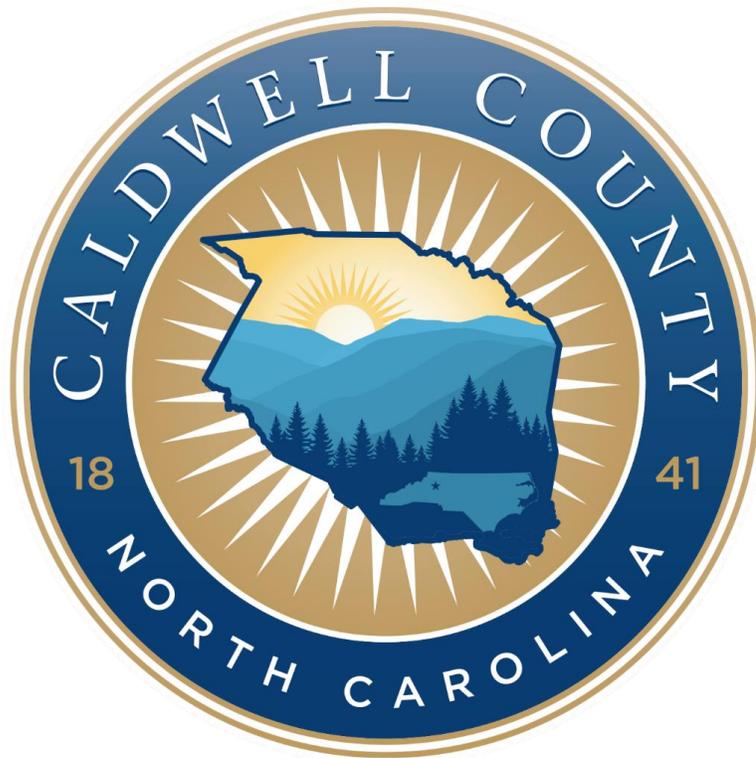


**COUNTY OF CALDWELL
NORTH CAROLINA**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

FOR THE YEAR ENDED JUNE 30, 2022



CALDWELL COUNTY, NORTH CAROLINA

Annual Comprehensive Financial Report

**For the Year Ended
June 30, 2022**

**Prepared by
Finance Department**



CALDWELL COUNTY, NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

<u>Exhibit</u>		<u>Page</u>
	Introductory Section:	
	Letter of Transmittal	i-iii
	Organizational Chart	iv
	List of Principal Officials	v
	Financial Section:	
	Independent Auditor's Report	1-4
	Management's Discussion and Analysis	5-13
	Basic Financial Statements:	
	Government-Wide Financial Statements:	
A	Statement of Net Position	14-15
B	Statement of Activities	16-17
	Fund Financial Statements:	
C	Balance Sheet - Governmental Funds	18-19
D	Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	20
E	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities	21
F	General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	22
G	Statement of Net Position - Proprietary Fund	23
H	Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Fund	24

CALDWELL COUNTY, NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

<u>Exhibit</u>		<u>Page</u>
I	Statement of Cash Flows - Proprietary Fund	25
J	Statement of Fiduciary Net Position - Fiduciary Funds	26
K	Statement of Changes in Fiduciary Net Position - Fiduciary Funds	27
	Notes to the Financial Statements	28-83
 <u>Schedule</u>		
	Required Supplemental Financial Data:	
A-1	Other Post-Employment Benefits - Schedule of Changes in the Total OPEB Liability and Related Ratios - Last Five Fiscal Years	84
A-2	Law Enforcement Officers' Special Separation Allowance - Schedule of Changes in Total Pension Liability - Last Six Fiscal Years	85-86
A-3	Law Enforcement Officers' Special Separation Allowance - Schedule of Total Pension Liability as a Percentage of Covered Employee Payroll - Last Six Fiscal Years	87-88
A-4	Local Governmental Employees' Retirement System - Proportionate Share of Net Pension Liability (Asset) - Last Nine Fiscal Years	89-90
A-5	Local Governmental Employees' Retirement System - Contributions - Last Nine Fiscal Years	91-92
A-6	Register of Deeds' Supplemental Pension Fund - Proportionate Share of Net Pension Liability (Asset) - Last Nine Fiscal Years	93-94
A-7	Register of Deeds' Supplemental Pension Fund - Contributions - Last Nine Fiscal Years	95-96

CALDWELL COUNTY, NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

<u>Schedule</u>		<u>Page</u>
	Supplementary Information:	
	Major Funds:	
B-1	General Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	97-108
B-2	Public Schools Capital Project Fund - Major Fund Schedule of Revenues and Expenditures - Budget and Actual	109
B-3	General Capital Project Fund - Major Fund Schedule of Revenues and Expenditures - Budget and Actual	110
B-4	American Rescue Plan Act Fund - Major Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	111
B-5	State Grants 2022 Fund - Major Fund Schedule