINA
Schedule B-1
**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

| | Special Revenue Funds (Schedule C-1) | Capital Project Funds (Schedule D-1) | Total Nonmajor Governmental Funds (Exhibit 3) |
|--|--|--|--|
| Assets | | | |
| Cash and investments | \$ 4,735,581 | \$ 21,150,266 | \$ 25,885,847 |
| Taxes receivable - net | 92,991 | - | 92,991 |
| Due from other governments | 200,611 | 2,984,467 | 3,185,078 |
| Interest receivable | 6,832 | 29,542 | 36,374 |
| Restricted cash and investments | 493,490 | 1,816,691 | 2,310,181 |
| Total assets | <u>5,529,505</u> | <u>25,980,966</u> | <u>31,510,471</u> |
| Liabilities | | | |
| Accounts payable and accrued liabilities | 61,521 | 539,708 | 601,229 |
| Advance from grantor payable from restricted assets | 512,843 | - | 512,843 |
| Total liabilities | <u>574,364</u> | <u>539,708</u> | <u>1,114,072</u> |
| Deferred Inflows of Resources | | | |
| Taxes receivable | 92,991 | - | 92,991 |
| Prepaid taxes | 7,106 | - | 7,106 |
| Total deferred inflows of resources | <u>100,097</u> | <u>-</u> | <u>100,097</u> |
| Fund Balances | | | |
| Restricted | | | |
| Stabilization by State Statute | 273,138 | 3,014,009 | 3,287,147 |
| Public Safety | 2,042,228 | - | 2,042,228 |
| Fire Protection | 2,077,632 | - | 2,077,632 |
| Library Endowment | 197,841 | - | 197,841 |
| Scholarship | 56,244 | - | 56,244 |
| Parks Preservation | 76,104 | - | 76,104 |
| Community Development | 50,694 | - | 50,694 |
| Representative Payee | 104,255 | - | 104,255 |
| School Construction | - | 1,816,691 | 1,816,691 |
| Hospital Capital | - | 2,230,555 | 2,230,555 |
| Committed | | | |
| Subdivision Road Improvement | - | 565,810 | 565,810 |
| School Capital | - | 9,825,269 | 9,825,269 |
| School Construction | - | 7,988,924 | 7,988,924 |
| Unassigned | (23,092) | - | (23,092) |
| Total fund balances | <u>4,855,044</u> | <u>25,441,258</u> | <u>30,296,302</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 5,529,505</u> | <u>\$ 25,980,966</u> | <u>\$ 31,510,471</u> |

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2022

| | Special Revenue Funds (Schedule C-3) | Capital Project Funds (Schedule D-2) | Total Nonmajor Governmental Funds (Exhibit 4) |
|--|--|--|--|
| Revenues | | | |
| Ad valorem taxes | \$ 10,330,899 | \$ - | \$ 10,330,899 |
| Other taxes | - | 8,406,025 | 8,406,025 |
| Restricted intergovernmental revenues | 1,528,037 | - | 1,528,037 |
| Permits and fees | 511,697 | - | 511,697 |
| Investment earnings | (145,130) | (722,631) | (867,761) |
| Miscellaneous | 500 | - | 500 |
| Total revenues | <u>12,226,003</u> | <u>7,683,394</u> | <u>19,909,397</u> |
| Expenditures | | | |
| Current | | | |
| General government | 135,129 | - | 135,129 |
| Public safety | 10,650,657 | - | 10,650,657 |
| Economic and physical development | 140,634 | - | 140,634 |
| Human services | 284,171 | - | 284,171 |
| Culture and recreation | 28,632 | - | 28,632 |
| Education | 354,669 | - | 354,669 |
| Capital outlay | - | 13,821,362 | 13,821,362 |
| Total expenditures | <u>11,593,892</u> | <u>13,821,362</u> | <u>25,415,254</u> |
| Excess of revenues over (under) expenditures | 632,111 | (6,137,968) | (5,505,857) |
| Other Financing Sources (Uses) | | | |
| Transfers from other funds | 63,406 | 2,756,081 | 2,819,487 |
| Transfers to other funds | (40,897) | (1,049,096) | (1,089,993) |
| Total other financing sources (uses) | <u>22,509</u> | <u>1,706,985</u> | <u>1,729,494</u> |
| Net change in fund balance | 654,620 | (4,430,983) | (3,776,363) |
| Fund Balances - Beginning of Year | <u>4,200,424</u> | <u>29,872,241</u> | <u>34,072,665</u> |
| Fund Balances - End of Year | <u>\$ 4,855,044</u> | <u>\$ 25,441,258</u> | <u>\$ 30,296,302</u> |



Special Revenue Funds

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

Major Funds

American Rescue Plan Act Fund -

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

Non Major Funds

Emergency Telephone System Fund -

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

Narcotics Seized Funds and Property Fund –

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

State Unauthorized Substance Abuse Fund –

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

Narcotics Seized Justice Fund –

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

Narcotics Seized Treasury Fund –

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

Rescue Squads Fund -

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

Library Endowment Fund –

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

Gretchen Peed Scholarship Fund –

To account for donations that are stipulated for scholarships.

Parks/Historic Preservation Trust Fund –

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

Community Development Fund –

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

Fines and Forfeitures Fund –

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

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.

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
**American Rescue Plan Act (ARPA) Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022**

| | Project Authorization | Prior Years | Current Year | Total to Date | Over/Under |
|--|----------------------------------|--------------------|---------------------|----------------------|---------------------|
| Revenues | | | | | |
| Intergovernmental revenue | | | | | |
| Federal grants | \$ 22,232,943 | \$ - | \$ 10,954,091 | \$ 10,954,091 | \$ (11,278,852) |
| Investment earnings | - | (15,577) | (255,049) | \$ (270,626) | (270,626) |
| Total revenues | <u>22,232,943</u> | <u>(15,577)</u> | <u>10,699,042</u> | <u>\$ 10,683,465</u> | <u>(11,549,478)</u> |
| Expenditures | | | | | |
| Current | | | | | |
| Public safety | 95,000 | - | 15,100 | 15,100 | 79,900 |
| Total expenditures | <u>95,000</u> | <u>-</u> | <u>15,100</u> | <u>15,100</u> | <u>79,900</u> |
| Excess of revenues over (under) expenditures | <u>22,137,943</u> | <u>(15,577)</u> | <u>10,683,942</u> | <u>10,668,365</u> | <u>(11,469,578)</u> |
| Other Financing Sources (Uses) | | | | | |
| Transfers to | - | - | - | - | - |
| General Fund | (10,598,943) | - | (10,938,991) | (10,938,991) | (340,048) |
| Water and Sewer Capital Fund | (11,539,000) | - | - | - | 11,539,000 |
| Total other financing sources (uses) | <u>(22,137,943)</u> | <u>-</u> | <u>(10,938,991)</u> | <u>(10,938,991)</u> | <u>11,198,952</u> |
| Net change in fund balance | <u>-</u> | <u>(15,577)</u> | <u>(255,049)</u> | | <u>(270,626)</u> |
| Fund Balances - Beginning of Year | | | <u>(15,577)</u> | | |
| Fund Balances - End of Year | | | <u>\$ (270,626)</u> | | |

Refer to Note 2 in the notes to the financial statements



SM

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

Page 1 of 4

**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2022**

| | Emergency Telephone System Fund | Narcotics Seized Funds And Property Fund | State Unauthorized Substance Abuse Fund | Narcotics Seized Justice Fund |
|---|--|---|--|--|
| Assets | | | | |
| Cash and investments | \$ 1,265,271 | \$ 608 | \$ 59,283 | 428,743 |
| Taxes receivable - net | - | - | - | - |
| Restricted cash and investments | | | | |
| Due from other governments | 84,662 | - | 2,919 | - |
| Interest receivable | 1,704 | 1 | 77 | 547 |
| Total assets | <u>1,351,637</u> | <u>609</u> | <u>62,279</u> | <u>429,290</u> |
| Liabilities | | | | |
| Accounts payable and accrued liabilities | 16,900 | - | - | - |
| Advance from grantor payable from restricted assets | - | - | - | - |
| Total liabilities | <u>16,900</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Deferred Inflows of Resources | | | | |
| Taxes receivable | - | - | - | - |
| Prepaid taxes | - | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balances | | | | |
| Restricted | | | | |
| Stabilization by State Statute | 86,366 | 1 | 24,155 | 29,047 |
| Public Safety | 1,248,371 | 608 | 38,124 | 400,243 |
| Fire Protection | - | - | - | - |
| Library Endowment | - | - | - | - |
| Scholarship | - | - | - | - |
| Parks Preservation | - | - | - | - |
| Community Development | - | - | - | - |
| Unassigned | - | - | - | - |
| Representative Payee | - | - | - | - |
| Total fund balances | <u>1,334,737</u> | <u>609</u> | <u>62,279</u> | <u>429,290</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 1,351,637</u> | <u>\$ 609</u> | <u>\$ 62,279</u> | <u>\$ 429,290</u> |

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

Page 2 of 4

**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2022**

| | Narcotics Seized Treasury Fund | Rescue Squads Fund | Library Endowment Fund | Gretchen Peed Scholarship Fund | Parks/ Historic Preservation Fund |
|---|---|-----------------------------------|---------------------------------------|---|--|
| Assets | | | | | |
| Cash and investments | 151,271 | \$ 222,647 | \$ 197,841 | \$ 56,244 | \$ 76,104 |
| Taxes receivable - net | - | - | - | - | - |
| Restricted cash and investments | | | | | |
| Due from other governments | 235 | 6,981 | - | - | - |
| Interest receivable | 182 | 458 | 276 | 78 | 52 |
| Total assets | <u>151,688</u> | <u>230,086</u> | <u>198,117</u> | <u>56,322</u> | <u>76,156</u> |
| Liabilities | | | | | |
| Accounts payable and accrued liabilities | 3,000 | - | - | - | - |
| Advance from grantor payable from restricted assets | - | - | - | - | - |
| Total liabilities | <u>3,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Deferred Inflows of Resources | | | | | |
| Taxes receivable | - | - | - | - | - |
| Prepaid taxes | - | - | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balances | | | | | |
| Restricted | | | | | |
| Stabilization by State Statute | 16,452 | 7,440 | 276 | 78 | 52 |
| Public Safety | 132,236 | 222,646 | - | - | - |
| Fire Protection | - | - | - | - | - |
| Library Endowment | - | - | 197,841 | - | - |
| Scholarship | - | - | - | 56,244 | - |
| Parks Preservation | - | - | - | - | 76,104 |
| Community Development | - | - | - | - | - |
| Unassigned | - | - | - | - | - |
| Representative Payee | - | - | - | - | - |
| Total fund balances | <u>148,688</u> | <u>230,086</u> | <u>198,117</u> | <u>56,322</u> | <u>76,156</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 151,688</u> | <u>\$ 230,086</u> | <u>\$ 198,117</u> | <u>\$ 56,322</u> | <u>\$ 76,156</u> |

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

Page 3 of 4

**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2022**

| | Community Development Fund | Fines and Forfeitures Fund | Opioid Settlement Fund |
|---|----------------------------------|-------------------------------|------------------------------|
| Assets | | | |
| Cash and investments | \$ 50,694 | 26,791 | \$ - |
| Taxes receivable - net | - | - | |
| Restricted cash and investments | - | - | \$ 493,490 |
| Due from other governments | 1,715 | 5,703 | |
| Interest receivable | 50 | - | 687 |
| Total assets | <u>52,459</u> | <u>32,494</u> | <u>494,177</u> |
| Liabilities | | | |
| Accounts payable and accrued liabilities | - | 30,530 | |
| Advance from grantor payable from restricted assets | - | - | 512,843 |
| Total liabilities | <u>-</u> | <u>30,530</u> | <u>512,843</u> |
| Deferred Inflows of Resources | | | |
| Taxes receivable | - | - | - |
| Prepaid taxes | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balances | | | |
| Restricted | | | |
| Stabilization by State Statute | 1,765 | 5,703 | 687 |
| Public Safety | - | - | |
| Fire Protection | - | - | |
| Library Endowment | - | - | |
| Scholarship | - | - | |
| Parks Preservation | - | - | |
| Community Development | 50,694 | - | |
| Unassigned | - | (3,739) | (19,353) |
| Representative Payee | - | - | - |
| Total fund balances | <u>52,459</u> | <u>1,964</u> | <u>(18,666)</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 52,459</u> | <u>\$ 32,494</u> | <u>\$ 494,177</u> |

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-1

Page 4 of 4

**Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2022**

| | Representative Payee Fund | Deed of Trust Fund | Fire District Funds | Total Nonmajor Special Revenue Funds |
|---|------------------------------|-----------------------|------------------------|---|
| Assets | | | | |
| Cash and investments | 104,255 | 11,073 | \$ 2,084,756 | \$ 4,735,581 |
| Taxes receivable - net | - | - | 92,991 | 92,991 |
| Restricted cash and investments | - | - | - | 493,490 |
| Due from other governments | - | - | 98,396 | 200,611 |
| Interest receivable | - | - | 2,720 | 6,832 |
| Total assets | <u>104,255</u> | <u>11,073</u> | <u>2,278,863</u> | <u>5,529,505</u> |
| Liabilities | | | | |
| Accounts payable and accrued liabilities | - | 11,073 | 18 | 61,521 |
| Advance from grantor payable from restricted assets | - | - | - | 512,843 |
| Total liabilities | <u>-</u> | <u>11,073</u> | <u>18</u> | <u>574,364</u> |
| Deferred Inflows of Resources | | | | |
| Taxes receivable | - | - | 92,991 | 92,991 |
| Prepaid taxes | - | - | 7,106 | 7,106 |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>100,097</u> | <u>100,097</u> |
| Fund Balances | | | | |
| Restricted | | | | |
| Stabilization by State Statute | - | - | 101,116 | 273,138 |
| Public Safety | - | - | - | 2,042,228 |
| Fire Protection | - | - | 2,077,632 | 2,077,632 |
| Library Endowment | - | - | - | 197,841 |
| Scholarship | - | - | - | 56,244 |
| Parks Preservation | - | - | - | 76,104 |
| Community Development | - | - | - | 50,694 |
| Unassigned | | | - | (23,092) |
| Representative Payee | <u>104,255</u> | <u>-</u> | <u>-</u> | <u>104,255</u> |
| Total fund balances | <u>104,255</u> | <u>-</u> | <u>2,178,748</u> | <u>4,855,044</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 104,255</u> | <u>\$ 11,073</u> | <u>\$ 2,278,863</u> | <u>\$ 5,529,505</u> |

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-2

Page 1 of 3

**Fire District Funds
Subcombining Balance Sheet
June 30, 2022**

| | 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 | \$ 48,269 | \$ 103,274 | \$ 99,395 | \$ 370,982 | \$ 122,688 |
| Taxes receivable - net | 4,675 | 3,122 | 11,210 | 2,264 | 4,839 |
| Due from other governments | 7,650 | 3,048 | 16,843 | 1,719 | 5,044 |
| Interest receivable | <u>58</u> | <u>139</u> | <u>125</u> | <u>512</u> | <u>164</u> |
| Total assets | <u>60,652</u> | <u>109,583</u> | <u>127,573</u> | <u>375,477</u> | <u>132,735</u> |
| Liabilities | | | | | |
| Accounts payable and accrued liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Deferred Inflows of Resources | | | | | |
| Taxes receivable | 4,675 | 3,122 | 11,210 | 2,264 | 4,839 |
| Prepaid taxes | <u>731</u> | <u>111</u> | <u>8</u> | <u>54</u> | <u>319</u> |
| Total deferred inflows of resources | <u>5,406</u> | <u>3,233</u> | <u>11,218</u> | <u>2,318</u> | <u>5,158</u> |
| Fund Balances | | | | | |
| Restricted | | | | | |
| Stabilization by State Statute | 7,708 | 3,187 | 16,968 | 2,231 | 5,208 |
| Fire Protection | <u>47,538</u> | <u>103,163</u> | <u>99,387</u> | <u>370,928</u> | <u>122,369</u> |
| Unassigned | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total fund balances | <u>55,246</u> | <u>106,350</u> | <u>116,355</u> | <u>373,159</u> | <u>127,577</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 60,652</u> | <u>\$ 109,583</u> | <u>\$ 127,573</u> | <u>\$ 375,477</u> | <u>\$ 132,735</u> |

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-2

Page 2 of 3

**Fire District Funds
Subcombining Balance Sheet
June 30, 2022**

| | 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 | \$ 614,028 | \$ 179,078 | \$ 143,919 | \$ 94,480 | \$ 64,889 |
| Taxes receivable - net | 25,016 | 12,005 | 3,414 | 6,165 | 5,242 |
| Due from other governments | 23,453 | 11,033 | 3,259 | 5,402 | 3,034 |
| Interest receivable | 790 | 218 | 191 | 125 | 79 |
| Total assets | <u>663,287</u> | <u>202,334</u> | <u>150,783</u> | <u>106,172</u> | <u>73,244</u> |
| Liabilities | | | | | |
| Accounts payable and accrued liabilities | - | - | - | - | - |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Deferred Inflows of Resources | | | | | |
| Taxes receivable | 25,016 | 12,005 | 3,414 | 6,165 | 5,242 |
| Prepaid taxes | 2,081 | 73 | - | 290 | 1,209 |
| Total deferred inflows of resources | <u>27,097</u> | <u>12,078</u> | <u>3,414</u> | <u>6,455</u> | <u>6,451</u> |
| Fund Balances | | | | | |
| Restricted | | | | | |
| Stabilization by State Statute | 24,243 | 11,251 | 3,450 | 5,527 | 3,113 |
| Fire Protection | 611,947 | 179,005 | 143,919 | 94,190 | 63,680 |
| Unassigned | - | - | - | - | - |
| Total fund balances | <u>636,190</u> | <u>190,256</u> | <u>147,369</u> | <u>99,717</u> | <u>66,793</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 663,287</u> | <u>\$ 202,334</u> | <u>\$ 150,783</u> | <u>\$ 106,172</u> | <u>\$ 73,244</u> |

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-2

Page 3 of 3

**Fire District Funds
Subcombining Balance Sheet
June 30, 2022**

| | 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 | \$ 26,711 | \$ 78,367 | \$ 89,979 | \$ 48,697 | \$ 2,084,756 |
| Taxes receivable - net | 470 | 5,693 | 2,382 | 6,494 | 92,991 |
| Due from other governments | 350 | 9,199 | 1,540 | 6,822 | 98,396 |
| Interest receivable | 37 | 95 | 122 | 65 | 2,720 |
| Total assets | <u>27,568</u> | <u>93,354</u> | <u>94,023</u> | <u>62,078</u> | <u>2,278,863</u> |
| Liabilities | | | | | |
| Accounts payable and accrued liabilities | 18 | - | - | - | 18 |
| Total liabilities | <u>18</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>18</u> |
| Deferred Inflows of Resources | | | | | |
| Taxes receivable | 470 | 5,693 | 2,382 | 6,494 | 92,991 |
| Prepaid taxes | - | 1,913 | 67 | 250 | 7,106 |
| Total deferred inflows of resources | <u>470</u> | <u>7,606</u> | <u>2,449</u> | <u>6,744</u> | <u>100,097</u> |
| Fund Balances | | | | | |
| Restricted | | | | | |
| Stabilization by State Statute | 387 | 9,294 | 1,662 | 6,887 | 101,116 |
| Fire Protection | <u>26,693</u> | <u>76,454</u> | <u>89,912</u> | <u>48,447</u> | <u>2,077,632</u> |
| Unassigned | - | - | - | - | - |
| Total fund balances | <u>27,080</u> | <u>85,748</u> | <u>91,574</u> | <u>55,334</u> | <u>2,178,748</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 27,568</u> | <u>\$ 93,354</u> | <u>\$ 94,023</u> | <u>\$ 62,078</u> | <u>\$ 2,278,863</u> |



Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2022

| | Emergency Telephone System Fund | Narcotics Seized Funds and Property Fund | State Unauthorized Substance Abuse Fund | Narcotics Seized Justice Fund |
|---|--|---|--|--|
| Revenues | | | | |
| Ad valorem taxes | \$ - | \$ - | \$ - | \$ - |
| Restricted intergovernmental revenues | 740,568 | - | 31,232 | 232,444 |
| Permits and fees | - | - | - | - |
| Investment earnings | (42,629) | (10) | (1,816) | 2,095 |
| Miscellaneous | - | - | - | - |
| Total revenues | <u>697,939</u> | <u>(10)</u> | <u>29,416</u> | <u>234,539</u> |
| Expenditures | | | | |
| Current | | | | |
| General government | - | - | - | - |
| Public safety | 490,471 | - | 106,205 | 1,000 |
| Economic and physical development | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Education | - | - | - | - |
| Total expenditures | <u>490,471</u> | <u>-</u> | <u>106,205</u> | <u>1,000</u> |
| Excess of revenue over (under) expenditures | <u>207,468</u> | <u>(10)</u> | <u>(76,789)</u> | <u>233,539</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers from other funds | 22,509 | - | - | 36,353 |
| Transfers to other funds | - | (40,897) | - | - |
| Total other financing sources (uses) | <u>22,509</u> | <u>(40,897)</u> | <u>-</u> | <u>36,353</u> |
| Net change in fund balance | 229,977 | (40,907) | (76,789) | 269,892 |
| Fund Balances - Beginning of Year | <u>1,104,760</u> | <u>41,516</u> | <u>139,068</u> | <u>159,398</u> |
| Fund Balances - End of Year | <u>\$ 1,334,737</u> | <u>\$ 609</u> | <u>\$ 62,279</u> | <u>\$ 429,290</u> |

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-3

Page 2 of 4

**Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2022**

| | Narcotics Seized Treasury Fund | Rescue Squads Fund | Library Endowment Fund | Gretchen Peed Scholarship Fund | Parks/ Historic Preservation Fund |
|---|---|-----------------------------------|---------------------------------------|---|--|
| Revenues | | | | | |
| Ad valorem taxes | \$ - | \$ 844,892 | \$ - | \$ - | \$ - |
| Restricted intergovernmental revenues | 85,033 | - | 8,110 | - | - |
| Permits and fees | - | - | - | - | 21,449 |
| Investment earnings | 822 | (11,735) | (6,734) | (1,927) | (1,161) |
| Miscellaneous | - | - | - | 500 | - |
| Total revenues | <u>85,855</u> | <u>833,157</u> | <u>1,376</u> | <u>(1,427)</u> | <u>20,288</u> |
| Expenditures | | | | | |
| Current | | | | | |
| General government | - | - | - | - | - |
| Public safety | 26,385 | 939,282 | - | - | - |
| Economic and physical development | - | - | - | - | - |
| Human services | - | - | - | 1,000 | - |
| Culture and recreation | - | - | 28,632 | - | - |
| | - | - | - | - | - |
| Total expenditures | <u>26,385</u> | <u>939,282</u> | <u>28,632</u> | <u>1,000</u> | <u>-</u> |
| Excess of revenue over (under) expenditures | <u>59,470</u> | <u>(106,125)</u> | <u>(27,256)</u> | <u>(2,427)</u> | <u>20,288</u> |
| Other Financing Sources (Uses) | | | | | |
| Transfers from other funds | 4,544 | - | - | - | - |
| Transfers to other funds | - | - | - | - | - |
| Total other financing sources (uses) | <u>4,544</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | 64,014 | (106,125) | (27,256) | (2,427) | 20,288 |
| Fund Balances - Beginning of Year | <u>84,674</u> | <u>336,211</u> | <u>225,373</u> | <u>58,749</u> | <u>55,868</u> |
| Fund Balances - End of Year | <u>\$ 148,688</u> | <u>\$ 230,086</u> | <u>\$ 198,117</u> | <u>\$ 56,322</u> | <u>\$ 76,156</u> |

Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2022

| | Community Development Fund | Fines and Forfeitures Fund | Opioid Settlement Fund |
|---|---|---------------------------------------|---------------------------------------|
| Revenues | | | |
| Ad valorem taxes | \$ - | - | |
| Restricted intergovernmental revenues | 172,528 | - | |
| Permits and fees | - | 355,119 | |
| Investment earnings | 244 | - | (18,666) |
| Miscellaneous | - | - | - |
| Total revenues | <u>172,772</u> | <u>355,119</u> | <u>(18,666)</u> |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | - | - | - |
| Economic and physical development | 140,634 | - | - |
| Human services | - | - | - |
| Culture and recreation | - | - | - |
| Education | - | 354,669 | - |
| Total expenditures | <u>140,634</u> | <u>354,669</u> | <u>-</u> |
| Excess of revenue over (under) expenditures | <u>32,138</u> | <u>450</u> | <u>(18,666)</u> |
| Other Financing Sources (Uses) | | | |
| Transfers from other funds | - | - | - |
| Transfers to other funds | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | 32,138 | 450 | (18,666) |
| Fund Balances - Beginning of Year | <u>20,321</u> | <u>1,514</u> | <u>-</u> |
| Fund Balances - End of Year | <u>\$ 52,459</u> | <u>\$ 1,964</u> | <u>\$ (18,666)</u> |

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

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-3

Page 4 of 4

**Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2022**

| | Representative Payee Fund | Deed of Trust Fund | Fire District Funds | Total Nonmajor Special Revenue Funds |
|---|--------------------------------------|-------------------------------|--------------------------------|---|
| Revenues | | | | |
| Ad valorem taxes | - | - | \$ 9,486,007 | \$ 10,330,899 |
| Restricted intergovernmental revenues | 258,122 | - | - | 1,528,037 |
| Permits and fees | - | 135,129 | - | 511,697 |
| Investment earnings | - | - | (63,613) | (145,130) |
| Miscellaneous | - | - | - | 500 |
| Total revenues | <u>258,122</u> | <u>135,129</u> | <u>9,422,394</u> | <u>12,226,003</u> |
| Expenditures | | | | |
| Current | | | | |
| General government | - | 135,129 | - | 135,129 |
| Public safety | - | - | 9,087,314 | 10,650,657 |
| Economic and physical development | - | - | - | 140,634 |
| Human services | 283,171 | - | - | 284,171 |
| Culture and recreation | - | - | - | 28,632 |
| Education | - | - | - | 354,669 |
| Total expenditures | <u>283,171</u> | <u>135,129</u> | <u>9,087,314</u> | <u>11,593,892</u> |
| Excess of revenue over (under) expenditures | <u>(25,049)</u> | <u>-</u> | <u>335,080</u> | <u>632,111</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers from other funds | - | - | - | 63,406 |
| Transfers to other funds | - | - | - | (40,897) |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>22,509</u> |
| Net change in fund balance | (25,049) | - | 335,080 | 654,620 |
| Fund Balances - Beginning of Year | <u>129,304</u> | <u>-</u> | <u>1,843,668</u> | <u>4,200,424</u> |
| Fund Balances - End of Year | <u>\$ 104,255</u> | <u>\$ -</u> | <u>\$ 2,178,748</u> | <u>\$ 4,855,044</u> |

CATAWBA COUNTY, NORTH CAROLINA

Schedule C-4

Emergency Telephone System Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|-----------------|---------------------|-------------------|---------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Restricted intergovernmental revenues | | | | |
| North Carolina 911 funds | \$ 611,005 | \$ 675,787 | \$ 64,782 | \$ 786,709 |
| North Carolina 911 funds - secondary PSAP | 64,782 | 64,781 | (1) | 109,865 |
| Investment earnings | - | (42,629) | (42,629) | (403) |
| Total revenues | <u>675,787</u> | <u>697,939</u> | <u>22,152</u> | <u>896,171</u> |
| Expenditures | | | | |
| Current | | | | |
| Public Safety | | | | |
| Implemental functions | 26,000 | 19,684 | 6,316 | 22,470 |
| Telephone and furniture | 210,900 | 100,008 | 110,892 | 281,417 |
| Software | 211,300 | 145,049 | 66,251 | 292,282 |
| Hardware | 85,425 | 148,173 | (62,748) | 72,857 |
| Training | 21,490 | 12,776 | 8,714 | 6,324 |
| Secondary PSAP | 64,782 | 64,781 | 1 | 109,865 |
| Miscellaneous | 88,599 | - | 88,599 | - |
| Total expenditures | <u>708,496</u> | <u>490,471</u> | <u>218,025</u> | <u>785,215</u> |
| Excess of revenues over (under) expenditures | <u>(32,709)</u> | <u>207,468</u> | <u>240,177</u> | <u>110,956</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers from | | | | |
| General Fund | <u>22,509</u> | <u>22,509</u> | <u>-</u> | <u>4,333</u> |
| Transfers to | | | | |
| General Fund | - | - | - | - |
| Fund balance appropriated | <u>10,200</u> | <u>-</u> | <u>(10,200)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>32,709</u> | <u>22,509</u> | <u>(10,200)</u> | <u>4,333</u> |
| Net change in fund balance | <u>\$ -</u> | <u>229,977</u> | <u>\$ 229,977</u> | <u>115,289</u> |
| Fund Balances - Beginning of Year | | <u>1,104,760</u> | | <u>989,471</u> |
| Fund Balances - End of Year | | <u>\$ 1,334,737</u> | | <u>\$ 1,104,760</u> |

CATAWBA COUNTY, NORTH CAROLINA**Schedule C-4A****Emergency Telephone System Unspent Fund Balance
PSAP Reconciliation
June 30, 2022**

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 | \$ 229,977 |
| Secondary PSAP Pass Through Funding | |
| NC 911 Funds | (64,781) |
| Pass through to Secondary PSAPs | 64,781 |
| Ineligible 911 expenses reported in Emergency Telephone System Fund in prior year recovered through transfer from General Fund | - |
| Transfer from General Fund | <u>(22,509)</u> |
| Net change in fund balance | <u>207,468</u> |
| Beginning Balance, PSAP Revenue-Expenditure Report | <u>1,127,268</u> |
| Ending Balance, PSAP Revenue- Expenditure Report | <u>\$ 1,334,736</u> |

Narcotics Seized Funds and Property Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|-------------|---------------|--------------------|------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Restricted intergovernmental revenues | | | | |
| U. S. Treasury | | | | |
| Asset Forfeitures | \$ - | \$ - | \$ - | \$ - |
| Investment earnings | - | (10) | (10) | 2 |
| Total revenues | - | (10) | (10) | 2 |
| Expenditures | | | | |
| Current | | | | |
| Public Safety | | | | |
| Other operating | - | - | - | - |
| Total expenditures | - | - | - | - |
| Excess of revenues over (under) expenditures | - | (10) | (10) | 2 |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | 40,897 | - | (40,897) | - |
| Transfers to | | | | |
| Other funds | (40,897) | (40,897) | - | - |
| Total other financing sources (uses) | - | (40,897) | (40,897) | - |
| Net change in fund balance | <u>\$ -</u> | (40,907) | <u>\$ (40,907)</u> | 2 |
| Fund Balances - Beginning of Year | | <u>41,516</u> | | <u>41,514</u> |
| Fund Balances - End of Year | | <u>\$ 609</u> | | <u>\$ 41,516</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, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|-----------|-----------|-------------|--------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Restricted intergovernmental revenues | | | | |
| Drug Reimbursement | \$ - | \$ 31,232 | \$ 31,232 | \$ 24,899 |
| Investment earnings | - | (1,816) | (1,816) | (27) |
| Sale of properties | - | - | - | - |
| Miscellaneous | - | - | - | - |
| Total revenues | - | 29,416 | 29,416 | 24,872 |
| Expenditures | | | | |
| Current | | | | |
| Public Safety | | | | |
| Other operating | 15,636 | 8,500 | 7,136 | 16,192 |
| Capital outlay | 118,864 | 97,705 | 21,159 | - |
| Total expenditures | 134,500 | 106,205 | 28,295 | 16,192 |
| Excess of revenues over (under) expenditures | (134,500) | (76,789) | 57,711 | 8,680 |
| Other Financing Sources (Uses) | | | | |
| Transfers from | | | | |
| General Fund | - | - | - | - |
| Fund balance appropriated | 134,500 | - | (134,500) | - |
| Total other financing sources (uses) | 134,500 | - | (134,500) | - |
| Net change in fund balance | \$ - | (76,789) | \$ (76,789) | 8,680 |
| Fund Balances - Beginning of Year | | 139,068 | | 130,388 |
| Fund Balances - End of Year | | \$ 62,279 | | \$ 139,068 |

Narcotics Federal Seizure Justice Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior Year |
|--|----------|------------|------------|----------------------|
| | Budget | Actual | Over/Under | |
| Revenues | | | | |
| Restricted intergovernmental revenues | | | | |
| Asset Forfeitures | \$ - | \$ 232,444 | \$ 232,444 | \$ 16,186 |
| Investment earnings | - | 2,095 | 2,095 | 175 |
| Total revenues | - | 234,539 | 234,539 | 16,361 |
| Expenditures | | | | |
| Current | | | | |
| Public Safety | | | | |
| Other operating | 41,000 | 1,000 | 40,000 | 16,492 |
| Total expenditures | 41,000 | 1,000 | 40,000 | 16,492 |
| Excess of revenues over (under) expenditures | (41,000) | 233,539 | 274,539 | (131) |
| Other Financing Sources (Uses) | | | | |
| Transfers from | | | | |
| Other funds | 36,353 | 36,353 | - | - |
| Fund balance appropriated | 4,647 | - | (4,647) | - |
| Total other financing sources (uses) | 41,000 | 36,353 | (4,647) | - |
| Net change in fund balance | \$ - | 269,892 | \$ 269,892 | (131) |
| Fund Balances - Beginning of Year | | 159,398 | | 159,529 |
| Fund Balances - End of Year | | \$ 429,290 | | \$ 159,398 |

Narcotics Federal Seizure Treasury Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|----------|------------|------------|--------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Restricted intergovernmental revenues | | | | |
| Asset Forfeitures | \$ - | \$ 85,033 | \$ 85,033 | \$ 61,656 |
| Investment earnings | - | 822 | 822 | (124) |
| Total revenues | - | 85,855 | 85,855 | 61,532 |
| Expenditures | | | | |
| Current | | | | |
| Public Safety | | | | |
| Other operating | 43,350 | 26,385 | 16,965 | 13,471 |
| Total expenditures | 43,350 | 26,385 | 16,965 | 13,471 |
| Excess of revenues over (under) expenditures | (43,350) | 59,470 | 102,820 | 48,061 |
| Other Financing Sources (Uses) | | | | |
| Transfers from | | | | |
| Other funds | 4,544 | 4,544 | - | 0 |
| Fund balance appropriated | 38,806 | - | (38,806) | - |
| Total other financing sources (uses) | 43,350 | 4,544 | (38,806) | - |
| Net change in fund balance | \$ - | 64,014 | \$ 64,014 | 48,061 |
| Fund Balances - Beginning of Year | | 84,674 | | 36,613 |
| Fund Balances - End of Year | | \$ 148,688 | | \$ 84,674 |

Rescue Squads Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|------------|------------|--------------|--------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 844,892 | \$ 844,892 | \$ - | \$ 844,892 |
| Investment earnings | - | (11,735) | (11,735) | (354) |
| Total revenues | 844,892 | 833,157 | (11,735) | 844,538 |
| Expenditures | | | | |
| Public Safety | | | | |
| Other operating | 944,892 | 939,282 | 5,610 | 996,073 |
| Total expenditures | 944,892 | 939,282 | 5,610 | 996,073 |
| Excess of revenues over (under) expenditures | (100,000) | (106,125) | (6,125) | (151,535) |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | 100,000 | - | (100,000) | - |
| Total other financing sources (uses) | 100,000 | - | (100,000) | - |
| Net change in fund balance | \$ - | (106,125) | \$ (106,125) | (151,535) |
| Fund Balances - Beginning of Year | | 336,211 | | 487,746 |
| Fund Balances - End of Year | | \$ 230,086 | | \$ 336,211 |

Library Endowment Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|-----------------|-------------------|--------------------|---------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Community Foundation | \$ 8,487 | \$ 8,110 | \$ (377) | \$ 22,828 |
| Investment earnings | <u>1,000</u> | <u>(6,734)</u> | <u>(7,734)</u> | <u>(7)</u> |
| Total revenues | <u>9,487</u> | <u>1,376</u> | <u>(8,111)</u> | <u>22,821</u> |
| | - | | | |
| Expenditures | | | | |
| Culture and recreation | | | | |
| Other operating | <u>50,513</u> | <u>28,632</u> | <u>21,881</u> | <u>2,884</u> |
| Total expenditures | <u>50,513</u> | <u>28,632</u> | <u>21,881</u> | <u>2,884</u> |
| Excess of revenues over (under) expenditures | <u>(41,026)</u> | <u>(27,256)</u> | <u>13,770</u> | <u>19,937</u> |
| Other Financing Sources (Uses) | | | | |
| Transfer from other funds | - | - | - | - |
| Fund balance appropriated | <u>41,026</u> | <u>-</u> | <u>(41,026)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>41,026</u> | <u>-</u> | <u>(41,026)</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>(27,256)</u> | <u>\$ (27,256)</u> | <u>19,937</u> |
| Fund Balances - Beginning of Year | | <u>225,373</u> | | <u>205,436</u> |
| Fund Balances - End of Year | | <u>\$ 198,117</u> | | <u>\$ 225,373</u> |

Gretchen Peed Scholarship Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|---------------|---------------|-------------------|---------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Investment earnings | \$ 250 | \$ (1,927) | \$ (2,177) | \$ 2 |
| Miscellaneous | | | | |
| Donations | 1,250 | 500 | (750) | - |
| Total revenues | 1,500 | (1,427) | (2,927) | 2 |
| Expenditures | | | | |
| Human services | | | | |
| Scholarship awards | 1,500 | 1,000 | 500 | - |
| Total expenditures | 1,500 | 1,000 | 500 | - |
| Excess of revenues over (under) expenditures | - | (2,427) | (2,427) | 2 |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balance | \$ - | (2,427) | \$ (2,427) | 2 |
| Fund Balances - Beginning of Year | | 58,749 | | 58,747 |
| Fund Balances - End of Year | | \$ 56,322 | | \$ 58,749 |

Parks/Historic Preservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|---------------|------------------|-------------------|---------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Licenses and permits | | | | |
| Developer fee | - | 21,449 | 21,449 | 32,673 |
| Investment earnings | - | (1,161) | (1,161) | (177) |
| Miscellaneous | | | | |
| Miscellaneous | - | - | - | 200 |
| Total revenues | - | 20,288 | 20,288 | 32,696 |
| Expenditures | | | | |
| Economic and physical development | | | | |
| Other operating | - | - | - | - |
| Total expenditures | - | - | - | - |
| Excess of revenues over (under) expenditures | - | 20,288 | 20,288 | 32,696 |
| | - | | | |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balance | <u>\$ -</u> | 20,288 | <u>\$ 20,288</u> | 32,696 |
| Fund Balances - Beginning of Year | | <u>55,868</u> | | <u>23,172</u> |
| Fund Balances - End of Year | | <u>\$ 76,156</u> | | <u>\$ 55,868</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, 2022**

| NC Housing Trust Fund (NCHFA) 2020 Urgent Repair Program (URP 2002) | Project Authorization | Actual | | | |
|--|--------------------------|-------------|--------------|---------------|------------|
| | | Prior Years | Current Year | Total to Date | Over/Under |
| Revenues | | | | | |
| Restricted intergovernmental revenues | \$ 100,000 | \$ 50,000 | \$ 50,000 | \$ 100,000 | \$ - |
| Investment earnings | - | 98 | 67 | 165 | 165 |
| Total revenues | 100,000 | 50,098 | 50,067 | 100,165 | - |
| Expenditures | | | | | |
| Economic and physical development | | | | | |
| Administration | 14,000 | - | 11,592 | 11,592 | 2,408 |
| Rehabilitation | 86,000 | 29,777 | 58,796 | 88,573 | (2,573) |
| Total expenditures | 100,000 | 29,777 | 70,388 | 100,165 | (165) |
| Excess of revenues over (under) expenditures | - | 20,321 | (20,321) | - | - |
| Other Financing Sources (Uses) | | | | | |
| Fund balance appropriated | - | - | - | - | - |
| Net change in fund balance | \$ - | \$ 20,321 | (20,321) | \$ - | \$ - |
| Fund Balances - Beginning of Year | | | 20,321 | | |
| Fund Balances - End of Year | | | \$ - | | |

| NC Housing Trust Fund (NCHFA) 2021 Urgent Repair Program (URP 2103) | Project Authorization | Actual | | | |
|--|--------------------------|-------------|--------------|---------------|------------|
| | | Prior Years | Current Year | Total to Date | Over/Under |
| Revenues | | | | | |
| Restricted intergovernmental revenues | \$ 100,000 | \$ - | \$ 100,000 | \$ 100,000 | \$ - |
| Investment earnings | - | - | 177 | 177 | 177 |
| Total revenues | 100,000 | - | 100,177 | 100,177 | - |
| Expenditures | | | | | |
| Economic and physical development | | | | | |
| Administration | 12,000 | - | 0 | - | 12,000 |
| Rehabilitation | 88,000 | - | 44,718 | 44,718 | 43,282 |
| Total expenditures | 100,000 | - | 44,718 | 44,718 | 55,282 |
| Excess of revenues over (under) expenditures | - | - | 55,459 | 55,459 | 55,459 |
| Other Financing Sources (Uses) | | | | | |
| Fund balance appropriated | - | - | - | - | - |
| Net change in fund balance | \$ - | \$ - | 55,459 | \$ 55,459 | \$ 55,459 |
| Fund Balances - Beginning of Year | | | - | | |
| Fund Balances - End of Year | | | \$ 55,459 | | |

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, 2021

| NC Scattered Site Housing Grant Number 19-C-3125 | Project Authorization | Actual | | | Over/Under |
|---|--------------------------|-------------|-------------------|-------------------|-------------------|
| | | Prior Years | Current Year | Total to Date | |
| Revenues | | | | | |
| Restricted intergovernmental revenues | \$ 750,000 | \$ - | \$ 22,528 | \$ 22,528 | \$ (727,472) |
| Total revenues | <u>750,000</u> | <u>-</u> | <u>22,528</u> | <u>22,528</u> | <u>(727,472)</u> |
| Expenditures | | | | | |
| Economic and physical development | | | | | |
| Administration | 65,000 | - | 21,928 | 21,928 | 43,072 |
| Rehabilitation | 682,000 | - | 600 | 600 | 681,400 |
| Planning | 3,000 | - | 3,000 | 3,000 | - |
| Total expenditures | <u>750,000</u> | <u>-</u> | <u>25,528</u> | <u>25,528</u> | <u>724,472</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>(3,000)</u> | <u>(3,000)</u> | <u>(3,000)</u> |
| Other Financing Sources (Uses) | | | | | |
| Fund balance appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>(3,000)</u> | <u>\$ (3,000)</u> | <u>\$ (3,000)</u> |
| Fund Balances - Beginning of Year | | | <u>-</u> | | |
| Fund Balances - End of Year | | | <u>\$ (3,000)</u> | | |

Fines and Forfeitures Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|---|----------------|-----------------|-------------------|---------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Sales and services | | | | |
| Penalties, fines and forfeitures | \$ 545,832 | \$ 355,119 | \$ 190,713 | \$ 343,423 |
| Investment earnings | - | - | - | - |
| Total revenues | <u>545,832</u> | <u>355,119</u> | <u>190,713</u> | <u>343,423</u> |
| Expenditures | | | | |
| Education | | | | |
| Payments of penalties, fines and forfeitures to local Boards of Education | <u>545,832</u> | <u>354,669</u> | <u>191,163</u> | <u>342,886</u> |
| Total expenditures | <u>545,832</u> | <u>354,669</u> | <u>191,163</u> | <u>342,886</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>450</u> | <u>450</u> | <u>537</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>450</u> | <u>450</u> | <u>\$ 537</u> |
| Fund Balance, beginning, as previously reported principle | | - | | - |
| Fund Balances - Beginning of Year | | <u>1,514</u> | | <u>977</u> |
| | | | | <u>-</u> |
| Fund Balances - End of Year | | <u>\$ 1,964</u> | | <u>\$ 1,514</u> |

Opioid Settlement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | Actual | | | | |
|--|---------------|-------------|--------------------|---------------|-------------|
| | Project | | | | |
| | Authorization | Prior Years | Current Year | Total to Date | Over/Under |
| Revenues | | | | | |
| Opioid Settlement Funds | | | \$ - | | \$ - |
| Investment earnings | - | - | (18,666) | (18,666) | (18,666) |
| Total revenues | - | - | (18,666) | (18,666) | (18,666) |
| Expenditures | | | | | |
| Human Services | | | | | |
| Other operating | - | - | - | - | - |
| Total expenditures | - | - | - | - | - |
| Excess of revenues over (under) expenditures | - | - | (18,666) | (18,666) | (18,666) |
| Other Financing Sources (Uses) | | | | | |
| Fund balance appropriated | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - |
| Net change in fund balance | \$ - | \$ - | (18,666) | | \$ (18,666) |
| Fund Balances - Beginning of Year | | | - | | |
| Fund Balances - End of Year | | | <u>\$ (18,666)</u> | | |

Representative Payee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|---|----------------|-------------------|-----------------|-------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Intergovernmental revenue | | | | |
| Representative payee funds | \$ 400,000 | \$ 258,122 | \$ 141,878 | \$ 295,763 |
| Investment earnings | - | - | - | \$ - |
| Total revenues | <u>400,000</u> | <u>258,122</u> | <u>141,878</u> | <u>295,763</u> |
| Expenditures | | | | |
| Human Services | | | | |
| Payments made for the benefit of beneficiaries | <u>400,000</u> | <u>283,171</u> | <u>116,829</u> | <u>270,211</u> |
| Total expenditures | <u>400,000</u> | <u>283,171</u> | <u>116,829</u> | <u>270,211</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>(25,049)</u> | <u>(25,049)</u> | <u>25,552</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>(25,049)</u> | <u>(25,049)</u> | <u>\$ 25,552</u> |
| Fund Balance, beginning, as previously reported | | - | | |
| Prior period restatement - change in accounting principle | | | | <u>103,752</u> |
| Fund Balances - Beginning of Year | | <u>129,304</u> | | <u>-</u> |
| Fund Balances - End of Year | | <u>\$ 104,255</u> | | <u>\$ 129,304</u> |

Deed of Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|----------------|----------------|-----------------|----------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Permits and fees | | | | |
| Register of Deeds | \$ 125,000 | \$ 135,129 | \$ (10,129) | \$ 129,363 |
| Investment earnings | - | - | - | \$ - |
| Total revenues | <u>125,000</u> | <u>135,129</u> | <u>(10,129)</u> | <u>129,363</u> |
| Expenditures | | | | |
| General Government | | | | |
| Payment of fees collected to the State of North Carolina | <u>125,000</u> | <u>135,129</u> | <u>(10,129)</u> | <u>129,363</u> |
| Total expenditures | <u>125,000</u> | <u>135,129</u> | <u>(10,129)</u> | <u>129,363</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>-</u> | <u>\$ -</u> | <u>\$ -</u> |
| Fund Balances - Beginning of Year | | <u>-</u> | | <u>-</u> |
| Fund Balances - End of Year | | <u>\$ -</u> | | <u>\$ -</u> |

CATAWBA COUNTY, NORTH CAROLINA

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, 2022

| | 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 | \$ 606,890 | \$ 248,435 | \$ 1,228,413 | \$ 131,745 | \$ 366,936 |
| Investment earnings | (1,170) | (3,320) | (2,597) | (12,775) | (3,898) |
| Total revenues | <u>605,720</u> | <u>245,115</u> | <u>1,225,816</u> | <u>118,970</u> | <u>363,038</u> |
| Expenditures | | | | | |
| Current | | | | | |
| Public safety | <u>603,369</u> | <u>235,430</u> | <u>1,222,796</u> | <u>-</u> | <u>348,208</u> |
| Total expenditures | <u>603,369</u> | <u>235,430</u> | <u>1,222,796</u> | <u>-</u> | <u>348,208</u> |
| Excess of revenue over (under) expenditures | <u>2,351</u> | <u>9,685</u> | <u>3,020</u> | <u>118,970</u> | <u>14,830</u> |
| Other Financing Sources (Uses) | | | | | |
| Transfers from other funds | - | - | - | - | - |
| Transfers to other funds | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | 2,351 | 9,685 | 3,020 | 118,970 | 14,830 |
| Fund Balances - Beginning of Year | <u>52,895</u> | <u>96,665</u> | <u>113,335</u> | <u>254,189</u> | <u>112,747</u> |
| Fund Balances - End of Year | <u>\$ 55,246</u> | <u>\$ 106,350</u> | <u>\$ 116,355</u> | <u>\$ 373,159</u> | <u>\$ 127,577</u> |

Fire District Funds

Subcombining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2022

| | Sherrills Ford Fire District Fund | Bandys Fire District Fund | Maiden Fire District Fund | Claremont Fire District Fund | Catawba Fire District Fund |
|---|---|---------------------------------|---------------------------------|------------------------------------|----------------------------------|
| Revenues | | | | | |
| Ad valorem taxes | \$ 3,367,406 | \$ 921,652 | \$ 275,565 | \$ 402,150 | \$ 284,616 |
| Investment earnings | (18,407) | (5,053) | (4,629) | (2,903) | (1,695) |
| Total revenues | <u>3,348,999</u> | <u>916,599</u> | <u>270,936</u> | <u>399,247</u> | <u>282,921</u> |
| Expenditures | | | | | |
| Current | | | | | |
| Public safety | <u>3,185,311</u> | <u>860,146</u> | <u>243,078</u> | <u>382,982</u> | <u>356,268</u> |
| Total expenditures | <u>3,185,311</u> | <u>860,146</u> | <u>243,078</u> | <u>382,982</u> | <u>356,268</u> |
| Excess of revenue over (under) expenditures | <u>163,688</u> | <u>56,453</u> | <u>27,858</u> | <u>16,265</u> | <u>(73,347)</u> |
| Other Financing Sources (Uses) | | | | | |
| Transfers from other funds | - | - | - | - | - |
| Transfers to other funds | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | 163,688 | 56,453 | 27,858 | 16,265 | (73,347) |
| Fund Balances - Beginning of Year | <u>472,502</u> | <u>133,803</u> | <u>119,511</u> | <u>83,452</u> | <u>140,140</u> |
| Fund Balances - End of Year | <u>\$ 636,190</u> | <u>\$ 190,256</u> | <u>\$ 147,369</u> | <u>\$ 99,717</u> | <u>\$ 66,793</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, 2022

| | 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 | \$ 35,006 | \$ 777,894 | \$ 133,999 | \$ 705,300 | \$ 9,486,007 |
| Investment earnings | (902) | (2,018) | (2,955) | (1,291) | (63,613) |
| Total revenues | <u>34,104</u> | <u>775,876</u> | <u>131,044</u> | <u>704,009</u> | <u>9,422,394</u> |
| Expenditures | | | | | |
| Current | | | | | |
| Public safety | <u>34,275</u> | <u>778,829</u> | <u>136,203</u> | <u>700,419</u> | <u>9,087,314</u> |
| Total expenditures | <u>34,275</u> | <u>778,829</u> | <u>136,203</u> | <u>700,419</u> | <u>9,087,314</u> |
| Excess of revenue over (under) expenditures | <u>(171)</u> | <u>(2,953)</u> | <u>(5,159)</u> | <u>3,590</u> | <u>335,080</u> |
| Other Financing Sources (Uses) | | | | | |
| Transfers from other funds | - | - | - | - | - |
| Transfers to other funds | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | (171) | (2,953) | (5,159) | 3,590 | 335,080 |
| Fund Balances - Beginning of Year | <u>27,251</u> | <u>88,701</u> | <u>96,733</u> | <u>51,744</u> | <u>1,843,668</u> |
| Fund Balances - End of Year | <u>\$ 27,080</u> | <u>\$ 85,748</u> | <u>\$ 91,574</u> | <u>\$ 55,334</u> | <u>\$ 2,178,748</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, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|-----------------|------------------|-------------------|---------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 581,854 | \$ 606,890 | \$ 25,036 | \$ 603,129 |
| Investment earnings | - | (1,170) | (1,170) | 177 |
| Total revenues | <u>581,854</u> | <u>605,720</u> | <u>23,866</u> | <u>603,306</u> |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | <u>603,369</u> | <u>603,369</u> | <u>-</u> | <u>601,452</u> |
| Total expenditures | <u>603,369</u> | <u>603,369</u> | <u>-</u> | <u>601,452</u> |
| Excess of revenues over (under) expenditures | <u>(21,515)</u> | <u>2,351</u> | <u>23,866</u> | <u>1,854</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>21,515</u> | <u>-</u> | <u>(21,515)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>21,515</u> | <u>-</u> | <u>(21,515)</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>2,351</u> | <u>\$ 2,351</u> | <u>1,854</u> |
| Fund Balances - Beginning of Year | | <u>52,895</u> | | <u>51,041</u> |
| Fund Balances - End of Year | | <u>\$ 55,246</u> | | <u>\$ 52,895</u> |

Propst Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior Year |
|--|----------------|-------------------|-----------------|----------------------|
| | Budget | Actual | Over/Under | |
| Revenues | | | | |
| Ad valorem taxes | \$ 235,430 | \$ 248,435 | \$ 13,005 | \$ 244,743 |
| Investment earnings | - | (3,320) | (3,320) | 62 |
| Total revenues | <u>235,430</u> | <u>245,115</u> | <u>9,685</u> | <u>244,805</u> |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | <u>235,430</u> | <u>235,430</u> | <u>-</u> | <u>246,047</u> |
| Total expenditures | <u>235,430</u> | <u>235,430</u> | <u>-</u> | <u>246,047</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>9,685</u> | <u>9,685</u> | <u>(1,242)</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>9,685</u> | <u>\$ 9,685</u> | <u>(1,242)</u> |
| Fund Balances - Beginning of Year | | <u>96,665</u> | | <u>97,907</u> |
| Fund Balances - End of Year | | <u>\$ 106,350</u> | | <u>\$ 96,665</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, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|------------------|------------------|-----------------|------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 1,178,282 | \$ 1,228,413 | \$ 50,131 | \$ 1,223,004 |
| Investment earnings | - | (2,597) | (2,597) | 333 |
| Total revenues | <u>1,178,282</u> | <u>1,225,816</u> | <u>47,534</u> | <u>1,223,337</u> |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | <u>1,222,796</u> | <u>1,222,796</u> | <u>-</u> | <u>1,208,679</u> |
| Total expenditures | <u>1,222,796</u> | <u>1,222,796</u> | <u>-</u> | <u>1,208,679</u> |
| Excess of revenues over (under) expenditures | <u>(44,514)</u> | <u>3,020</u> | <u>47,534</u> | <u>14,658</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>44,514</u> | <u>-</u> | <u>(44,514)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>44,514</u> | <u>-</u> | <u>(44,514)</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>3,020</u> | <u>\$ 3,020</u> | <u>14,658</u> |
| Fund Balances - Beginning of Year | | <u>113,335</u> | | <u>98,677</u> |
| Fund Balances - End of Year | | <u>116,355</u> | | <u>113,335</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, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|----------------|-------------------|-------------------|-------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 127,258 | \$ 131,745 | \$ 4,487 | \$ 131,117 |
| Investment earnings | - | (12,775) | (12,775) | (88) |
| Total revenues | <u>127,258</u> | <u>118,970</u> | <u>(8,288)</u> | <u>131,029</u> |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | <u>127,258</u> | <u>-</u> | <u>127,258</u> | <u>-</u> |
| Total expenditures | <u>127,258</u> | <u>-</u> | <u>127,258</u> | <u>-</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>118,970</u> | <u>118,970</u> | <u>131,029</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>118,970</u> | <u>\$ 118,970</u> | <u>131,029</u> |
| Fund Balances - Beginning of Year | | <u>254,189</u> | | <u>123,160</u> |
| Fund Balances - End of Year | | <u>\$ 373,159</u> | | <u>\$ 254,189</u> |

Oxford Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|----------------|-------------------|------------------|-------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 348,208 | \$ 366,936 | \$ 18,728 | \$ 363,206 |
| Investment earnings | - | (3,898) | (3,898) | 105 |
| Total revenues | <u>348,208</u> | <u>363,038</u> | <u>14,830</u> | <u>363,311</u> |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | <u>348,208</u> | <u>348,208</u> | <u>-</u> | <u>343,990</u> |
| Total expenditures | <u>348,208</u> | <u>348,208</u> | <u>-</u> | <u>343,990</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>14,830</u> | <u>14,830</u> | <u>19,321</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>14,830</u> | <u>\$ 14,830</u> | <u>19,321</u> |
| Fund Balances - Beginning of Year | | <u>112,747</u> | | <u>93,426</u> |
| Fund Balances - End of Year | | <u>\$ 127,577</u> | | <u>\$ 112,747</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, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|------------------|-------------------|-------------------|-------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 3,185,311 | \$ 3,367,406 | \$ 182,095 | \$ 3,281,664 |
| Investment earnings | - | (18,407) | (18,407) | 869 |
| Total revenues | <u>3,185,311</u> | <u>3,348,999</u> | <u>163,688</u> | <u>3,282,533</u> |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | <u>3,185,311</u> | <u>3,185,311</u> | <u>-</u> | <u>3,065,387</u> |
| Total expenditures | <u>3,185,311</u> | <u>3,185,311</u> | <u>-</u> | <u>3,065,387</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>163,688</u> | <u>163,688</u> | <u>217,146</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>163,688</u> | <u>\$ 163,688</u> | <u>217,146</u> |
| Fund Balances - Beginning of Year | | <u>472,502</u> | | <u>255,356</u> |
| Fund Balances - End of Year | | <u>\$ 636,190</u> | | <u>\$ 472,502</u> |

Bandys Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|----------------|-------------------|-------------------|---------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 860,146 | \$ 921,652 | \$ 61,506 | \$ 891,867 |
| Investment earnings | - | (5,053) | (5,053) | 304 |
| Total revenues | <u>860,146</u> | <u>916,599</u> | <u>56,453</u> | <u>892,171</u> |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | <u>860,146</u> | <u>860,146</u> | <u>-</u> | <u>848,873</u> |
| Total expenditures | <u>860,146</u> | <u>860,146</u> | <u>-</u> | <u>848,873</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>56,453</u> | <u>56,453</u> | <u>43,298</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>56,453</u> | <u>\$ 56,453</u> | <u>43,298</u> |
| Fund Balances - Beginning of Year | | <u>133,803</u> | | <u>90,505</u> |
| Fund Balances - End of Year | | <u>\$ 190,256</u> | | <u>\$ 133,803</u> |

Maiden Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|----------------|-------------------|-------------------|---------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 243,078 | \$ 275,565 | \$ 32,487 | \$ 256,462 |
| Investment earnings | - | (4,629) | (4,629) | 22 |
| Total revenues | <u>243,078</u> | <u>270,936</u> | <u>27,858</u> | <u>256,484</u> |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | <u>243,078</u> | <u>243,078</u> | <u>-</u> | <u>319,577</u> |
| Total expenditures | <u>243,078</u> | <u>243,078</u> | <u>-</u> | <u>319,577</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>27,858</u> | <u>27,858</u> | <u>(63,093)</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>27,858</u> | <u>\$ 27,858</u> | <u>(63,093)</u> |
| Fund Balances - Beginning of Year | | <u>119,511</u> | | <u>182,604</u> |
| Fund Balances - End of Year | | <u>\$ 147,369</u> | | <u>\$ 119,511</u> |

Claremont Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|----------------|------------------|------------------|------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 382,982 | \$ 402,150 | \$ 19,168 | \$ 396,746 |
| Investment earnings | - | (2,903) | (2,903) | 130 |
| Total revenues | <u>382,982</u> | <u>399,247</u> | <u>16,265</u> | <u>396,876</u> |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | <u>382,982</u> | <u>382,982</u> | <u>-</u> | <u>376,953</u> |
| Total expenditures | <u>382,982</u> | <u>382,982</u> | <u>-</u> | <u>376,953</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>16,265</u> | <u>16,265</u> | <u>19,923</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>16,265</u> | <u>\$ 16,265</u> | <u>19,923</u> |
| Fund Balances - Beginning of Year | | <u>83,452</u> | | <u>63,529</u> |
| Fund Balances - End of Year | | <u>\$ 99,717</u> | | <u>\$ 83,452</u> |

Catawba Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|-----------------|------------------|--------------------|---------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 261,268 | \$ 284,616 | \$ 23,348 | \$ 281,449 |
| Investment earnings | - | (1,695) | (1,695) | 74 |
| Total revenues | <u>261,268</u> | <u>282,921</u> | <u>21,653</u> | <u>281,523</u> |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | <u>356,268</u> | <u>356,268</u> | <u>-</u> | <u>260,210</u> |
| Total expenditures | <u>356,268</u> | <u>356,268</u> | <u>-</u> | <u>260,210</u> |
| Excess of revenues over (under) expenditures | <u>(95,000)</u> | <u>(73,347)</u> | <u>21,653</u> | <u>21,313</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>95,000</u> | <u>-</u> | <u>(95,000)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>95,000</u> | <u>-</u> | <u>(95,000)</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>(73,347)</u> | <u>\$ (73,347)</u> | <u>21,313</u> |
| Fund Balances - Beginning of Year | | <u>140,140</u> | | <u>118,827</u> |
| Fund Balances - End of Year | | <u>\$ 66,793</u> | | <u>\$ 140,140</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, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|---------------|------------------|-----------------|------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 34,275 | \$ 35,006 | \$ 731 | \$ 35,501 |
| Investment earnings | - | (902) | (902) | 10 |
| Total revenues | <u>34,275</u> | <u>34,104</u> | <u>(171)</u> | <u>35,511</u> |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | 34,275 | 34,275 | - | 31,511 |
| Total expenditures | <u>34,275</u> | <u>34,275</u> | <u>-</u> | <u>31,511</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>(171)</u> | <u>(171)</u> | <u>4,000</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>(171)</u> | <u>\$ (171)</u> | <u>4,000</u> |
| Fund Balances - Beginning of Year | | <u>27,251</u> | | <u>23,251</u> |
| Fund Balances - End of Year | | <u>\$ 27,080</u> | | <u>\$ 27,251</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, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|-----------------|------------------|-------------------|------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 740,871 | \$ 777,894 | \$ 37,023 | \$ 767,610 |
| Investment earnings | - | (2,018) | (2,018) | 181 |
| Total revenues | <u>740,871</u> | <u>775,876</u> | <u>35,005</u> | <u>767,791</u> |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | <u>778,829</u> | <u>778,829</u> | <u>-</u> | <u>813,378</u> |
| Total expenditures | <u>778,829</u> | <u>778,829</u> | <u>-</u> | <u>813,378</u> |
| Excess of revenues over (under) expenditures | <u>(37,958)</u> | <u>(2,953)</u> | <u>35,005</u> | <u>(45,587)</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>37,958</u> | <u>-</u> | <u>(37,958)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>37,958</u> | <u>-</u> | <u>(37,958)</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>(2,953)</u> | <u>\$ (2,953)</u> | <u>(45,587)</u> |
| Fund Balances - Beginning of Year | | <u>88,701</u> | | <u>134,288</u> |
| Fund Balances - End of Year | | <u>\$ 85,748</u> | | <u>\$ 88,701</u> |

Cooksville Fire District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|-----------------|------------------|-------------------|---------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 126,203 | \$ 133,999 | \$ 7,796 | \$ 134,730 |
| Investment earnings | - | (2,955) | (2,955) | 30 |
| Total revenues | <u>126,203</u> | <u>131,044</u> | <u>4,841</u> | <u>134,760</u> |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | <u>136,203</u> | <u>136,203</u> | <u>-</u> | <u>122,538</u> |
| Total expenditures | <u>136,203</u> | <u>136,203</u> | <u>-</u> | <u>122,538</u> |
| Excess of revenues over (under) expenditures | <u>(10,000)</u> | <u>(5,159)</u> | <u>4,841</u> | <u>12,222</u> |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | <u>10,000</u> | <u>-</u> | <u>(10,000)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>10,000</u> | <u>-</u> | <u>(10,000)</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>(5,159)</u> | <u>\$ (5,159)</u> | <u>12,222</u> |
| Fund Balances - Beginning of Year | | <u>96,733</u> | | <u>84,511</u> |
| Fund Balances - End of Year | | <u>\$ 91,574</u> | | <u>\$ 96,733</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, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|--|------------|------------|------------|--------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Ad valorem taxes | \$ 684,359 | \$ 705,300 | \$ 20,941 | \$ 706,177 |
| Investment earnings | - | (1,291) | (1,291) | 188 |
| Total revenues | 684,359 | 704,009 | 19,650 | 706,365 |
| Expenditures | | | | |
| Public safety | | | | |
| Transmitted to fire department | 700,419 | 700,419 | - | 718,617 |
| Total expenditures | 700,419 | 700,419 | - | 718,617 |
| Excess of revenues over (under) expenditures | (16,060) | 3,590 | 19,650 | (12,252) |
| Other Financing Sources (Uses) | | | | |
| Fund balance appropriated | 16,060 | - | (16,060) | - |
| Total other financing sources (uses) | 16,060 | - | (16,060) | - |
| Net change in fund balance | \$ - | 3,590 | \$ 3,590 | (12,252) |
| Fund Balances - Beginning of Year | | 51,744 | | 63,996 |
| Fund Balances - End of Year | | \$ 55,334 | | \$ 51,744 |

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.

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.

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.

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.

Nonmajor Capital Projects Funds
Combining Balance Sheet
June 30, 2022

| | Subdivision Road Improvement Fund | School Capital Fund | School Construction Fund | Hospital Capital Reserve Fund | Total Nonmajor Capital Projects Fund |
|--|--|---------------------------|--------------------------------|-------------------------------------|---|
| Assets | | | | | |
| Cash and investments | \$ 565,810 | \$ 10,130,761 | \$ 8,223,140 | \$ 2,230,555 | \$ 21,150,266 |
| Due from other governments | | 2,786,588 | 197,879 | | 2,984,467 |
| Other receivables | | - | - | - | - |
| Interest receivables | 788 | 13,710 | 11,937 | 3,107 | 29,542 |
| Restricted cash and investments | - | - | 1,816,691 | - | 1,816,691 |
| Total assets | <u>566,598</u> | <u>12,931,059</u> | <u>10,249,647</u> | <u>2,233,662</u> | <u>25,980,966</u> |
| Liabilities | | | | | |
| Accounts payable and accrued liabilities | - | 305,492 | 234,216 | - | 539,708 |
| Total liabilities | <u>-</u> | <u>305,492</u> | <u>234,216</u> | <u>-</u> | <u>539,708</u> |
| Fund Balance | | | | | |
| Restricted | | | | | |
| Stabilization by State Statute | 788 | 2,800,298 | 209,816 | 3,107 | 3,014,009 |
| School Construction | | - | 1,816,691 | - | 1,816,691 |
| Hospital Capital | | - | - | 2,230,555 | 2,230,555 |
| General Capital | | | | | - |
| Committed | | | | | - |
| School Capital | | 9,825,269 | - | - | 9,825,269 |
| School Construction | | - | 7,988,924 | - | 7,988,924 |
| General Capital | | - | - | - | - |
| Subdivision Road Improvement | 565,810 | | | | 565,810 |
| Unassigned | - | - | - | - | - |
| Total fund balances | <u>566,598</u> | <u>12,625,567</u> | <u>10,015,431</u> | <u>2,233,662</u> | <u>25,441,258</u> |
| Total liabilities and fund balances | <u>\$ 566,598</u> | <u>\$ 12,931,059</u> | <u>\$ 10,249,647</u> | <u>\$ 2,233,662</u> | <u>\$ 25,980,966</u> |

Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2022

| | Subdivision Road Improvement Fund | School Capital Fund | School Construction Fund | Hospital Capital Reserve Fund | Total Nonmajor Capital Projects Fund |
|--|--|---------------------------|--------------------------------|-------------------------------------|--|
| Revenues | | | | | |
| Other taxes | \$ - | \$ 8,406,025 | \$ - | \$ - | \$ 8,406,025 |
| Restricted intergovernmental revenues | - | - | - | - | - |
| Investment earnings | (21,402) | (340,094) | (284,585) | (76,550) | (722,631) |
| Miscellaneous | - | - | - | - | - |
| Total revenues | <u>(21,402)</u> | <u>8,065,931</u> | <u>(284,585)</u> | <u>(76,550)</u> | <u>7,683,394</u> |
| Expenditures | | | | | |
| Capital outlay | - | 6,365,023 | 7,456,339 | - | 13,821,362 |
| Total expenditures | <u>-</u> | <u>6,365,023</u> | <u>7,456,339</u> | <u>-</u> | <u>13,821,362</u> |
| Excess of revenues over (under) expenditures | <u>(21,402)</u> | <u>1,700,908</u> | <u>(7,740,924)</u> | <u>(76,550)</u> | <u>(6,137,968)</u> |
| Other Financing Sources (Uses) | | | | | |
| Transfers from other funds | 588,000 | 93,081 | 2,075,000 | - | 2,756,081 |
| Transfers to other funds | - | (50,000) | (499,096) | (500,000) | (1,049,096) |
| Installment purchase issued | - | - | - | - | - |
| Total other financing sources (uses) | <u>588,000</u> | <u>43,081</u> | <u>1,575,904</u> | <u>(500,000)</u> | <u>1,706,985</u> |
| Net change in fund balance | 566,598 | 1,743,989 | (6,165,020) | (576,550) | (4,430,983) |
| Fund Balances - Beginning of Year | <u>-</u> | <u>10,881,578</u> | <u>16,180,451</u> | <u>2,810,212</u> | <u>29,872,241</u> |
| Fund Balances - End of Year | <u>\$ 566,598</u> | <u>\$ 12,625,567</u> | <u>\$ 10,015,431</u> | <u>\$ 2,233,662</u> | <u>\$ 25,441,258</u> |

CATAWBA COUNTY, NORTH CAROLINA

Schedule D-3

Page 1 of 2

General Capital Projects Fund
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended June 30, 2022**

| | Project | | Actual | | |
|---|---------------|--------------|--------------|---------------|------------|
| | Authorization | Prior Years | Current Year | Total to Date | Over/Under |
| Revenues | | | | | |
| Other Taxes | | | | | |
| Sales Taxes - Article 46-one quarter of one percent | \$ 3,865,021 | \$ 2,763,008 | 1,777,223 | \$ 4,540,231 | \$ 675,210 |
| Restricted intergovernmental revenues | | | | | |
| Municipalities Grants | 29,484 | 14,472 | 14,472 | 28,944 | (540) |
| County Grants | - | 207,925 | - | 207,925 | 207,925 |
| NC PARTF Grant | 414,109 | 414,109 | - | 414,109 | - |
| Investment earnings | 293,412 | 5,005,047 | (920,584) | 4,084,463 | 3,791,051 |
| Miscellaneous | | | | | |
| Donations | 100,000 | - | 181,328 | 181,328 | 81,328 |
| Duke Energy | 355,600 | 355,600 | - | 355,600 | - |
| Easements | 48,479 | - | 48,479 | 48,479 | - |
| Miscellaneous | 427,641 | 357,474 | - | 357,474 | (70,167) |
| Park Donations | 518,685 | 618,685 | - | 618,685 | 100,000 |
| Rental - Jail Beds | 4,343,055 | 4,687,752 | - | 4,687,752 | 344,697 |
| Rental - Lifeskills | 69,928 | 123,760 | - | 123,760 | 53,832 |
| Total revenues | 10,465,414 | 14,547,832 | 1,100,918 | 15,648,750 | 5,183,336 |
| Expenditures | | | | | |
| Capital outlay | | | | | |
| Agriculture Resource Center Renovation | 3,000,000 | - | - | - | 3,000,000 |
| Elections Office Renovation | 2,089,957 | 2,077,127 | - | 2,077,127 | 12,830 |
| Communications Infrastructure | 547,146 | 544,359 | - | 544,359 | 2,787 |
| Economic Development | 6,725,943 | 1,096,783 | 92,802 | 1,189,585 | 5,536,358 |
| Family Services Center Parking Lot | 125,000 | - | - | - | 125,000 |
| Fleet Services Expansion | 600,000 | - | - | - | 600,000 |
| Future Unspecified Projects | 3,836,080 | - | - | - | 3,836,080 |
| General Renovations | 806,719 | 424,081 | 70,489 | 494,570 | 312,149 |
| Government Center Complex Improvements | 1,787,450 | 1,704,700 | 2,717 | 1,707,417 | 80,033 |
| Hickory EMS Base | 3,000,000 | - | - | - | 3,000,000 |
| Jail Expansion | 33,896,888 | 32,320,543 | 608,261 | 32,928,804 | 968,084 |
| Justice Center Sheriff Parking Drive Asphalt | 100,000 | - | - | - | 100,000 |
| Library Technology | 226,249 | 148,208 | 48,387 | 196,595 | 29,654 |
| Library Newton Branch | 300,000 | - | - | - | 300,000 |
| Lifeskills Building Maintenance | 150,928 | - | - | - | 150,928 |
| Mountain Creek Park | 9,873,407 | 4,483,499 | 5,244,183 | 9,727,682 | 145,725 |
| Multi-jurisdictional Data Park | 2,600,000 | 2,341,635 | - | 2,341,635 | 258,365 |
| Newton EMS Base | 3,032,085 | 26,892 | 1,063,676 | 1,090,568 | 1,941,517 |
| Newton Library HVAC Units | 300,000 | - | - | - | 300,000 |
| Oblique Photography | 440,830 | 378,330 | 60,050 | 438,380 | 2,450 |
| Park Improvements | 564,092 | 467,224 | 22,616 | 489,840 | 74,252 |
| Park Improvements - Riverbend | 695,572 | 439,973 | - | 439,973 | 255,599 |
| Permitting/Inspections System | 1,320,000 | 806,838 | 17,315 | 824,153 | 495,847 |
| Public Safety | 748,902 | 295,469 | - | 295,469 | 453,433 |
| Public Safety Software System | 650,000 | 392,757 | (12,285) | 380,472 | 269,528 |
| Radio Replacement | 975,000 | - | - | - | 975,000 |
| Roofing Projects | 2,236,727 | 538,155 | 607,703 | 1,145,858 | 1,090,869 |
| Southeastern Catawba County Business Park | 4,625,000 | - | 2,273,225 | 2,273,225 | 2,351,775 |
| Server & Desktop Applications | 1,890,000 | 1,354,956 | 256,284 | 1,611,240 | 278,760 |
| St. Stephens EMS Base | 50,000 | - | - | - | 50,000 |
| St. Stephens Park Playground Upgrade | 184,300 | - | - | - | 184,300 |
| Technology Infrastructure Upgrades | 2,790,000 | 1,745,208 | 362,900 | 2,108,108 | 681,892 |

CATAWBA COUNTY, NORTH CAROLINA

Schedule D-3

Page 2 of 2

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, 2022**

| | <u>Project Authorization</u> | <u>Actual</u> | | | <u>Over/Under</u> |
|--|----------------------------------|--------------------|----------------------|----------------------|-------------------|
| | | <u>Prior Years</u> | <u>Current Year</u> | <u>Total to Date</u> | |
| Trivium Corporate Center | \$ 10,873,151 | \$ 6,690,265 | \$ 2,377,710 | \$ 9,067,975 | \$ 1,805,176 |
| Voting Equipment | 122,000 | - | - | - | 122,000 |
| Total expenditures | 101,163,426 | 58,277,002 | 13,096,033 | 71,373,035 | 29,790,391 |
| Excess of revenues over (under) expenditures | (90,698,012) | (43,729,170) | (11,995,115) | (55,724,285) | 34,973,727 |
| Other Financing Sources (Uses) | | | | | |
| Transfers from | | | | | |
| General Fund | 44,893,983 | 29,424,626 | 15,469,357 | 44,893,983 | - |
| General Capital Reserve Fund | 632,534 | 632,534 | - | 632,534 | - |
| Emergency Telephone Fund Transfer | 282,752 | 282,752 | - | 282,752 | - |
| Park Preservation Fund | 49,000 | 49,000 | - | 49,000 | - |
| Water and Sewer Capital | 3,700,000 | 700,000 | 3,000,000 | 3,700,000 | - |
| Water and Sewer Fund | 5,290,500 | - | 5,290,500 | 5,290,500 | - |
| Transfers to | | | | | |
| General Fund | (181,259) | (181,259) | - | (181,259) | - |
| Schools Capital Projects Fund | (750,000) | (750,000) | - | (750,000) | - |
| Department of Commerce loan issued (Grant 12-L-2401) | 2,600,000 | 2,600,000 | - | 2,600,000 | - |
| Bonds issued | 29,788,560 | 26,618,280 | - | 26,618,280 | (3,170,280) |
| Premium on bonds issued | - | 3,181,720 | - | 3,181,720 | 3,181,720 |
| Fund balance appropriated | 4,391,942 | - | - | - | (4,391,942) |
| Total other financing sources (uses) | 90,698,012 | 62,557,653 | 23,759,857 | 86,317,510 | (4,380,502) |
| Net change in fund balance | \$ - | \$ 18,828,483 | 11,764,742 | \$ 30,593,225 | \$ 30,593,225 |
| Fund Balances - Beginning of Year | | | 18,828,483 | | |
| Fund Balances - End of Year | | | <u>\$ 30,593,225</u> | | |

Subdivision Road Improvement Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2022
 With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | Project Authorization | Actual | | | Over/Under |
|--|--------------------------|-------------|--------------|---------------|------------|
| | | Prior Years | Current Year | Total to Date | |
| Revenues | | | | | |
| Investment earnings | \$ - | \$ - | \$ (21,402) | \$ (21,402) | \$ - |
| Total revenues | - | - | (21,402) | (21,402) | - |
| Expenditures | | | | | |
| Capital outlay | | | | | |
| Fox Chase-Road Improvement | 180,500 | - | - | - | - |
| River Run-Road Improvement | 407,500 | - | - | - | - |
| Total Expenditures | 588,000 | - | - | - | - |
| Excess of revenues over (under) expenditures | | - | (21,402) | (21,402) | - |
| Other Financing Sources (Uses) | | | | | |
| Transfer From General Fund | 588,000 | | | | |
| Total other financing sources (uses) | 588,000 | - | 588,000 | 588,000 | - |
| Net change in fund balance | | - | 566,598 | 566,598 | - |
| Fund Balances - Beginning of Year | | | - | | - |
| Fund Balances - End of Year | | | \$ 566,598 | | - |



CATAWBA COUNTY, NORTH CAROLINA

Schedule D-5

Page 1 of 2

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, 2022

| | Project Authorization | Actual | | | |
|--|----------------------------------|--------------------|---------------------|----------------------|-------------------|
| | | Prior Years | Current Year | Total to Date | Over/Under |
| Revenues | | | | | |
| Other taxes | | | | | |
| Sales Taxes-Article 40 | \$ 1,290,742 | \$ 1,399,270.00 | \$ 1,304,865 | \$ 2,704,135 | \$ 1,413,393 |
| Sales Taxes-Article 42 | 23,922,919 | 24,846,081 | 7,101,160 | 31,947,241 | 8,024,322 |
| Investment earnings | 1,075,367 | 4,193,247 | (340,096) | 3,853,151 | 2,777,784 |
| Total revenues | 26,289,028 | 30,438,598 | 8,065,929 | 38,504,527 | 12,215,499 |
| Expenditures | | | | | |
| Capital outlay | | | | | |
| Catawba County Schools | | | | | |
| Activity Buses | 65,000 | - | 22,500 | 22,500 | 42,500 |
| Athletic Field Improvements | 750,000 | 650,000 | 53,078 | 703,078 | 46,922 |
| Bandys High School Renovations | 1,495,000 | 1,268,936 | 76,192 | 1,345,128 | 149,872 |
| Bunker Hill High School Renovations | 1,224,175 | 741,883 | 246,920 | 988,803 | 235,372 |
| Camera Security/Electrical Doors | 1,685,000 | 1,432,656 | 252,344 | 1,685,000 | - |
| Capital Projects Manager | 80,809 | 35,809 | 45,000 | 80,809 | - |
| Challenger High School Renovation | 75,000 | 75,000 | - | 75,000 | - |
| Clyde Campbell Renovation | 505,000 | 420,000 | 3,500 | 423,500 | 81,500 |
| Fire Alarm Upgrades | 1,364,000 | 626,661 | 359,044 | 985,705 | 378,295 |
| Fred T Foard Renovations | 765,252 | 608,772 | 108,760 | 717,532 | 47,720 |
| Fred T Foard Gym Flooring Replacement | 65,000 | - | 21,577 | 21,577 | 43,423 |
| Flooring Systemwide | 80,000 | - | 1,982 | 1,982 | 78,018 |
| HVAC Controls System Upgrade | 4,464,827 | 3,874,354 | 245,506 | 4,119,860 | 344,967 |
| Lead Testing | 150,000 | 6,480 | 10,060 | 16,540 | 133,460 |
| Lighting Replacements | 845,000 | 297,427 | 171,495 | 468,922 | 376,078 |
| Lyle Creek Elementary Renovations | 60,000 | 60,000 | - | 60,000 | - |
| Maiden Middle School Renovations | 352,027 | 148,159 | 64,901 | 213,060 | 138,967 |
| Maintenance Vehicles and Equipment | 150,000 | - | 80,753 | 80,753 | 69,247 |
| Metal Roofing | 64,000 | 38,413 | 11,984 | 50,397 | 13,603 |
| Mountain View Elementary Renovations | 150,000 | - | - | - | 150,000 |
| Painting Systemwide | 670,000 | 332,621 | 335,379 | 668,000 | 2,000 |
| Paving Systemwide | 847,583 | 347,583 | 77,750 | 425,333 | 422,250 |
| Per Capita Allocation | 1,654,172 | 830,856 | 823,316 | 1,654,172 | - |
| Plumbing Replacement Systemwide | 394,910 | 372,709 | 15,046 | 387,755 | 7,155 |
| Project Planning | 80,000 | 33,021 | 1,000 | 34,021 | 45,979 |
| Roofing Projects | 2,491,000 | 1,228,164 | 424,978 | 1,653,142 | 837,858 |
| Systemwide Maintenance | 122,000 | - | - | - | 122,000 |
| Tennis Courts | 495,165 | 197,165 | 166,432 | 363,597 | 131,568 |
| Tuttle Renovations | 50,000 | - | - | - | 50,000 |
| Track Improvements Systemwide | 457,532 | 411,142 | - | 411,142 | 46,390 |
| Total Catawba County Schools | 21,652,452 | 14,037,811 | 3,619,497 | 17,657,308 | 3,995,144 |
| Catawba Valley Community College | | | | | |
| Cosmetology Center | 326,000 | 98,859 | 217,365 | 316,224 | 9,776 |
| General Renovations | 95,000 | - | 95,000 | 95,000 | - |
| HVAC Replacement | 340,000 | 15,692 | 276,994 | 292,686 | 47,314 |
| Project Manager | 94,602 | 54,602 | 40,000 | 94,602 | - |
| Stream Bank Restoration Project | 2,500,000 | 1,520,470 | 445,015 | 1,965,485 | 534,515 |
| Total Catawba Valley Community College | 3,355,602 | 1,689,623 | 1,074,374 | 2,763,997 | 591,605 |

CATAWBA COUNTY, NORTH CAROLINA

Schedule D-5

Page 2 of 2

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, 2022

| | Project Authorization | Actual | | | Over/Under |
|--|----------------------------------|--------------------|----------------------|----------------------|--------------------|
| | | Prior Years | Current Year | Total to Date | |
| Hickory Public Schools | | | | | |
| Cafeteria Tables | 130,000 | 130,000 | - | 130,000 | - |
| Hickory Career Arts Magnet | 45,661 | 45,661 | - | 45,661 | - |
| Hickory High School Renovation | 2,231,664 | 796,306 | 825,727 | 1,622,033 | 609,631 |
| Hickory Public School Admin Building | 76,500 | - | 52,047 | 52,047 | 24,453 |
| HVAC Controls Upgrades | 149,108 | 149,108 | - | 149,108 | - |
| Jenkins Elementary Renovation | 238,967 | 238,967 | - | 238,967 | - |
| Maintenance Vehicle | 121,308 | 66,282 | 11,657 | 77,939 | 43,369 |
| Northview Renovations | 259,242 | 259,242 | - | 259,242 | - |
| Oakwood Elementary Renovations | 183,287 | 81,855 | 11,552 | 93,407 | 89,880 |
| Per Capita Allocation | 322,500 | 163,928 | 158,572 | 322,500 | - |
| Rekeying Locks | 141,000 | 141,000 | - | 141,000 | - |
| Southwest Elementary HVAC | 540,000 | 536,489 | 3,511 | 540,000 | - |
| Southwest Elementary Mechanical Upgrade: | 214,979 | 214,926 | - | 214,926 | 53 |
| Southwest Renovations | 58,697 | 4,201 | 54,496 | 58,697 | - |
| Technology Upgrades | 35,000 | 25,362 | 2 | 25,364 | 9,636 |
| Telecommunication Systems | 40,000 | 18,832 | - | 18,832 | 21,168 |
| Total Hickory Public Schools | <u>4,787,913</u> | <u>2,872,159</u> | <u>1,117,564</u> | <u>3,989,723</u> | <u>798,190</u> |
| Newton-Conover City Schools | | | | | |
| Activity Bus | 90,000 | - | - | - | 90,000 |
| Asbestos Abatement & Management | 15,000 | - | 7,582 | 7,582 | 7,418 |
| Conover School Renovations | 100,000 | 57,107 | 36,930 | 94,037 | 5,963 |
| Fire Alarm Upgrades | 60,000 | 60,000 | - | 60,000 | - |
| HVAC Upgrades Systemwide | 1,700,000 | 1,500,000 | 189,100 | 1,689,100 | 10,900 |
| NCHS Telephone Paging System | 77,000 | - | 77,000 | 77,000 | - |
| North Newton Windows | 100,000 | 60,296 | 2,179 | 62,475 | 37,525 |
| Parking Improvements Systemwide | 375,000 | - | 15,235 | 15,235 | 359,765 |
| Per Capita Allocation | 303,420 | 152,672 | 150,748 | 303,420 | - |
| Roofing Projects | 412,223 | 260,665 | 45,020 | 305,685 | 106,538 |
| Security Upgrades | 95,601 | 51,188 | 28,595 | 79,783 | 15,818 |
| System Wide Renovations | 120,000 | 109,305 | 1,199 | 110,504 | 9,496 |
| Total Newton-Conover City Schools | <u>3,448,244</u> | <u>2,251,233</u> | <u>553,588</u> | <u>2,804,821</u> | <u>643,423</u> |
| Total expenditures | <u>33,244,211</u> | <u>20,850,826</u> | <u>6,365,023</u> | <u>27,215,849</u> | <u>6,028,362</u> |
| Excess of revenues over (under) expenditures | <u>(6,955,183)</u> | <u>9,587,772</u> | <u>1,700,906</u> | <u>11,288,678</u> | <u>18,243,861</u> |
| Other Financing Sources (Uses) | | | | | |
| Transfers from | | | | | |
| General Fund | 1,555,000 | 1,555,000 | - | 1,555,000 | - |
| General Capital Fund | 750,000 | 750,000 | - | 750,000 | - |
| School Construction Fund | 133,290 | 40,209 | 93,081 | 133,290 | - |
| Transfers to | | | | | |
| General Fund | (300,000) | (250,000) | (50,000) | (300,000) | - |
| School Construction Fund | (801,403) | (801,403) | - | (801,403) | - |
| Fund Balance Appropriated | 5,618,296 | - | - | - | (5,618,296) |
| Total other financing sources (uses) | <u>6,955,183</u> | <u>1,293,806</u> | <u>43,081</u> | <u>1,336,887</u> | <u>(5,618,296)</u> |
| Net change in fund balance | <u>\$ -</u> | <u>10,881,578</u> | <u>1,743,987</u> | <u>12,625,565</u> | <u>12,625,565</u> |
| Fund Balances - Beginning of Year | | | <u>10,881,578</u> | | |
| Fund Balances - End of Year | | | <u>\$ 12,625,565</u> | | |

CATAWBA COUNTY, NORTH CAROLINA

Schedule D-6

Page 1 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, 2022**

| | Project Authorization | Prior Years | Actual Current Year | Total to Date | Over/Under |
|--|--------------------------|--------------|------------------------|---------------|--------------|
| Revenues | | | | | |
| Investment earnings | - | 891,983 | (284,585) | 607,398 | 607,398 |
| Lottery Proceeds Needs Based | 10,000,000 | - | - | - | (10,000,000) |
| Total revenues | 10,000,000 | 891,983 | (284,585) | 607,398 | (9,392,602) |
| Expenditures | | | | | |
| Catawba County Schools | | | | | |
| Banoak Elementary | 8,845,000 | 8,845,000 | - | 8,845,000 | - |
| Maiden Middle School | 34,720 | 34,720 | - | 34,720 | - |
| Roof Replacements | 1,610,000 | 330,000 | 146,020 | 476,020 | 1,133,980 |
| St. Stephens Classroom Renovation | 19,984,312 | 9,105,071 | 6,051,811 | 15,156,882 | 4,827,430 |
| New Maiden Elementary | 19,500,000 | - | 996,267 | 996,267 | 18,503,733 |
| Total Catawba County Schools | 49,974,032 | 18,314,791 | 7,194,098 | 25,508,889 | 24,465,143 |
| Catawba Valley Community College | | | | | |
| Cosmetology Center | 2,041,982 | 2,041,982 | - | 2,041,982 | - |
| Engineering Building | 228,017 | 78,018 | 15,771 | 93,789 | 134,228 |
| Public Safety Complex | 1,130,000 | 250,000 | 88,280 | 338,280 | 791,720 |
| Vocational Building | 25,100,000 | 25,100,000 | - | 25,100,000 | - |
| Total Catawba Valley Community College | 28,499,999 | 27,470,000 | 104,051 | 27,574,051 | 925,948 |
| Hickory Public Schools | | | | | |
| Hickory High Renovations | 900,000 | - | - | - | 900,000 |
| Oakwood Elementary Renovation | 1,854,323 | 1,854,323 | - | 1,854,323 | - |
| Facility Audit | 100,000 | - | - | - | 100,000 |
| Systemwide Classroom Revonations | 3,000,000 | - | - | - | 3,000,000 |
| Total Hickory Public Schools | 5,854,323 | 1,854,323 | - | 1,854,323 | 4,000,000 |
| Newton-Conover City Schools | | | | | |
| Conover School Renovations | 3,312,452 | 3,276,439 | 36,013 | 3,312,452 | - |
| Newton-Conover High School Renovations | 20,848,529 | 765,429 | 122,177 | 887,606 | 19,960,923 |
| Roof Replacements | 58,141 | 58,141 | - | 58,141 | - |
| Total Newton-Conover City Schools | 24,219,122 | 4,100,009 | 158,190 | 4,258,199 | 19,960,923 |
| Other | | | | | |
| Future Debt Service | 15,437,318 | - | - | - | 15,437,318 |
| Total Other | 15,437,318 | - | - | - | 15,437,318 |
| Total expenditures | 123,984,794 | 51,739,123 | 7,456,339 | 59,195,462 | 64,789,332 |
| Excess of revenues over (under) expenditures | (113,984,794) | (50,847,140) | (7,740,924) | (58,588,064) | 55,396,730 |
| Other Financing Sources (Uses) | | | | | |
| Transfers from | | | | | |
| General Fund | 17,380,642 | 15,305,642 | 2,075,000 | 17,380,642 | - |
| School Capital Fund | 801,403 | 801,403 | - | 801,403 | - |
| Transfers to | | | | | |
| School Capital Fund | (98,290) | (5,209) | (93,081) | (98,290) | - |
| General Fund | (406,015) | - | (406,015) | (406,015) | - |

School Construction Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actual
From Inception and for the Year Ended June 30, 2022

| | Project Authorization | Actual | | | |
|--------------------------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|
| | | Prior Years | Current Year | Total to Date | Over/Under |
| Bonds issued | 95,329,928 | 50,477,700 | - | 50,477,700 | (44,852,228) |
| Premium on bonds issued | - | 448,055 | - | 448,055 | 448,055 |
| Fund Balance Appropriated | 977,126 | - | - | - | (977,126) |
| Total other financing sources (uses) | <u>113,984,794</u> | <u>67,027,591</u> | <u>1,575,904</u> | <u>68,603,495</u> | <u>(45,381,299)</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ 16,180,451</u> | (6,165,020) | <u>\$ 10,015,431</u> | <u>\$ 10,015,431</u> |
| Fund Balances - Beginning of Year | | | <u>16,180,451</u> | | |
| Fund Balances - End of Year | | | <u>\$ 10,015,431</u> | | |

Hospital Capital Reserve Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2022
 With Comparative Actual Amounts for Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior Year |
|--|-----------|-----------|------------|----------------------|
| | Budget | Actual | Over/Under | |
| Revenues | | | | |
| Investment earnings | 50,000 | (76,550) | (126,550) | (125) |
| Total revenues | 50,000 | (76,550) | (126,550) | (125) |
| Excess of revenues over (under) expenditures | 50,000 | (76,550) | (126,550) | (125) |
| Other Financing Sources (Uses) | | | | |
| Transfer to General Fund | (500,000) | (500,000) | - | (500,000) |
| Fund Balance Appropriated | 450,000 | - | (450,000) | - |
| Total other financing sources (uses) | (50,000) | (500,000) | (450,000) | (500,000) |
| Net change in fund balance | - | (576,550) | (576,550) | (500,125) |
| Fund Balances - Beginning of Year | | 2,810,212 | | 3,310,337 |
| Fund Balances - End of Year | | 2,233,662 | | 2,810,212 |

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, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior Year |
|-------------------------------------|------------------|------------------|-------------------|--------------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Operating revenues | | | | |
| Charges for services | | | | |
| Solid waste charges | \$ 7,208,524 | \$ 8,464,414 | | |
| Methane recovery | 465,000 | 505,371 | | |
| Lease revenue | - | 8,178 | | |
| Other operating | 91,147 | 75,000 | | |
| Total operating revenues | <u>7,764,671</u> | <u>9,052,963</u> | <u>1,288,292</u> | <u>8,380,559</u> |
| Nonoperating revenues | | | | |
| Solid waste disposal tax | 80,000 | 85,181 | | |
| Scrap tire disposal tax | 200,000 | 269,110 | | |
| White goods disposal tax | 65,000 | 84,958 | | |
| Scrap tire grant | 40,000 | 59,278 | | |
| Electronics management distribution | 12,000 | 8,239 | | |
| Hickory community relations | 3,000 | - | | |
| Court fees | 295 | 2,129 | | |
| Proceeds from sale of equipment | 7,000 | 429,000 | | |
| Property cleanup reimbursement | 2,500 | 4,485 | | |
| Lease Interest | - | 2,301 | | |
| Miscellaneous | 5,000 | 14,191 | | |
| Investment earnings | 60,000 | (552,121) | | |
| Total nonoperating revenues | <u>474,795</u> | <u>406,751</u> | <u>(68,044)</u> | <u>450,412</u> |
| Total revenues | <u>8,239,466</u> | <u>9,459,714</u> | <u>1,220,248</u> | <u>8,830,971</u> |
| Expenditures | | | | |
| Solid Waste Management | | | | |
| Administration | | | | |
| Salaries & employee benefits | 349,969 | 345,735 | | |
| Other operating | 428,152 | 398,921 | | |
| | <u>778,121</u> | <u>744,656</u> | <u>33,465</u> | <u>694,504</u> |
| Recycling | | | | |
| Salaries & employee benefits | 60,175 | 59,754 | | |
| Other operating | 194,182 | 107,835 | | |
| | <u>254,357</u> | <u>167,589</u> | <u>86,768</u> | <u>154,576</u> |
| Solid Waste Management Improvements | | | | |
| Other operating | 147,050 | 54,548 | | |
| | <u>147,050</u> | <u>54,548</u> | <u>92,502</u> | <u>66,718</u> |
| Solid Waste Code Enforcement | | | | |
| Salaries & employee benefits | 72,792 | 69,307 | | |
| Other operating | 65,864 | 29,412 | | |
| | <u>138,656</u> | <u>98,719</u> | <u>39,937</u> | <u>78,901</u> |

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, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|---|------------------|---------------------|---------------------|---------------------|
| | Budget | Actual | Over/Under | Year |
| Sanitary Landfill | | | | |
| Salaries & employee benefits | 1,632,093 | 1,545,121 | | |
| Maintenance and repair | 495,670 | 458,294 | | |
| Solid waste disposal tax remittance | 17,550 | 446,511 | | |
| Lease interest expense | - | 116 | | |
| Lease amortization expense | - | 4,578 | | |
| Landfill closure and postclosure care costs | 40,000 | - | | |
| Other operating | 2,532,750 | 1,622,122 | | |
| | <u>4,718,063</u> | <u>4,076,742</u> | <u>641,321</u> | <u>3,514,491</u> |
| Blackburn Landfill - Methane Recovery | | | | |
| Maintenance and repair | 258,977 | 124,390 | | |
| Other operating | 76,710 | 51,491 | | |
| | <u>335,687</u> | <u>175,881</u> | <u>159,806</u> | <u>372,830</u> |
| Total operating expenditures | <u>6,371,934</u> | <u>5,318,135</u> | <u>1,053,799</u> | <u>4,882,020</u> |
| Capital outlay | <u>1,037,119</u> | <u>860,002</u> | <u>177,117</u> | <u>444,371</u> |
| Total expenditures | <u>7,409,053</u> | <u>6,178,137</u> | <u>1,230,916</u> | <u>5,326,391</u> |
| Excess of revenues over (under) expenditures | <u>830,413</u> | <u>3,281,577</u> | <u>2,451,164</u> | <u>3,504,580</u> |
| Other Financing Sources (Uses) | | | | |
| Transfer to Solid Waste Capital Fund | (1,181,980) | (1,181,980) | | |
| Fund balance appropriated | 351,567 | - | (351,567) | |
| Total other financing sources (uses) | <u>(830,413)</u> | <u>(1,181,980)</u> | <u>(351,567)</u> | <u>(1,433,970)</u> |
| Revenues and other financing sources over (under) expenditures and other financing uses | <u>\$ -</u> | <u>\$ 2,099,597</u> | <u>\$ 2,099,597</u> | <u>\$ 2,070,610</u> |
| Reconciliation from budgetary basis (modified accrual) to full accrual: | | | | |
| Revenues and other financing sources over (under) expenditures and other financing uses | | <u>\$ 2,099,597</u> | | |
| Reconciling items | | | | |
| Capital outlay | | 860,002 | | |
| Depreciation | | (1,497,641) | | |
| (Increase) decrease in deferred outflows of resources - pensions | | 56,068 | | |
| (Increase) decrease in net pension liability | | 387,039 | | |
| (Increase) decrease in deferred inflows of resources - pensions | | (394,430) | | |
| (Increase) decrease in accrued landfill closure and postclosure care costs | | (100,000) | | |
| (Increase) decrease in compensated absences | | (3,379) | | |
| (Increase) decrease in deferred outflows of resources - OPEB | | 3,245 | | |
| (Increase) decrease in net OPEB liability | | (75,541) | | |
| (Increase) decrease in deferred inflows of resources - OPEB | | (1,564) | | |
| Revenues from capital projects | | (132,710) | | |
| Transfers from capital projects | | 1,181,980 | | |
| Total reconciling items | | <u>283,069</u> | | |
| Change in net position (Exhibit 7) (full accrual) | | <u>\$ 2,382,666</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, 2022**

| | Project Authorization | Actual | | | Over/Under |
|--|----------------------------------|--------------------|---------------------|----------------------|-------------------|
| | | Prior Years | Current Year | Total to Date | |
| Revenues | | | | | |
| Investment earnings | \$ - | \$ 525,990 | (132,710) | \$ 393,280 | \$ 393,280 |
| Miscellaneous revenue | - | 359,098 | - | 359,098 | 359,098 |
| Total revenues | - | 885,088 | (132,710) | 752,378 | 752,378 |
| Expenditures | | | | | |
| Capital outlay | | | | | |
| Bethany Church Road Landfill | 2,765,950 | 666,442 | 1,892,692 | 2,559,134 | 206,816 |
| Landfill Collection Improvements | 240,000 | 96,751 | - | 96,751 | 143,249 |
| Landfill Closure | 2,000,000 | - | - | - | 2,000,000 |
| Methane Gas Perimeter | 100,000 | - | - | - | 100,000 |
| Subtitle D Cell Construction | 10,015,986 | 9,409,197 | - | 9,409,197 | 606,789 |
| Total expenditures | 15,121,936 | 10,172,390 | 1,892,692 | 12,065,082 | 3,056,854 |
| Excess of revenues over (under) expenditures | (15,121,936) | (9,287,302) | (2,025,402) | (11,312,704) | 3,809,232 |
| Other Financing Sources (Uses) | | | | | |
| Transfer from Solid Waste Operating | 15,022,002 | 13,840,022 | 1,181,980 | 15,022,002 | - |
| Fund Balance appropriated | 99,934 | - | - | - | (99,934) |
| Total other financing sources (uses) | 15,121,936 | 13,840,022 | 1,181,980 | 15,022,002 | (99,934) |
| Revenues and other sources over (under) expenditures and other financing uses | \$ - | \$ 4,552,720 | \$ (843,422) | \$ 3,709,298 | \$ 3,709,298 |



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, 2022
With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021

| | 2022 | | | Actual Prior |
|---|---------------|----------------|-------------------|---------------------|
| | Budget | Actual | Over/Under | Year |
| Revenues | | | | |
| Operating revenues | \$ - | \$ - | \$ - | \$ - |
| Total operating revenues | - | - | - | - |
| Nonoperating revenues | | | | |
| Municipality revenue | 987,000 | 1,281,715 | | |
| Capital fees | 210,000 | 683,250 | | |
| Miscellaneous | - | 5,000 | | |
| Investment earnings | - | (216,951) | | |
| Total nonoperating revenues | 1,197,000 | 1,753,014 | 556,014 | 2,492,862 |
| Total revenues | 1,197,000 | 1,753,014 | 556,014 | 2,492,862 |
| Expenditures | | | | |
| Water and Sewer | | | | |
| Water and Sewer Administration | | | | |
| Salaries & employee benefits | 131,891 | 130,197 | | |
| Other operating | 1,426,575 | 977,703 | | |
| Principal | 4,936,489 | 4,930,708 | | |
| Interest | 197,191 | 97,507 | | |
| Total expenditures | 6,692,146 | 6,136,115 | 556,031 | 2,905,421 |
| Excess of revenues over (under) expenditures | (5,495,146) | (4,383,101) | 1,112,045 | (412,559) |
| Other Financing Sources (Uses) | | | | |
| Transfer to General Fund | (384,000) | (384,000) | | |
| Transfer to General Capital Projects Fund | (5,290,500) | (5,290,500) | | |
| Transfer to Water and Sewer Capital Fund | (250,000) | (250,000) | | |
| Installment purchase obligations issued | 1,567,592 | 1,567,592 | | |
| Fund balance appropriated | 9,852,054 | - | | |
| Total other financing sources (uses) | 5,495,146 | (4,356,908) | (9,852,054) | 805,367 |
| Revenues and other financing sources over (under) expenditures and other financing uses | \$ - | \$ (8,740,009) | \$ (8,740,009) | \$ 392,808 |
| Reconciliation from budgetary basis (modified accrual) to full accrual: | | | | |
| Revenues and other financing sources over (under) expenditures and other financing uses | | \$ (8,740,009) | | |
| Reconciling items | | | | |
| Depreciation | | (1,559,673) | | |
| (Increase) decrease in deferred outflows of resources - pensions | | 5,832 | | |
| (Increase) decrease in net pension liability | | 23,888 | | |
| (Increase) decrease in deferred inflows of resources - pensions | | (27,816) | | |
| (Increase) decrease in compensated absences | | (2,050) | | |
| (Increase) decrease in deferred outflows of resources - OPEB | | 108 | | |
| (Increase) decrease in net OPEB liability | | (2,518) | | |

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, 2022****With Comparative Actual Amounts For Fiscal Year Ended June 30, 2021**

| | |
|---|------------------------|
| (Increase) decrease in deferred inflows of resources - OPEB | (52) |
| Loan principal (excluding refunding) | 3,363,116 |
| Project expenditures not capitalized | (19,271) |
| Revenues from capital projects | (902,486) |
| Transfer from Water and Sewer Capital Fund | 250,000 |
| Transfer to General Capital Projects Fund | <u>(3,000,000)</u> |
| Total reconciling items | <u>(1,870,922)</u> |
| Change in net position (full accrual) | <u>\$ (10,610,931)</u> |

CATAWBA COUNTY, NORTH CAROLINA

Schedule E-4

**Water and Sewer Capital Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
From Inception and for the Year Ended June 30, 2022**

| | | Actual | | | | |
|---|--------------------------|---------------|----------------|---------------|---------------|--|
| | Project Authorization | Prior Years | Current Year | Total to Date | Over/Under | |
| Revenues | | | | | | |
| Other Taxes | | | | | | |
| Sales Taxes - Article 46 - one quarter of one percent | \$ 3,109,158 | \$ 3,383,453 | - | \$ 3,383,453 | \$ 274,295 | |
| Investment earnings | - | 3,443,749 | (902,486) | 2,541,263 | 2,541,263 | |
| Golden Leaf Grant | 491,257 | - | - | - | (491,257) | |
| Miscellaneous | - | 76,223 | - | 76,223 | 76,223 | |
| Total revenues | 3,600,415 | 6,903,425 | (902,486) | 6,000,939 | 2,400,524 | |
| Expenditures | | | | | | |
| Capital outlay | | | | | | |
| Balls Creek Water Phase II | 6,191,905 | 1,274,076 | 19,270 | 1,293,346 | 4,898,559 | |
| Bandys Mill Creek Commscope | 250,000 | - | - | - | 250,000 | |
| East Maiden Hwy 150 Gravity | 1,238,000 | 1,842 | 135,964 | 137,806 | 1,100,194 | |
| EcoComplex and Resource Recovery | 1,669,367 | 1,034,023 | - | 1,034,023 | 635,344 | |
| EPA Stormwater Phase II | 250,000 | 64,569 | - | 64,569 | 185,431 | |
| Hart Road Water | 500,000 | 468,550 | - | 468,550 | 31,450 | |
| Hwy 16 Sewer | 910,000 | - | - | - | 910,000 | |
| Hwy 16 South Utilities | 2,019,132 | - | - | - | 2,019,132 | |
| Hwy 150 Sewer Service Phase I and II | 2,136,848 | 1,842,624 | - | 1,842,624 | 294,224 | |
| Claremont to Hickory Wasterwater Treatment | 3,000,000 | - | - | - | 3,000,000 | |
| Sherrills Ford Wastewater Treatment | 68,836 | 68,836 | - | 68,836 | - | |
| Wastewater Emergent Need | 100,000 | - | - | - | 100,000 | |
| Wastewater Treatment Plant Expansion | 1,250,000 | - | - | - | 1,250,000 | |
| SECC S NC 16 Water | 2,500,000 | - | 42,839 | 42,839 | 2,457,161 | |
| SECC Village Center Pump Station Upgrade | 2,709,000 | - | - | - | 2,709,000 | |
| SECC Village Center Force Main | 3,330,000 | - | - | - | 3,330,000 | |
| Total expenditures | 28,123,088 | 4,754,520 | 198,073 | 4,952,593 | 23,170,495 | |
| Excess of revenues over (under) expenditures | (24,522,673) | 2,148,905 | (1,100,559) | 1,048,346 | 25,571,019 | |
| 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 | 250,000 | - | 250,000 | 250,000 | - | |
| American Rescue Plan Act Fund | 11,539,000 | - | - | - | (11,539,000) | |
| Transfers to | | | | | | |
| General Capital Projects Fund | (3,700,000) | (700,000) | (3,000,000) | (3,700,000) | - | |
| Water and Sewer Operations | (805,367) | (805,367) | - | (805,367) | - | |
| Fund balance appropriated | 11,483,526 | - | - | - | (11,483,526) | |
| Total other financing sources (uses) | 24,522,673 | 16,279,024 | (2,750,000) | 13,529,024 | (10,993,649) | |
| Revenues and other sources over (under) expenditures and other financing uses | \$ - | \$ 18,427,929 | \$ (3,850,559) | \$ 14,577,370 | \$ 14,577,370 | |

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, 2022**

| | Municipal Tax Fund | Jail Inmate Pay Fund | Total Custodial Funds |
|---|-------------------------------|---------------------------------|----------------------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 9,742 | \$ 71,774 | \$ 81,516 |
| Taxes receivable for other governments, net | 3,189,406 | - | 3,189,406 |
| Total assets | <u>3,199,148</u> | <u>71,774</u> | <u>3,270,922</u> |
| LIABILITIES | | | |
| Accounts payable and accrued liabilities | - | - | - |
| Due to other governments | 9,742 | - | 9,742 |
| Total liabilities | <u>9,742</u> | <u>-</u> | <u>9,742</u> |
| Net Position | | | |
| Restricted for: | | | |
| Individuals, organizations, and other governments | 3,189,406 | 71,774 | 3,261,180 |
| Total net position | <u>\$ 3,189,406</u> | <u>\$ 71,774</u> | <u>\$ 3,261,180</u> |

Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2022

| | Municipal Tax Fund | Jail Inmate Pay Fund | Total Custodial Funds |
|---|-------------------------------|---------------------------------|----------------------------------|
| ADDITIONS | | | |
| Ad valorem taxes for other governments | \$ 53,991,098 | \$ - | \$ 53,991,098 |
| Collections on behalf of inmates | - | 572,448 | 572,448 |
| Total additions | <u>53,991,098</u> | <u>572,448</u> | <u>54,563,546</u> |
| DEDUCTIONS | | | |
| Tax distributions to other governments | 54,225,692 | - | 54,225,692 |
| Payments on behalf of inmates | - | 559,116 | 559,116 |
| Total deductions | <u>54,225,692</u> | <u>559,116</u> | <u>54,784,808</u> |
| Net increase (decrease) in fiduciary net position | (234,594) | 13,332 | (221,262) |
| Net position, beginning | <u>3,424,000</u> | <u>58,442</u> | <u>3,482,442</u> |
| Net position, ending | <u>\$ 3,189,406</u> | <u>\$ 71,774</u> | <u>\$ 3,261,180</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, 2022**

| | Amounts Represented on Statements | Cost Value | Fair Value |
|--|--|------------------------------|------------------------------|
| Cash | | | |
| On hand | \$ 9,993 | \$ 9,993 | \$ 9,993 |
| In demand deposits | | | |
| (interest bearing) | 18,713,568 | 18,713,568 | 18,713,568 |
| (noninterest bearing) | 247,803 | 247,803 | 247,803 |
| Certificates of deposit | 240,000 | 240,000 | 240,000 |
| Money Market, unrestricted | 1,014,519 | 1,014,519 | 1,014,519 |
| Debt escrow-restricted for capital | 1,910,689 | 1,910,689 | 1,910,689 |
| Cash deposits, restricted for debt service | 21,119,059 | 21,119,059 | 21,119,059 |
| Total cash | <u>\$ 43,255,631</u> | <u>\$ 43,255,631</u> | <u>\$ 43,255,631</u> |
| Other Investments | | | |
| North Carolina Capital | | | |
| Management Trust, Government Portfolio | 56,879,332 | 56,879,332 | 56,879,332 |
| Commerical Paper | 995,526 | 997,841 | 995,526 |
| Federal Farm Credit | 24,335,250 | 25,960,594 | 24,335,250 |
| Federal Home Loan Bank | 85,326,569 | 90,283,941 | 85,326,569 |
| Federal Home Loan Mortgage Corporation | 11,988,988 | 12,803,750 | 11,988,988 |
| Federal National Mortgage Association | 14,489,830 | 15,465,034 | 14,489,830 |
| Total other investments | <u>\$ 194,015,495</u> | <u>\$ 202,390,492</u> | <u>\$ 194,015,495</u> |
| Total cash and investments | <u><u>\$ 237,271,126</u></u> | <u><u>\$ 245,646,123</u></u> | <u><u>\$ 237,271,126</u></u> |

CATAWBA COUNTY, NORTH CAROLINA

Schedule G-1

Page 2 of 2

**Schedule of Cash and Investment Balances
June 30, 2022****Distribution by funds**

| | | | |
|--|----|------------|-----------------------|
| General Fund | \$ | 96,595,862 | |
| Restricted cash | | 21,502,625 | \$ 118,098,487 |
| Special Revenue Funds | | | |
| Emergency Telephone System Fund | \$ | 1,265,271 | |
| Narcotics Seized Funds and Property Fund | | 608 | |
| State Unauthorized Substance Abuse Fund | | 59,283 | |
| Narcotics Seized Justice Funds | | 428,743 | |
| Narcotics Seized Treasury Funds | | 151,271 | |
| Rescue Squads Fund | | 222,647 | |
| Library Endowment Fund | | 197,841 | |
| Gretchen Peed Scholarship Fund | | 56,244 | |
| Parks Preservation Trust Fund | | 76,104 | |
| Community Development Fund | | 50,694 | |
| American Rescue Plan (ARP) Fund | | | |
| Restricted Cash | | 19,755,911 | |
| Fines and Forfeitures Fund | | 26,792 | |
| Opioid Settlement Fund | | | |
| Restricted Cash | | 493,490 | |
| Representative Payee Fund | | 104,255 | |
| Deed of Trust Fund | | 11,073 | |
| Fire District Funds | | 2,084,756 | 24,984,983 |
| Capital Projects Funds | | | |
| General Capital Projects Fund | \$ | 30,398,639 | |
| Restricted Cash | | 89,786 | |
| Subdivision Road Improvement Projects Fund | | 565,810 | |
| Schools Capital Projects Fund | | 10,130,761 | |
| School Construction Fund | | 8,223,140 | |
| Restricted Cash | | 1,816,691 | |
| Hospital Capital Reserve Fund | | 2,230,555 | 53,455,382 |
| Enterprise Fund | | | |
| Water & Sewer Fund | \$ | 21,225,537 | |
| Solid Waste Management Fund | | 19,425,221 | 40,650,758 |
| Custodial Funds | | | |
| Municipal Tax Funds | \$ | 9,742 | |
| Sheriff Inmate Funds | | 71,774 | 81,516 |
| Total | | | <u>\$ 237,271,126</u> |

Analysis of Current Tax Levy
For the Year Ended June 30, 2022

| | 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 | \$ 19,482,845,597 | 0.575 | \$ 112,026,363 | \$ 101,490,392 | \$ 10,535,971 |
| Penalties | - | | 224,448 | 224,448 | - |
| Total | 19,482,845,597 | | 112,250,811 | 101,714,840 | 10,535,971 |
| Discoveries: | | | | | |
| Current year taxes | 15,395,221 | 0.575 | 88,523 | 88,523 | - |
| Prior year taxes | 381,337,688 | various | 2,192,691 | 2,192,691 | - |
| Penalties | - | | 347,920 | 347,920 | - |
| Total | 396,732,909 | | 2,629,134 | 2,629,134 | - |
| Abatements: | (42,873,906) | | (246,525) | (196,423) | (50,102) |
| Total property valuation | <u>\$ 19,836,704,600</u> | | | | |
| Net levy | | | 114,633,420 | 104,147,551 | 10,485,869 |
| Uncollected taxes at June 30, 2022 | | | 1,092,010 | 1,092,010 | - |
| Current year's taxes collected | | | <u>\$ 113,541,410</u> | <u>\$ 103,055,541</u> | <u>\$ 10,485,869</u> |
| Current levy collection percentage | | | <u>99.05%</u> | <u>98.95%</u> | <u>100.00%</u> |

Secondary Market Disclosures

| | |
|---|----------------------|
| Assessed Valuation: | |
| Assessment Ratio ⁽¹⁾ | 100% |
| Real Property | \$ 13,586,700,647 |
| Personal Property | 5,161,064,795 |
| Public Service Companies ⁽²⁾ | <u>1,088,939,158</u> |
| Total Assessed Valuation | \$ 19,836,704,600 |
| Tax Rate per \$100 | 0.575 |
| Net Levy (includes discoveries, releases and abatements) ⁽³⁾ | \$ 114,633,420 |

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

| | |
|---------------------------|------------------|
| Fire Protection Districts | \$ 8,577,773,266 |
|---------------------------|------------------|

⁽¹⁾ Percentage of appraised value has been established by statute.

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

⁽³⁾ The levy includes interest and penalties.

Schedule of Taxes Receivable
June 30, 2022

| General Fund | Uncollected Balance June 30, 2021 | Additions and Adjustments | Collections and Credits | Uncollected Balance June 30, 2022 |
|---|---|------------------------------|----------------------------|---|
| 2021 | \$ - | \$ 114,633,420 | \$ 113,541,410 | \$ 1,092,010 |
| 2020 | 1,148,474 | - | 711,038 | 437,436 |
| 2019 | 536,380 | - | 277,930 | 258,450 |
| 2018 | 287,696 | - | 109,816 | 177,880 |
| 2017 | 178,047 | - | 71,380 | 106,667 |
| 2016 | 139,695 | - | 50,328 | 89,367 |
| 2015 | 112,768 | - | 40,683 | 72,085 |
| 2014 | 118,410 | - | 39,650 | 78,760 |
| 2013 | 270,133 | - | 41,136 | 228,997 |
| 2012 | 328,389 | - | 38,235 | 290,154 |
| Prior | 299,522 | - | 299,522 | - |
| | <u>\$ 3,419,514</u> | <u>\$ 114,633,420</u> | <u>\$ 115,221,128</u> | <u>\$ 2,831,806</u> |
| Less allowance for uncollectible taxes | <u>2,459,750</u> | | | <u>1,880,326</u> |
| Taxes receivable -- net | <u>\$ 959,764</u> | | | <u>\$ 951,480</u> |

Reconcilement with revenues:

| | |
|----------------------------------|-----------------------|
| Ad valorem taxes | |
| General Fund | \$ 115,081,281 |
| Rescue Squad Fund | <u>844,892</u> |
| Total ad valorem taxes | \$ 115,926,173 |
| Reconciling items: | |
| Penalties and interest collected | (694,462) |
| Tax on leased vehicle collected | (273,719) |
| Prior year release/adjustments | (36,386) |
| Taxes written off | <u>299,522</u> |
| Total reconciling items | <u>(705,045)</u> |
| Total collections | <u>\$ 115,221,128</u> |

CATAWBA COUNTY, NORTH CAROLINA
General Long-Term Debt Requirements and Maturity Schedule
June 30, 2022

Schedule J-1

| Fiscal Year Ended June 30 | Governmental Activities | | | Business Type Activities | | |
|---------------------------------|-------------------------|----------------------|-----------------------|--------------------------|------------------|---------------------|
| | Debt Principal | Interest | Total | Debt Principal | Interest | Total |
| 2023 | 14,997,050 | 3,185,039 | 18,182,089 | 535,201 | 18,854 | 554,055 |
| 2024 | 14,660,721 | 2,826,756 | 17,487,477 | 499,884 | 12,680 | 512,564 |
| 2025 | 11,829,155 | 2,483,036 | 14,312,191 | 256,009 | 8,454 | 264,463 |
| 2026 | 10,449,777 | 2,171,553 | 12,621,330 | 249,756 | 5,969 | 255,725 |
| 2027 | 10,164,199 | 1,885,407 | 12,049,606 | 246,449 | 3,545 | 249,994 |
| 2028-2032 | 33,966,343 | 5,686,417 | 39,652,760 | 392,507 | 1,173 | 393,680 |
| 2033-2037 | 16,591,697 | 1,907,697 | 18,499,394 | - | - | - |
| 2038-2039 | 3,880,000 | 137,012 | 4,017,012 | - | - | - |
| | <u>\$ 116,538,942</u> | <u>\$ 20,282,917</u> | <u>\$ 136,821,859</u> | <u>\$ 2,179,806</u> | <u>\$ 50,675</u> | <u>\$ 2,230,481</u> |

Statistical Section

This part of Catawba County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Catawba County's overall financial health.

| <u>Content</u> | <u>Pages</u> |
|---|--------------|
| <i>Financial Trends</i> These tables contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. | 212-219 |
| <i>Revenue Capacity</i> These tables contain information to help the reader assess the County's most significant local revenue source, the property tax. | 220-226 |
| <i>Debt Capacity</i> 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. | 227-231 |
| <i>Demographic and Economic Information</i> These tables offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. | 232-233 |
| <i>Operating Information</i> 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. | 234-239 |

CATAWBA COUNTY, NORTH CAROLINA

Table 1
Page 1 of 2

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

| | Fiscal Year | | | | |
|---|----------------|----------------|----------------|----------------|----------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Governmental activities: | | | | | |
| Net investment in capital assets | \$ 131,737,711 | \$ 124,449,252 | \$ 115,574,093 | \$ 102,979,361 | \$ 102,894,759 |
| Restricted | 36,821,265 | 50,609,042 | 39,677,297 | 47,104,886 | 26,520,247 |
| Unrestricted | 10,189,348 | (35,914,333) | (40,780,172) | (47,734,012) | (31,770,408) |
| Total governmental activities net position | 178,748,324 | 139,143,961 | 114,471,218 | 102,350,235 | 97,644,598 |
| Business-type activities: | | | | | |
| Net investment in capital assets | 74,283,661 | 70,980,887 | 68,855,090 | 64,560,596 | 60,993,467 |
| Unrestricted | 32,268,436 | 43,799,475 | 44,606,556 | 47,132,939 | 46,791,325 |
| Total business-type activities net position | 106,552,097 | 114,780,362 | 113,461,646 | 111,693,535 | 110,092,779 |
| Primary government: | | | | | |
| Net investment in capital assets | 206,021,372 | 195,430,139 | 184,429,183 | 167,539,957 | 163,888,226 |
| Restricted | 36,821,265 | 50,609,042 | 39,677,297 | 47,104,886 | 28,828,234 |
| Unrestricted | 42,457,784 | 7,885,142 | 3,826,384 | (601,073) | 15,020,917 |
| Total primary government net position | \$ 285,300,421 | \$ 253,924,323 | \$ 227,932,864 | \$ 214,043,770 | \$ 207,737,377 |

Data Source
Audited Financial Statements

CATAWBA COUNTY, NORTH CAROLINA

Table 1
Page 2 of 2

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

| | Fiscal Year | | | | |
|---|----------------|----------------|----------------|----------------|----------------|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Governmental activities: | | | | | |
| Net investment in capital assets | \$ 92,137,818 | \$ 82,024,110 | \$ 75,032,918 | \$ 73,669,285 | \$ 72,733,148 |
| Restricted | 32,847,390 | 37,336,072 | 55,052,023 | 61,304,988 | 50,910,338 |
| Unrestricted | (20,049,846) | (17,909,411) | (49,201,049) | (70,537,217) | (56,964,579) |
| Total governmental activities net position | 104,935,362 | 101,450,771 | 80,883,892 | 64,437,056 | 66,678,907 |
| Business-type activities: | | | | | |
| Net investment in capital assets | 57,243,979 | 53,727,147 | 51,643,356 | 49,571,504 | 51,632,394 |
| Unrestricted | 46,440,583 | 47,385,811 | 46,123,218 | 45,362,525 | 39,533,644 |
| Total business-type activities net position | 103,684,562 | 101,112,958 | 97,766,574 | 94,934,029 | 91,166,038 |
| Primary government: | | | | | |
| Net investment in capital assets | 149,381,797 | 135,751,257 | 126,676,274 | 123,240,789 | 124,365,542 |
| Restricted | 32,847,390 | 37,336,072 | 55,052,023 | 61,304,988 | 50,910,338 |
| Unrestricted | 26,390,737 | 29,476,400 | (3,077,831) | (25,174,692) | (17,430,935) |
| Total primary government net position | \$ 208,619,924 | \$ 202,563,729 | \$ 178,650,466 | \$ 159,371,085 | \$ 157,844,945 |

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 | | | | |
|---|--------------------|---------------|---------------|---------------|---------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Expenses | | | | | |
| Governmental activities: | | | | | |
| General government | \$ 12,447,523 | \$ 13,652,217 | \$ 12,155,897 | \$ 11,645,266 | \$ 10,229,231 |
| Public safety | 52,626,431 | 51,540,354 | 50,525,230 | 42,615,139 | 40,842,983 |
| Environmental protection | 707,228 | 632,202 | 620,215 | 629,550 | 599,963 |
| Economic and physical development | 23,117,588 | 21,826,814 | 20,154,248 | 18,490,744 | 17,042,823 |
| Human services | 48,364,606 | 48,364,606 | 46,071,393 | 44,620,992 | 43,083,045 |
| Culture and recreation | 3,974,978 | 3,843,536 | 3,786,087 | 3,372,144 | 3,545,635 |
| Education | 61,203,839 | 65,156,094 | 58,197,754 | 65,517,013 | 69,146,541 |
| Interest on long-term debt | 2,562,883 | 3,951,535 | 4,064,107 | 4,318,642 | 3,615,378 |
| Total governmental activities expenses | 205,005,076 | 203,716,266 | 195,574,931 | 191,209,490 | 188,105,599 |
| Business-type activities: | | | | | |
| Solid waste management | 6,944,338 | 6,629,739 | 8,122,386 | 6,576,468 | 5,640,840 |
| Water and sewer | 2,786,959 | 1,624,959 | 3,040,068 | 3,210,852 | 2,289,106 |
| Total business-type activities expenses | 9,731,297 | 9,731,297 | 11,162,454 | 9,787,320 | 7,929,946 |
| Total primary government expenses | 214,736,373 | 213,447,563 | 206,737,385 | 200,996,810 | 196,035,545 |
| Program Revenues | | | | | |
| Governmental activities: | | | | | |
| Fees, fines, and charges for services: | | | | | |
| General government | 1,930,031 | 1,960,548 | 2,010,935 | 2,413,382 | 2,048,789 |
| Public safety | 10,767,020 | 9,794,544 | 8,325,780 | 8,753,953 | 9,082,972 |
| Environmental protection | 30,545 | 16,175 | 24,502 | 40,791 | 35,125 |
| Economic and physical development | 5,442,985 | 4,454,616 | 3,472,412 | 2,639,454 | 2,886,862 |
| Human services | 3,012,971 | 1,927,447 | 2,199,185 | 1,986,009 | 2,104,653 |
| Culture and recreation | (218,953) | 70,270 | 60,759 | 63,150 | 60,763 |
| Education | 355,119 | 344,400 | - | - | - |
| Operating grants and contributions | 47,486,254 | 36,094,621 | 31,304,752 | 29,495,898 | 29,180,562 |
| Capital grants and contributions | 14,472 | 14,472 | 565,040 | 465,997 | 246,568 |
| Total governmental activities program revenues | 68,820,444 | 80,359,444 | 47,963,365 | 45,858,634 | 45,646,294 |
| Business-type activities: | | | | | |
| Fees, fines, and charges for services | 9,772,558 | 8,777,537 | 9,225,356 | 7,972,268 | 7,384,774 |
| Operating grants and contributions | 1,340,993 | 1,096,384 | 1,049,294 | 870,227 | 1,500,375 |
| Capital grants and contributions | - | - | 996,137 | 13,364 | - |
| Total business-type activities program revenues | 11,113,551 | 9,873,921 | 11,270,787 | 8,855,859 | 8,885,149 |
| Total primary government program revenues | 79,933,995 | 64,551,014 | 59,234,152 | 54,714,493 | 54,531,443 |
| Net (Expenses) Revenues | | | | | |
| Governmental activities | (136,184,632) | (154,581,002) | (147,611,566) | (145,350,856) | (142,459,305) |
| Business-type activities | 1,382,254 | 1,619,223 | 108,333 | (931,461) | 955,203 |
| Total primary government net expense | (134,802,378) | (121,974,568) | (147,503,233) | (146,282,317) | (141,504,102) |
| General Revenues and Other Changes in Net Position | | | | | |
| Governmental activities: | | | | | |
| Taxes | | | | | |
| Property taxes | 125,402,460 | 120,612,862 | 115,771,446 | 107,841,934 | 104,070,254 |
| Local option sales taxes | 53,494,247 | 46,887,470 | 39,552,244 | 37,938,247 | 36,065,390 |
| Other taxes | 2,664,019 | 2,213,573 | 1,849,277 | 1,795,787 | 1,848,291 |
| Investment earnings, unrestricted | (5,676,338) | (42,857) | 2,559,582 | 4,175,509 | 702,975 |
| Gain (loss) on sales of capital assets | - | 8,075 | - | - | - |
| Transfers | 8,674,500 | 700,000 | - | (1,694,984) | (1,653,489) |
| Total governmental activities | 184,558,888 | 170,379,123 | 159,732,549 | 150,056,493 | 141,033,421 |
| Business-type activities: | | | | | |
| Taxes | | | | | |
| Local option sales taxes | - | - | - | 900,150 | 848,925 |
| Other taxes | 439,249 | 397,811 | 369,136 | 372,218 | 425,298 |
| Investment earnings | (1,804,268) | 1,682 | 1,184,091 | 1,867,691 | 292,600 |
| Gain on sales of capital assets | 429,000 | - | 106,551 | 5,161 | 54,598 |
| Transfers | (8,674,500) | (700,000) | - | 1,694,984 | 1,653,489 |
| Total business-type activities | (9,610,519) | (300,507) | 1,659,778 | 4,840,204 | 3,274,910 |
| Total primary government | 174,948,369 | 170,078,616 | 161,392,327 | 154,896,697 | 144,308,331 |
| Change in Net Position | | | | | |
| Governmental activities | 48,374,256 | 15,798,121 | 12,120,983 | 4,705,637 | (1,425,884) |
| Business-type activities | (8,228,265) | 1,318,716 | 1,768,111 | 3,908,743 | 4,230,113 |
| Total primary government | \$ 40,145,991 | \$ 17,116,837 | \$ 13,889,094 | \$ 8,614,380 | \$ 2,804,229 |

Data Source

Audited Financial Statements

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

| | Fiscal Year | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Expenses | | | | | |
| Governmental activities: | | | | | |
| General government | \$ 12,702,261 | \$ 11,860,452 | \$ 9,933,029 | \$ 10,807,772 | \$ 9,760,225 |
| Public safety | 39,368,324 | 34,879,104 | 32,921,751 | 32,732,323 | 31,236,944 |
| Environmental protection | 679,490 | 585,457 | 546,444 | 492,269 | 508,073 |
| Economic and physical development | 16,638,619 | 14,883,762 | 13,950,985 | 13,538,407 | 12,780,487 |
| Human services | 48,949,754 | 46,621,822 | 47,218,856 | 47,935,422 | 48,863,130 |
| Culture and recreation | 3,518,210 | 3,595,626 | 3,127,165 | 2,847,558 | 2,776,547 |
| Education | 57,013,840 | 50,223,611 | 49,298,062 | 61,843,087 | 57,519,210 |
| Interest on long-term debt | 3,707,890 | 3,477,042 | 3,815,195 | 3,774,279 | 3,602,099 |
| Total governmental activities expenses | 182,578,388 | 166,126,876 | 160,811,487 | 173,971,117 | 167,046,715 |
| Business-type activities: | | | 46,123,218 | | |
| Solid waste management | 5,575,002 | 5,346,204 | 4,899,445 | 5,166,963 | 5,927,016 |
| Water and sewer | 2,074,045 | 2,279,892 | 2,291,702 | 1,612,849 | 2,102,576 |
| Total business-type activities expenses | 7,649,047 | 7,626,096 | 7,191,147 | 6,779,812 | 8,029,592 |
| Total primary government expenses | 190,227,435 | 173,752,972 | 168,002,634 | 180,750,929 | 175,076,307 |
| Program Revenues | | | | | |
| Governmental activities: | | | | | |
| Fees, fines, and charges for services: | | | | | |
| General government | 1,645,516 | 1,664,523 | 1,870,508 | 1,752,070 | 1,869,484 |
| Public safety | 9,062,382 | 8,617,461 | 8,747,839 | 8,068,851 | 9,178,100 |
| Environmental protection | 33,368 | 35,269 | 24,651 | 5,100 | 4,675 |
| Economic and physical development | 2,783,017 | 2,552,503 | 2,489,106 | 2,204,984 | 2,329,590 |
| Human services | 2,777,252 | 7,390,409 | 5,279,686 | 6,762,666 | 7,247,968 |
| Culture and recreation | 57,805 | 61,537 | 66,579 | 57,436 | 62,192 |
| Education | - | - | - | 494,298 | 499,006 |
| Operating grants and contributions | 33,826,622 | 33,083,275 | 37,229,196 | 29,136,207 | 28,576,342 |
| Capital grants and contributions | 114,292 | 250,000 | 125,000 | 2,292,224 | 1,859,891 |
| Total governmental activities program revenues | 50,300,254 | 53,654,977 | 55,832,565 | 50,773,836 | 51,627,248 |
| Business-type activities: | | | | | |
| Fees, fines, and charges for services | 6,615,230 | 6,421,312 | 6,054,569 | 5,671,631 | 5,880,833 |
| Operating grants and contributions | 742,079 | 743,064 | 606,766 | 868,759 | 650,178 |
| Capital grants and contributions | - | 223,191 | 486,732 | 126,942 | 731,970 |
| Total business-type activities program revenues | 7,357,309 | 7,387,567 | 7,148,067 | 6,667,332 | 7,262,981 |
| Total primary government program revenues | 57,657,563 | 61,042,544 | 62,980,632 | 57,441,168 | 58,890,229 |
| Net (Expenses) Revenues | | | | | |
| Governmental activities | (132,278,134) | (112,471,899) | (104,978,922) | (123,197,281) | (115,419,467) |
| Business-type activities | (291,738) | (238,529) | (43,080) | (112,480) | (766,611) |
| Total primary government net expense | (132,569,872) | (112,710,428) | (105,022,002) | (123,309,761) | (116,186,078) |
| General Revenues and Other Changes in Net Position | | | | | |
| Governmental activities: | | | | | |
| Taxes | | | | | |
| Property taxes | 102,512,789 | 98,691,384 | 94,200,605 | 93,649,723 | 89,347,893 |
| Local option sales taxes | 34,612,225 | 32,903,055 | 29,962,757 | 28,027,368 | 26,644,767 |
| Other taxes | 1,768,591 | 1,590,916 | 1,652,213 | 1,494,645 | 1,548,870 |
| Investment earnings, unrestricted | 209,348 | 1,470,473 | 975,564 | 1,155,474 | (183,818) |
| Gain (loss) on sales of capital assets | - | - | - | - | 9,169 |
| Transfers | (1,600,000) | (1,617,050) | (800,000) | (1,601,565) | (775,000) |
| Total governmental activities | 137,502,953 | 133,038,778 | 125,991,139 | 122,725,645 | 116,591,881 |
| Business-type activities: | | | | | |
| Taxes | | | | | |
| Local option sales taxes | 821,860 | 870,975 | 1,451,312 | 1,359,558 | 1,293,304 |
| Other taxes | 340,216 | 327,044 | 312,429 | 297,543 | 294,409 |
| Investment earnings | 52,518 | 715,609 | 477,221 | 621,805 | (94,709) |
| Gain on sales of capital assets | 48,748 | 54,235 | 2,220 | - | - |
| Transfers | 1,600,000 | 1,617,050 | 800,000 | 1,601,565 | 775,000 |
| Total business-type activities | 2,863,342 | 3,584,913 | 3,043,182 | 3,880,471 | 2,268,004 |
| Total primary government | 140,366,295 | 136,623,691 | 129,034,321 | 126,606,116 | 118,859,885 |
| Change in Net Position | | | | | |
| Governmental activities | 5,224,819 | 20,566,879 | 21,012,217 | (471,636) | 1,172,414 |
| Business-type activities | 2,571,604 | 3,346,384 | 3,000,102 | 3,767,991 | 1,501,393 |
| Total primary government | \$ 7,796,423 | \$ 23,913,263 | \$ 24,012,319 | \$ 3,296,355 | \$ 2,673,807 |

[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 | | | | |
|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| General Fund | | | | | |
| Nonspendable | | | | | |
| Inventories | \$ 299,636 | \$ 319,229 | \$ 304,083 | \$ 310,198 | \$ 314,246 |
| Prepaid | 61,080 | 18,419 | 617,948 | 595,103 | 600,017 |
| Notes receivable | 584,026 | 913,027 | 1,195,145 | 930,261 | 828,179 |
| Leases | 2,037 | - | - | - | - |
| Restricted | | | | | |
| Stabilization by State Statute | 22,335,350 | 18,655,860 | 16,340,426 | 17,310,522 | 16,277,027 |
| Register of Deeds | 139,535 | 115,021 | 43,326 | 46,265 | 17,382 |
| Debt service | 21,122,635 | 19,265,800 | 17,412,407 | 15,552,488 | 13,923,346 |
| Social Services | 240,000 | 240,000 | 243,133 | 245,354 | - |
| General Capital Reserve | - | - | - | - | 405,964 |
| Committed | | | | | |
| Tax Reappraisal | 122,185 | 128,307 | 95,125 | 94,005 | 119,803 |
| Assigned | | | | | |
| Public Health | 991,262 | 680,178 | 662,279 | 572,272 | 734,665 |
| Social Services | 7,125,114 | 5,149,537 | 3,892,520 | 3,434,388 | 3,758,037 |
| County Manager | 422,335 | 388,954 | 263,100 | 251,336 | 251,049 |
| Human Resources | 361,748 | 238,628 | 203,989 | 210,196 | 323,652 |
| Library | 675,350 | 693,938 | 691,398 | 515,113 | 307,791 |
| Cooperative Extension | - | - | - | - | - |
| Subsequent year's expenditures | 11,154,833 | 8,511,516 | 6,389,453 | 7,606,196 | 6,809,722 |
| Unassigned | 65,591,057 | 57,306,094 | 49,576,091 | 41,970,308 | 39,478,996 |
| Total general fund | 131,228,183 | 112,624,508 | 97,930,423 | 89,644,005 | 84,149,876 |
| Restricted | | | | | |
| Stabilization by State Statute | 6,933,063 | 9,198,727 | 16,168,544 | 22,009,972 | 2,642,305 |
| Public Safety | 2,042,228 | 1,670,080 | 1,539,652 | 1,282,323 | 934,306 |
| Human Services | - | 25,552 | - | - | - |
| Fire Protection | 2,077,632 | 1,747,215 | 1,408,760 | 1,881,139 | 1,487,254 |
| Debt service | - | - | - | - | - |
| Library Endowment | 197,841 | 225,206 | 205,165 | 199,878 | 193,303 |
| Scholarship | 56,244 | 58,703 | 58,670 | 56,815 | 54,953 |
| Parks Preservation | 76,104 | 55,824 | 23,032 | 5,515 | 5,335 |
| Community Development | 50,694 | 20,136 | 19,960 | 4,408 | 25,764 |
| Representative Payee | 104,255 | - | - | - | - |
| American Rescue Plan Act | - | 15,473,757 | - | - | - |
| CARES Act | - | - | 4,923 | - | - |
| General Capital | 89,786 | 5,022,380 | 6,946,054 | 17,884,858 | 30,058,365 |
| School Capital and Construction | 1,816,691 | 5,795,919 | 2,717,631 | 6,066,675 | 22,578,401 |
| Hospital Capital | 2,230,555 | 2,807,987 | 3,305,995 | 3,728,084 | 4,104,986 |
| Committed | | | | | |
| General Capital | 26,902,456 | 7,471,743 | 532,909 | 2,462,695 | 17,584,405 |
| Subdivision Road Improvement | 565,810 | - | - | - | - |
| School Capital | 9,825,269 | 8,460,279 | 8,969,464 | 6,791,275 | 6,116,496 |
| School Construction | 7,988,924 | 10,242,253 | 6,027,961 | 8,877,798 | 7,216,972 |
| Hospital Construction | - | - | - | - | - |
| Assigned | - | - | - | - | - |
| Unassigned | (338,651) | (15,495,456) | (1,106,533) | - | - |
| Total fund balances | 60,618,901 | 52,780,305 | 46,822,187 | 71,251,435 | 93,002,845 |
| Total governmental funds | \$ 191,847,084 | \$ 165,404,813 | \$ 144,752,610 | \$ 160,895,440 | \$ 177,152,721 |

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 | | | | |
|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| General Fund | | | | | |
| Nonspendable | | | | | |
| Inventories | \$ 315,603 | \$ 326,899 | \$ 319,059 | \$ 327,147 | \$ 305,186 |
| Prepaid | 650,755 | 791,762 | 115,502 | 164,242 | 26,922 |
| Notes receivable | 1,140,298 | 1,487,417 | 1,597,343 | - | - |
| Leases | - | - | - | - | - |
| Restricted | | | | | |
| Stabilization by State Statute | 15,043,605 | 15,930,246 | 15,465,797 | 14,650,010 | 12,972,979 |
| Register of Deeds | 17,170 | 5,883 | 78,807 | 1,410 | 66,229 |
| Debt service | 11,878,801 | 10,014,375 | 8,273,296 | 1,839,350 | - |
| Social Services | - | - | - | - | - |
| General Capital Reserve | 404,237 | 462,531 | 456,389 | 452,670 | 448,015 |
| Committed | | | 46,123,218 | | |
| Tax Revaluation | 173,005 | 172,990 | 165,832 | 192,437 | 166,678 |
| Assigned | | | | | |
| Public Health | 684,018 | 376,026 | 241,739 | 289,199 | 428,814 |
| Social Services | 4,133,196 | 5,189,684 | 5,101,867 | 4,304,485 | 4,505,344 |
| County Manager | 168,882 | 165,824 | 94,899 | 122,118 | 182,660 |
| Human Resources | 396,894 | 498,613 | 582,027 | 614,061 | 624,570 |
| Library | 127,497 | 103,073 | 224,601 | 400,697 | 334,917 |
| Cooperative Extension | - | - | - | - | - |
| Subsequent year's expenditures | 6,196,066 | 8,740,222 | 6,144,343 | 6,471,106 | 6,356,815 |
| Unassigned | 38,512,665 | 34,098,284 | 21,646,494 | 20,734,380 | 24,199,035 |
| Total general fund | 79,842,692 | 78,363,829 | 106,631,213 | 50,563,312 | 50,618,164 |
| Restricted | | | | | |
| Stabilization by State Statute | 9,998,054 | 13,762,920 | 21,233,131 | 28,760,070 | 3,847,266 |
| Public Safety | 607,282 | 494,667 | 2,489,115 | 2,582,688 | 2,658,023 |
| Human Services | - | - | - | - | - |
| Fire Protection | 1,521,675 | 1,370,246 | 1,258,983 | 1,145,873 | 893,577 |
| Debt service | - | - | - | 4,645,650 | - |
| Library Endowment | 192,424 | 192,428 | 187,371 | 239,217 | 236,757 |
| Scholarship | 53,725 | 52,740 | 52,294 | 46,048 | 44,288 |
| Parks Preservation | 5,312 | 1,099 | 50,004 | 49,596 | 75,197 |
| Community Development | 15,821 | - | 12,105 | 17,469 | - |
| Representative Payee | - | - | - | - | - |
| American Rescue Plan Act | - | - | - | - | - |
| CARES Act | - | - | - | - | - |
| General Capital | 452,704 | 2,231,565 | 10,604,245 | 17,957,394 | - |
| School Capital and Construction | 22,019,761 | - | 224,942 | 4,726,766 | 22,834,431 |
| Hospital Capital | 4,586,527 | 5,063,041 | 5,494,731 | 5,449,956 | 5,393,919 |
| Committed | | | | | |
| General Capital | 16,137,346 | 18,875,251 | 12,203,246 | 4,543,427 | 32,219,263 |
| Subdivision Road Improvement | - | - | - | - | - |
| School Capital | 7,159,669 | 5,499,929 | 5,900,499 | 6,465,739 | 6,172,623 |
| School Construction | 12,264,434 | 6,790,440 | 6,596,208 | - | 927,914 |
| Hospital Construction | - | 24,433 | 24,370 | 24,171 | 23,693 |
| Assigned | - | - | - | - | - |
| Unassigned | - | (712) | - | (2,380,149) | - |
| Total fund balances | 75,014,734 | 54,358,047 | 66,331,244 | 74,273,915 | 75,326,951 |
| Total governmental funds | \$ 154,857,426 | \$ 132,721,876 | \$ 172,962,457 | \$ 124,837,227 | \$ 125,945,115 |

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 | | | | |
|---|----------------------|----------------------|------------------------|------------------------|----------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Revenues | | | | | |
| Ad valorem taxes | \$ 125,412,180 | \$ 121,024,799 | \$ 115,496,421 | \$ 108,017,836 | \$ 104,028,855 |
| Other taxes | \$ 55,315,391 | 48,220,380 | 40,497,590 | 38,794,760 | 36,953,090 |
| Unrestricted intergovernmental revenues | 2,251,449 | 2,094,948 | 1,987,827 | 1,859,693 | 1,895,660 |
| Restricted intergovernmental revenues | 51,478,242 | 40,647,300 | 35,480,559 | 33,799,515 | 32,872,765 |
| Permits and fees | 6,183,904 | 5,352,866 | 3,678,377 | 3,648,564 | 3,545,784 |
| Sales and services | 10,128,551 | 7,780,817 | 8,079,661 | 7,679,583 | 7,789,214 |
| Investment earnings | (5,676,335) | (42,859) | 2,559,583 | 4,175,516 | 702,974 |
| Miscellaneous | 3,580,511 | 3,517,835 | 3,838,422 | 3,258,451 | 3,584,753 |
| Total revenues | 248,673,893 | 228,596,086 | 211,618,440 | 201,233,918 | 191,373,095 |
| Expenditures | | | | | |
| Current: | | | | | |
| General government | 14,627,408 | 14,898,197 | 13,057,864 | 13,645,725 | 12,033,377 |
| Public safety | 51,074,409 | 48,186,161 | 46,544,256 | 40,511,383 | 40,537,103 |
| Environmental protection | 702,965 | 601,045 | 594,076 | 607,125 | 581,569 |
| Economic and physical development | 21,894,798 | 19,023,000 | 18,731,430 | 17,619,284 | 16,222,681 |
| Human services | 47,203,285 | 45,273,661 | 43,149,372 | 42,815,566 | 42,039,157 |
| Culture and recreation | 3,992,511 | 3,496,614 | 3,492,983 | 3,603,514 | 3,397,645 |
| Education | 47,384,443 | 46,477,634 | 45,497,776 | 44,679,342 | 43,331,107 |
| Capital Outlay | 26,917,395 | 30,208,203 | 37,444,960 | 34,042,704 | 35,780,090 |
| Debt service: | | | | | |
| Principal | 14,950,643 | 14,577,808 | 14,676,883 | 13,445,368 | 13,501,848 |
| Interest | 3,835,712 | 4,314,087 | 4,571,669 | 4,826,204 | 3,507,375 |
| Payment to refunded bond escrow agent | - | - | - | - | - |
| Bond issuance costs | 7,616 | 145,011 | - | - | 375,651 |
| Total expenditures | 232,591,185 | 227,201,421 | 227,761,269 | 215,796,215 | 211,307,603 |
| Other Financing Sources (uses) | | | | | |
| Transfers from other funds | 38,858,350 | 14,349,626 | 7,162,914 | 5,158,796 | 6,641,134 |
| Transfers to other funds | (30,183,850) | (13,649,626) | (7,162,914) | (6,853,780) | (8,294,623) |
| Installment purchase obligations issued | - | 18,550,000 | - | - | - |
| Lease liabilities issued | 1,579,797 | - | - | - | - |
| Premium on installment obligations issued | - | - | - | - | - |
| Bonds issued | 10,757,408 | - | - | - | 39,085,000 |
| Premium on bonds issued | - | - | - | - | 4,798,292 |
| Payment to refunded escrow agent | (10,757,408) | - | - | - | - |
| Sales of capital assets | - | 8,075 | - | - | - |
| Total other financing sources (uses) | 10,254,297 | 19,258,075 | - | (1,694,984) | 42,229,803 |
| Net change in fund balances | \$ 26,337,005 | \$ 20,652,740 | \$ (16,142,829) | \$ (16,257,281) | \$ 22,295,295 |
| Debt service as a percentage of noncapital expenditures | 8.7% | 8.8% | 9.5% | 9.1% | 8.6% |

⁽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 | | | | |
|---|----------------------|-----------------------|--------------------|--------------------|----------------------|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Revenues | | | | | |
| Ad valorem taxes | \$ 102,643,115 | \$ 98,864,292 | \$ 94,982,137 | \$ 94,593,965 | \$ 89,246,050 |
| Other taxes | 35,395,806 | 33,513,929 | 30,577,418 | 28,514,821 | 27,201,571 |
| Unrestricted intergovernmental revenues | 1,915,010 | 1,914,853 | 1,950,128 | 1,902,192 | 1,887,066 |
| Restricted intergovernmental revenues | 37,710,248 | 36,702,096 | 37,914,903 | 36,065,434 | 36,172,540 |
| Permits and fees | 3,270,330 | 2,725,409 | 2,398,171 | 2,130,735 | 2,346,916 |
| Sales and services | 7,955,557 | 9,289,078 | 10,275,072 | 11,363,376 | 11,518,226 |
| Investment earnings | 209,348 | 1,451,782 | 975,566 | 1,155,473 | (183,818) |
| Miscellaneous | 3,544,286 | 7,502,488 | 6,790,563 | 3,539,937 | 3,469,424 |
| Total revenues | 192,643,700 | 191,963,927 | 185,863,958 | 179,265,933 | 171,657,975 |
| Expenditures | | | | | |
| Current: | | | | | |
| General government | 12,813,629 | 12,646,281 | 10,889,713 | 11,329,249 | 10,339,386 |
| Public safety | 40,004,086 | 34,477,572 | 33,618,405 | 31,930,143 | 30,928,591 |
| Environmental protection | 661,156 | 573,409 | 545,637 | 461,359 | 477,163 |
| Economic and physical development | 15,493,426 | 15,010,630 | 13,813,474 | 13,573,781 | 12,850,717 |
| Human services | 47,706,576 | 46,315,883 | 47,773,150 | 47,114,736 | 48,069,751 |
| Culture and recreation | 3,407,377 | 3,513,584 | 3,109,069 | 2,769,125 | 2,694,713 |
| Education | 41,012,204 | 40,239,272 | 40,394,875 | 40,004,060 | 39,695,975 |
| Capital Outlay | 27,343,949 | 26,081,492 | 18,273,102 | 33,342,151 | 21,113,769 |
| Debt service: | | | | | |
| Principal | 13,430,361 | 10,582,661 | 12,331,427 | 13,932,346 | 13,586,635 |
| Interest | 3,763,682 | 3,744,689 | 4,042,723 | 3,794,348 | 3,600,703 |
| Payment to refunded bond escrow agent | - | - | - | 1,014,000 | 1,128,232 |
| Bond issuance costs | 115,551 | - | - | 23,583 | 135,592 |
| Total expenditures | 205,751,997 | 193,185,473 | 184,791,575 | 199,288,881 | 184,621,227 |
| Other Financing Sources (uses) | | | | | |
| Transfers from other funds | 10,302,305 | 8,376,971 | 5,187,183 | 2,942,065 | 2,247,667 |
| Transfers to other funds | (11,902,305) | (9,994,021) | (5,987,183) | (4,543,630) | (3,022,667) |
| Installment purchase obligations issued | 50,530,000 | 570,000 | - | 20,125,000 | 33,600,000 |
| Lease liabilities issued | - | - | - | - | - |
| Premium on installment obligations issued | - | - | - | 2,161,054 | - |
| Bonds issued | - | - | - | 1,810,000 | 10,965,000 |
| Premium on bonds issued | - | - | - | 39,911 | - |
| Payment to refunded escrow agent | (13,686,153) | - | - | (1,849,125) | (9,750,000) |
| Sales of capital assets | - | - | - | - | 9,169 |
| Total other financing sources (uses) | 35,243,847 | (1,047,050) | (800,000) | 20,685,275 | 34,049,169 |
| Net change in fund balances | \$ 22,135,550 | \$ (2,268,596) | \$ 272,383 | \$ 662,327 | \$ 21,085,917 |
| Debt service as a percentage of noncapital expenditures | 8.9% | 8.1% | 9.4% | 9.5% | 9.5% |

⁽¹⁾ Note: Beginning FY 2012, current refundings are shown as debt service expenditures rather than other financing use.

CATAWBA COUNTY, NORTH CAROLINA**Table 5****Assessed Valuation and Actual Value of Taxable Property
Last Ten Fiscal Years**

| Fiscal Year | Real Property | Personal Property | Public Utility Property | Total Taxable Assessed Value | Total Direct Tax Rate ⁽¹⁾ | Estimated Real Market Value |
|---------------------|----------------------|--------------------------|--------------------------------|-------------------------------------|---|------------------------------------|
| 2013 | 12,240,949,134 | 3,127,347,289 | 659,587,935 | 16,027,884,358 | 0.530 | 15,946,556,918 |
| 2014 | 12,224,185,313 | 3,790,836,072 | 685,580,853 | 16,700,602,238 | 0.530 | 16,192,168,158 |
| 2015 | 12,267,687,100 | 3,622,784,098 | 746,952,594 | 16,637,423,792 | 0.530 | 16,249,070,995 |
| 2016 ⁽²⁾ | 11,564,008,687 | 3,742,083,773 | 788,247,696 | 16,094,340,156 | 0.575 | 16,261,837,078 |
| 2017 | 11,682,762,282 | 3,910,899,616 | 827,530,781 | 16,421,192,679 | 0.575 | 16,571,997,860 |
| 2018 | 11,821,086,656 | 4,032,470,698 | 846,131,001 | 16,699,688,355 | 0.575 | 17,439,106,470 |
| 2019 | 11,984,593,390 | 4,339,896,854 | 856,998,611 | 17,181,488,855 | 0.575 | 18,580,608,689 |
| 2020 ⁽²⁾ | 13,101,976,344 | 4,431,826,297 | 922,892,477 | 18,456,695,118 | 0.575 | 18,821,838,791 |
| 2021 | 13,386,384,363 | 4,761,084,974 | 987,346,080 | 19,134,815,417 | 0.575 | 20,837,215,961 |
| 2022 | 13,586,700,647 | 5,161,064,795 | 1,088,939,158 | 19,836,704,600 | 0.575 | N/A |

⁽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 | | | | |
|-------------------------------------|-------------|--------|--------|--------|--------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Catawba County | | | | | |
| Property Tax | 0.5750 | 0.5750 | 0.5750 | 0.5750 | 0.5750 |
| Fire Districts: | | | | | |
| Bandys | 0.1150 | 0.1150 | 0.0780 | 0.0820 | 0.0820 |
| Catawba Rural | 0.1300 | 0.1300 | 0.1300 | 0.1000 | 0.1000 |
| Claremont Rural | 0.1100 | 0.1100 | 0.0900 | 0.0900 | 0.0900 |
| Conover Rural | 0.1100 | 0.1100 | 0.1100 | 0.1100 | 0.0900 |
| Cooksville | 0.0750 | 0.0750 | 0.0750 | 0.0620 | 0.0620 |
| Hickory Rural | 0.1500 | 0.1500 | 0.1500 | 0.1200 | 0.1200 |
| Long View Rural | 0.0830 | 0.0830 | 0.0830 | 0.0730 | 0.0730 |
| Maiden Rural | 0.0753 | 0.0753 | 0.0753 | 0.0800 | 0.0800 |
| Mountain View | 0.0718 | 0.0718 | 0.0718 | 0.0750 | 0.0750 |
| Newton Rural | 0.1300 | 0.1300 | 0.1200 | 0.1200 | 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 | 0.1300 | 0.1300 | 0.1100 | 0.1100 |
| St. Stephens | 0.1200 | 0.1200 | 0.1200 | 0.1200 | 0.1200 |
| Municipalities: | | | | | |
| Town of Brookford | 0.5200 | 0.5200 | 0.5200 | 0.5200 | 0.5200 |
| Town of Catawba | 0.5800 | 0.5800 | 0.5800 | 0.5800 | 0.4800 |
| Town of Long View | 0.5700 | 0.5700 | 0.5700 | 0.5700 | 0.5200 |
| Town of Maiden | 0.3800 | 0.3800 | 0.3800 | 0.3800 | 0.3800 |
| City of Claremont | 0.0490 | 0.0490 | 0.0490 | 0.4900 | 0.4900 |
| City of Conover | 0.0500 | 0.0500 | 0.0500 | 0.5000 | 0.4700 |
| City of Hickory | 0.6275 | 0.5875 | 0.5875 | 0.5665 | 0.5665 |
| City of Newton | 0.5400 | 0.5400 | 0.5400 | 0.5400 | 0.5400 |
| Total Maximum Rate - Fire District | 0.7250 | 0.7250 | 0.7250 | 0.6950 | 0.6950 |
| Total Maximum Rate - Municipalities | 1.2025 | 1.1625 | 1.1625 | 1.1550 | 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.

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 | | | | |
|-------------------------------------|-------------|--------|--------|--------|--------|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Catawba County | | | | | |
| Property Tax | 0.5750 | 0.5750 | 0.5300 | 0.5300 | 0.5300 |
| Fire Districts: | | | | | |
| Bandys | 0.0820 | 0.0820 | 0.0700 | 0.0700 | 0.0700 |
| Catawba Rural | 0.1000 | 0.0850 | 0.0700 | 0.0700 | 0.0700 |
| Claremont Rural | 0.0800 | 0.0800 | 0.0700 | 0.0700 | 0.0700 |
| Conover Rural | 0.0900 | 0.0900 | 0.0700 | 0.0700 | 0.0700 |
| Cooksville | 0.0620 | 0.0620 | 0.0617 | 0.0617 | 0.0617 |
| Hickory Rural | 0.0900 | 0.0900 | 0.0700 | 0.0700 | 0.0700 |
| Long View Rural | 0.0730 | 0.0730 | 0.0650 | 0.0546 | 0.0546 |
| Maiden Rural | 0.0800 | 0.0750 | 0.0700 | 0.0600 | 0.0600 |
| Mountain View | 0.0750 | 0.0600 | 0.0600 | 0.0600 | 0.0600 |
| Newton Rural | 0.0900 | 0.0900 | 0.0850 | 0.0700 | 0.0700 |
| Oxford | 0.0650 | 0.0650 | 0.0558 | 0.0558 | 0.0558 |
| Propst | 0.0620 | 0.0620 | 0.0615 | 0.0615 | 0.0615 |
| Sherrills Ford | 0.1100 | 0.0810 | 0.0800 | 0.0700 | 0.0700 |
| St. Stephens | 0.1200 | 0.0900 | 0.0900 | 0.0700 | 0.0700 |
| Municipalities: | | | | | |
| Town of Brookford | 0.5200 | 0.5200 | 0.5200 | 0.5200 | 0.5200 |
| Town of Catawba | 0.4800 | 0.4800 | 0.4800 | 0.4800 | 0.4800 |
| Town of Long View | 0.5200 | 0.4200 | 0.4200 | 0.4200 | 0.4000 |
| Town of Maiden | 0.3800 | 0.3800 | 0.3800 | 0.3800 | 0.3800 |
| City of Claremont | 0.4900 | 0.4900 | 0.4600 | 0.4600 | 0.4600 |
| City of Conover | 0.4700 | 0.4700 | 0.4300 | 0.4000 | 0.4000 |
| City of Hickory | 0.5665 | 0.5665 | 0.5000 | 0.5000 | 0.5000 |
| City of Newton | 0.5400 | 0.5400 | 0.5100 | 0.4800 | 0.4800 |
| Total Maximum Rate - Fire District | 0.6950 | 0.6650 | 0.6200 | 0.6000 | 0.6000 |
| Total Maximum Rate - Municipalities | 1.1415 | 1.1415 | 1.0500 | 1.0500 | 1.0500 |

⁽¹⁾ All tax rates are expressed in dollars of tax per \$100 of assessed valuation. For the above years, the tax levies were assessed at one hundred percent (100%) of the actual value.

CATAWBA COUNTY, NORTH CAROLINA

Table 7
Page 1 of 2

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

| Taxpayer | Type of Business | Fiscal Year 2022 | | |
|----------------------------------|-------------------------|-------------------------------|-------------|---|
| | | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Apple, Inc. | Computer Server | \$ 1,213,996,359 | 1 | 6.12 |
| Duke Energy Carolinas, LLC | Electric Utility | 866,429,389 | 2 | 4.37 |
| GKN Driveline Newton, LLC | Gears Mfg. | 240,732,658 | 3 | 1.21 |
| Corning Cable Systems, LLC | Cable Mfg. | 166,626,767 | 4 | 0.84 |
| Prysmian Cables and Systems, LLC | Cable Mfg. | 145,813,000 | 5 | 0.74 |
| CommScope Inc. of North Carolina | Cable Mfg. | 116,960,643 | 6 | 0.59 |
| Target Corporation | Warehouse/Retail | 77,243,719 | 7 | 0.39 |
| Duke Lifepoint | Medical Care | 76,387,670 | 8 | 0.39 |
| Piedmont Natural Gas Co, Inc. | Gas Utility | 75,008,852 | 9 | 0.38 |
| Hickory Springs Mfg. Co., Inc. | Manufacturing | 49,556,610 | 10 | 0.25 |
| | | <u>\$ 3,028,755,667</u> | | <u>15.28</u> |
| Total Assessed Valuation | | <u>\$ 19,836,704,600</u> | | |

Source: Catawba County Tax Collector

CATAWBA COUNTY, NORTH CAROLINA

Table 7
Page 2 of 2

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

| Taxpayer | Type of Business | Fiscal Year 2013 | | |
|--------------------------------------|-------------------------|-------------------------------|-------------|---|
| | | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Apple, Inc. | Computer Server | \$ 627,330,611 | 1 | 3.91 |
| Duke Energy Carolinas, LLC | Electric Utility | 506,438,391 | 2 | 3.16 |
| GKN Driveline Newton, LLC | Gears Mfg. | 108,991,404 | 4 | 0.68 |
| Corning Cable Systems, LLC | Cable Mfg. | 68,286,524 | 8 | 0.43 |
| Prysmian Cables and Systems, LLC | Cable Mfg. | - | - | - |
| CommScope Inc. of North Carolina | Cable Mfg. | 106,209,879 | 5 | 0.66 |
| Target Corporation | Warehouse/Retail | 111,232,424 | 3 | 0.69 |
| Duke Lifepoint (Amireit (Frye) Inc.) | Medical Care | 74,213,592 | 7 | 0.46 |
| Piedmont Natural Gas Co, Inc. | Gas Utility | - | - | - |
| Hickory Springs Mfg. Co., Inc. | Manufacturing | 55,172,963 | 9 | 0.34 |
| Draka Comteq American Medical | Cable Mfg. | 75,099,121 | 6 | 0.47 |
| Valley Hills Mall, LLC | Retail | 45,891,969 | 10 | 0.29 |
| | | <u>\$ 1,778,866,878</u> | | <u>11.09</u> |
| Total Assessed Valuation | | <u>\$ 16,027,884,358</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 |
| 2013 | 2012 | 84,947,787 | 81,441,422 | 95.87 | 3,216,211 | 84,657,633 | 99.66 |
| 2014 | 2013 | 88,513,192 | 85,800,420 | 96.94 | 2,483,775 | 88,284,195 | 99.74 |
| 2015 | 2014 | 88,178,346 | 86,413,676 | 98.00 | 1,685,910 | 88,099,586 | 99.91 |
| 2016 | 2015 | 92,542,456 | 90,856,714 | 98.18 | 1,613,657 | 92,470,371 | 99.92 |
| 2017 | 2016 | 94,639,996 | 93,070,059 | 98.34 | 1,480,570 | 94,550,629 | 99.91 |
| 2018 | 2017 | 96,140,422 | 94,571,921 | 98.37 | 1,461,834 | 96,033,755 | 99.89 |
| 2019 | 2018 | 99,113,042 | 97,751,358 | 98.63 | 1,183,804 | 98,935,162 | 99.82 |
| 2020 | 2019 | 106,244,575 | 104,660,807 | 98.51 | 1,325,318 | 105,986,125 | 99.76 |
| 2021 | 2020 | 110,229,070 | 109,080,596 | 98.96 | 711,038 | 109,791,634 | 99.60 |
| 2022 | 2021 | 114,633,420 | 113,541,410 | 99.05 | - | 113,541,410 | 99.05 |

⁽¹⁾ Includes discoveries, releases and abatements

Source: Catawba County Tax Collector



Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

| Governmental Activities | | | | | | | | |
|-------------------------|--------------------------|-------------------------------|-----------------------|------------------------------|-------------------------------------|---------------------|--------------------------|------------------|
| Fiscal Year | General Obligation Bonds | Certificates of Participation | Installment Purchases | Qualified Zone Academy Bonds | Qualified School Construction Bonds | Build America Bonds | Limited Obligation Bonds | Long-Term Leases |
| 2013 | 3,325,000 | 16,465,000 | 48,618,040 | 450,000 | 27,808,553 | 7,242,872 | 37,770,939 | - |
| 2014 | 799,341 | 12,208,902 | 44,692,131 | 400,000 | 27,808,553 | 6,663,443 | 63,119,732 | - |
| 2015 | - | 11,885,455 | 40,764,047 | 350,000 | 27,808,553 | 6,084,013 | 57,768,142 | - |
| 2016 | - | 10,582,008 | 37,299,345 | 300,000 | 27,808,553 | 5,504,583 | 52,638,035 | - |
| 2017 | - | 9,293,560 | 72,741,291 | 250,000 | 27,808,553 | - | 47,533,477 | - |
| 2018 | - | 8,020,112 | 65,653,300 | 200,000 | 27,808,553 | - | 86,320,939 | - |
| 2019 | - | 6,776,664 | 58,593,253 | 150,000 | 27,808,553 | - | 80,993,922 | - |
| 2020 | - | 5,558,217 | 51,671,667 | 100,000 | 27,808,553 | - | 74,282,324 | - |
| 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 |

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 | | | |
| 2013 | 2,600,000 | 8,000,000 | 5,504,061 | 1,275,000 | - | 159,059,465 | 2.95 | 1,023 |
| 2014 | 2,600,000 | 7,397,122 | 5,401,752 | 1,200,000 | - | 172,290,976 | 3.15 | 1,109 |
| 2015 | 2,600,000 | 6,783,333 | 5,097,634 | 1,125,000 | - | 160,266,177 | 2.80 | 1,028 |
| 2016 | 2,600,000 | 6,158,434 | 4,562,032 | 1,050,000 | - | 148,502,990 | 2.36 | 953 |
| 2017 | 2,100,388 | 5,522,224 | 4,030,882 | 975,000 | - | 170,255,375 | 2.63 | 1,091 |
| 2018 | 1,590,784 | 4,874,499 | 3,501,003 | 900,000 | - | 198,869,190 | 2.89 | 1,263 |
| 2019 | 1,070,988 | 4,215,049 | 2,972,398 | 825,000 | - | 183,405,827 | 2.55 | 1,157 |
| 2020 | 540,796 | 3,543,664 | 2,528,372 | 750,000 | - | 166,783,593 | 2.24 | 1,039 |
| 2021 | - | 2,860,127 | 2,086,253 | 675,000 | - | 168,800,189 | 2.13 | 1,050 |
| 2022 | - | 1,567,592 | - | 600,000 | 12,151 | 149,590,024 | N/A | 924 |

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>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|---|----------------------|----------------------|--------------------|----------------------|--------------------|
| Assessed value (after exemption) | 19,836,704,600 | 19,134,815,417 | 18,456,695,118 | 17,181,488,855 | 16,699,988,355 |
| Debt limit rate | 8% | 8% | 8% | 8% | 8% |
| Debt limit | 1,586,936,368 | 1,530,785,233 | 1,476,535,609 | 1,374,519,108 | 1,335,999,068 |
| Less: Total net debt applicable to limit | 129,084,877 | 149,537,030 | 149,376,135 | 167,855,980 | 198,869,191 |
| Legal debt margin | <u>1,457,851,491</u> | <u>1,381,248,203</u> | <u>149,376,135</u> | <u>1,206,663,128</u> | <u>198,869,191</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 8% | 10% | 10% | 12% | 15% |

Legal Debt Margin Calculation for Fiscal Year 2022

| | |
|---------------------------------------|-------------------------|
| Assessed value (after exemptions) | \$ 19,836,704,600 |
| Debt limit (8% of assessed value) | 1,586,936,368 |
| Debt applicable to limit: | |
| Certificates of participation | 2,880,000 |
| Installment purchase | 68,243,000 |
| Qualified Zone Academy Bonds | - |
| Qualified School Construction Bonds | 27,808,553 |
| Limited Obligation Bonds | 48,816,483 |
| North Carolina Department of Commerce | - |
| Federal Revolving Loan | 600,000 |
| Less: Statutory deductions | |
| Sinking Funds | <u>(19,263,159)</u> |
| Total net debt applicable to limit | <u>129,084,877</u> |
| Legal debt margin | <u>\$ 1,457,851,491</u> |

CATAWBA COUNTY, NORTH CAROLINA

Table 10

Page 2 of 2

**Legal Debt Margin Information
Last Ten Fiscal Years**

| | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Assessed value (after exemption) | 16,421,192,679 | 16,094,340,156 | 16,637,423,792 | 16,700,602,238 | 16,027,884,358 |
| Debt limit rate | <u>8%</u> | <u>8%</u> | <u>8%</u> | <u>8%</u> | <u>8%</u> |
| Debt limit | 1,313,695,414 | 1,287,547,212 | 1,330,993,903 | 1,336,048,179 | 1,282,230,749 |
| Less: Total net debt applicable to limit | <u>170,255,375</u> | <u>148,502,990</u> | <u>152,703,618</u> | <u>158,887,591</u> | <u>154,634,710</u> |
| Legal debt margin | <u>1,143,440,039</u> | <u>1,139,044,222</u> | <u>1,178,290,285</u> | <u>1,177,160,588</u> | <u>1,127,596,039</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 13% | 12% | 11% | 12% | 12% |

CATAWBA COUNTY, NORTH CAROLINA**Table 11****Demographic and Economic Statistics
Last Ten Fiscal Years**

| Fiscal Year | Population Estimate ⁽¹⁾ | Personal Income | Per Capita Income ⁽²⁾ | Median Age ⁽³⁾ | School Enrollment ⁽⁴⁾ | Unemployment Rate ⁽⁵⁾ |
|--------------------|---|------------------------|---|----------------------------------|---|---|
| 2013 | 155,494 | 5,357,979,000 | 34,716 | 40.25 | 24,241 | 10.80 |
| 2014 | 155,411 | 5,478,237,750 | 35,250 | 40.47 | 24,204 | 7.10 |
| 2015 | 155,832 | 5,725,579,344 | 36,742 | 40.67 | 23,889 | 6.00 |
| 2016 | 156,182 | 6,243,298,000 | 40,265 | 40.82 | 23,679 | 4.90 |
| 2017 | 156,106 | 6,489,428,000 | 41,477 | 41.06 | 23,509 | 4.00 |
| 2018 | 157,424 | 6,895,726,000 | 43,651 | 41.20 | 23,203 | 3.80 |
| 2019 | 158,579 | 7,193,629,000 | 45,342 | 41.25 | 22,705 | 4.20 |
| 2020 | 160,504 | 7,397,881,000 | 46,367 | 39.23 | 22,593 | 8.30 |
| 2021 | 160,732 | 7,886,011,000 | 49,193 | 41.70 | 21,701 | 4.7 |
| 2022 | 161,909 | N/A | N/A | 41.40 | 21,636 | 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 Bureau² Bureau of Economic Analysis³ NC Budget and Management Office of State Planning⁴ North Carolina Department of Public Instruction⁵ United States Department of Labor - Bureau of Labor Statistics

CATAWBA COUNTY, NORTH CAROLINA**Table 12****Principal Employers
Current Year and Nine Years Ago**

| Employer | Industry | 2022 | | 2013 | |
|---|---------------------------------|------------------|-------------|------------------|-------------|
| | | Employees | Rank | Employees | Rank |
| Catawba County Schools | Education & Health Services | 1,000+ | 1 | 1,000+ | 1 |
| Target Stores Div. | Transportation & Warehousing | 1,000+ | 2 | - | - |
| Catawba Valley Medical Center | Education & Health Services | 1,000+ | 3 | 1,000+ | 2 |
| Corning Optical Communications, LLC | Manufacturing | 1,000+ | 4 | 1,000+ | 7 |
| CommScope | Manufacturing | 1,000+ | 5 | 1,000+ | 4 |
| Catawba County Government | Public Administration | 1,000+ | 6 | 1,000+ | 5 |
| Wal-Mart Associates, LLC | Retail Trade | 1,000+ | 7 | - | - |
| Dip Partner Frye, LLC | Health Care & Social Assistance | 1,000+ | 8 | 1,000+ | 3 |
| Gkn Driveline Newton, LLC | Manufacturing | 500-999 | 9 | - | - |
| Catawba Valley Community College | Educational Services | 500-999 | 10 | - | - |
| Hickory Springs Manufacturing Co., Inc. | Manufacturing | - | - | 1,000+ | 6 |
| Ethan Allen, Inc. | Manufacturing | - | - | 500-999 | 8 |
| G&A Outsourcing (Convergys) | Manufacturing | - | - | 500-999 | 9 |
| Pierre Foods | Manufacturing | - | - | 500-999 | 10 |

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 | | | | |
|-----------------------------------|---|---------------------|---------------------|---------------------|---------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Function | | | | | |
| Governmental activities: | | | | | |
| General government | 81 | 82 | 81 | 80 | 82 |
| Public safety | 442 | 439 | 425 | 374 | 370 |
| Environmental protection | 5 | 5 | 5 | 5 | 4 |
| Economic and physical development | 108 | 97 | 91 | 91 | 86 |
| Human services | 519 | 516 | 516 | 515 | 510 |
| Culture and recreation | 38 | 38 | 38 | 38 | 37 |
| Total governmental activities | <u>1,193</u> | <u>1,177</u> | <u>1,156</u> | <u>1,103</u> | <u>1,089</u> |
| Business-type activities: | | | | | |
| Water sewer | 1 | 1 | 1 | 1 | 1 |
| Solid waste management | 30 | 30 | 29 | 29 | 29 |
| Total business-type activities | <u>31</u> | <u>31</u> | <u>30</u> | <u>30</u> | <u>30</u> |
| Total primary government | <u><u>1,224</u></u> | <u><u>1,208</u></u> | <u><u>1,186</u></u> | <u><u>1,133</u></u> | <u><u>1,120</u></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 | | | | |
|-----------------------------------|---|--------------|--------------|--------------|--------------|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Function | | | | | |
| Governmental activities: | | | | | |
| General government | 82 | 81 | 83 | 84 | 85 |
| Public safety | 358 | 355 | 347 | 345 | 340 |
| Environmental protection | 4 | 4 | 4 | 5 | 4 |
| Economic and physical development | 84 | 78 | 76 | 76 | 75 |
| Human services | 505 | 541 | 548 | 551 | 577 |
| Culture and recreation | 36 | 35 | 35 | 35 | 32 |
| Total governmental activities | <u>1,069</u> | <u>1,093</u> | <u>1,093</u> | <u>1,096</u> | <u>1,113</u> |
| Business-type activities: | | | | | |
| Water sewer | 1 | 1 | 1 | 1 | 1 |
| Solid waste management | 27 | 26 | 26 | 27 | 27 |
| Total business-type activities | <u>28</u> | <u>27</u> | <u>27</u> | <u>28</u> | <u>28</u> |
| Total primary government | <u>1,097</u> | <u>1,120</u> | <u>1,120</u> | <u>1,124</u> | <u>1,141</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 | | | | |
|--|-------------|---------|---------|---------|---------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Governmental activities: | | | | | |
| General government | | | | | |
| Number of registered voters | 110,265 | 107,141 | 106,113 | 99,706 | 105,035 |
| Number of marriage licenses issued | 1,035 | 1,091 | 995 | 964 | 1,081 |
| Number of tax bills issued | 111,937 | 116,095 | 114,422 | 111,625 | 106,065 |
| Public safety | | | | | |
| Number of 911 dispatch/calls | 94,350 | 94,507 | 89,553 | 89,712 | 90,118 |
| Sheriff Department offenses reported | 2,265 | 4,273 | 2,697 | 9,417 | 5,914 |
| Environmental protection | | | | | |
| Cooperative extension agent contacts | 93,842 | 123,654 | 265,124 | 170,863 | 46,075 |
| Economic and physical development | | | | | |
| Number of commercial permits issued | 614 | 590 | 605 | 506 | 602 |
| Number of residential permits issued | 2,348 | 2,210 | 1,576 | 1,515 | 1,467 |
| Human services | | | | | |
| Households received assistance with energy bills | 2,653 | 3,341 | 3,706 | 3,681 | 2,628 |
| Medicaid transportation provided (round trips) | 15,225 | 14,751 | 17,941 | 21,368 | 25,679 |
| Child support services cases currently open | 5,482 | 5,886 | 6,139 | 6,512 | 6,501 |
| Public health clients served | 39,451 | 44,616 | 42,100 | 40,768 | 17,148 |
| Restaurant inspections | 1,406 | 1,386 | 1,303 | 1,374 | 1,434 |
| Culture and recreation | | | | | |
| Total circulation for library system | 493,586 | 535,336 | 426,914 | 476,434 | 468,898 |
| Number of patrons visiting parks | 278,253 | 151,326 | 208,492 | 166,853 | 160,803 |
| Education | | | | | |
| Public school student enrollment K-12 | 21,636 | 21,701 | 22,593 | 22,705 | 23,203 |
| Business-type activities: | | | | | |
| Solid waste management | | | | | |
| Tons buried - MSW | 173,994 | 167,940 | 159,100 | 157,312 | 153,207 |
| Tons buried - C&D | 49,399 | 47,974 | 45,316 | 34,384 | 33,858 |
| Tons recycled | 20,875 | 24,597 | 19,255 | 19,685 | 20,256 |

⁽¹⁾ The State of North Carolina implemented combined motor vehicle registration renewal and property tax collection system whereby the State issues the bills for motor vehicle taxes

Sources: Catawba County Departments, NC Department of Public Instruction

Operating Indicators by Function
Last Ten Fiscal Years

| Function | Fiscal Year | | | | |
|--|-------------|---------|---------|---------------------|---------|
| | 2017 | 2016 | 2015 | 2014 ⁽¹⁾ | 2013 |
| Governmental activities: | | | | | |
| General government | | | | | |
| Number of registered voters | 101,790 | 101,330 | 98,344 | 101,442 | 100,431 |
| Number of marriage licenses issued | 1,081 | 1,074 | 1,017 | 1,009 | 1,023 |
| Number of tax bills issued | 104,928 | 104,396 | 103,835 | 99,196 | 232,881 |
| Public safety | | | | | |
| Number of 911 dispatch/calls | 92,049 | 93,089 | 89,426 | 84,974 | 85,938 |
| Sheriff Department offenses reported | 6,054 | 6,169 | 4,866 | 4,823 | 5,436 |
| Environmental protection | | | | | |
| Cooperative extension agent contacts | 46,997 | 41,348 | 22,733 | 28,860 | 64,719 |
| Economic and physical development | | | | | |
| Number of commercial permits issued | 605 | 631 | 603 | 598 | 730 |
| Number of residential permits issued | 1,398 | 1,182 | 1,098 | 993 | 892 |
| Human services | | | | | |
| Households received assistance with energy bills | 3,344 | 3,550 | 3,501 | 2,994 | 4,045 |
| Medicaid transportation provided (round trips) | 27,235 | 27,590 | 23,810 | 26,279 | 23,669 |
| Child support services cases currently open | 6,562 | 6,682 | 6,849 | 6,847 | 6,848 |
| Public health clients served | 9,037 | 10,958 | 13,887 | 18,698 | 22,087 |
| Restaurant inspections | 1,353 | 1,347 | 1,344 | 1,333 | 1,351 |
| Culture and recreation | | | | | |
| Total circulation for library system | 525,988 | 555,132 | 572,569 | 585,517 | 604,829 |
| Number of patrons visiting parks | 166,319 | 170,295 | 104,330 | 109,550 | 114,721 |
| Education | | | | | |
| Public school student enrollment K-12 | 23,509 | 23,679 | 23,889 | 24,204 | 24,241 |
| Business-type activities: | | | | | |
| Solid waste management | | | | | |
| Tons buried - MSW | 139,638 | 133,843 | 123,325 | 120,579 | 117,787 |
| Tons buried - C&D | 33,041 | 32,819 | 27,638 | 28,670 | 26,786 |
| Tons recycled | 21,761 | 19,737 | 21,135 | 24,228 | 27,601 |

⁽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>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
| Governmental activities: | | | | | |
| General government | | | | | |
| Buildings | 5 | 5 | 5 | 5 | 6 |
| Vehicles | 7 | 5 | 8 | 5 | 6 |
| Public safety | | | | | |
| Buildings | 15 | 14 | 14 | 14 | 13 |
| Vehicles | 258 | 260 | 233 | 225 | 247 |
| Environmental protection | | | | | |
| Buildings | 2 | 2 | 2 | 2 | 2 |
| Vehicles | 3 | 3 | 3 | 3 | 3 |
| Economic and physical development | | | | | |
| Buildings | 2 | 2 | 2 | 2 | 2 |
| Vehicles | 71 | 74 | 60 | 66 | 62 |
| Human services | | | | | |
| Buildings | 37 | 38 | 38 | 38 | 38 |
| Vehicles | 28 | 41 | 37 | 35 | 39 |
| Culture and recreation | | | | | |
| Buildings | 5 | 5 | 5 | 5 | 5 |
| Vehicles | 2 | 2 | 2 | 2 | 1 |
| Business-type activities: | | | | | |
| Solid waste management | | | | | |
| Buildings | 10 | 10 | 10 | 10 | 10 |
| Vehicles | 23 | 26 | 25 | 24 | 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 | | | | |
|-----------------------------------|--------------------|-------------|-------------|-------------|-------------|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Governmental activities: | | | | | |
| General government | | | | | |
| Buildings | 6 | 6 | 6 | 6 | 5 |
| Vehicles | 4 | 5 | 6 | 8 | 7 |
| Public safety | | | | | |
| Buildings | 12 | 11 | 10 | 10 | 10 |
| Vehicles | 230 | 221 | 218 | 216 | 211 |
| Environmental protection | | | | | |
| Buildings | 2 | 2 | 2 | 2 | 2 |
| Vehicles | 2 | 2 | 2 | 2 | 2 |
| Economic and physical development | | | | | |
| Buildings | 2 | 2 | 2 | 2 | 2 |
| Vehicles | 58 | 48 | 43 | 42 | 50 |
| Human services | | | | | |
| Buildings | 37 | 38 | 38 | 38 | 38 |
| Vehicles | 40 | 41 | 41 | 38 | 37 |
| Culture and recreation | | | | | |
| Buildings | 5 | 5 | 6 | 5 | 5 |
| Vehicles | 1 | 1 | 1 | 1 | 1 |
| Business-type activities: | | | | | |
| Solid waste management | | | | | |
| Buildings | 10 | 10 | 10 | 10 | 6 |
| Vehicles | 24 | 23 | 24 | 25 | 25 |
| Water and sewer | | | | | |
| Buildings | 0 | 0 | 0 | 0 | 0 |
| Vehicles | 0 | 0 | 0 | 0 | 0 |

N/A = Not available

Sources: Catawba County Departments

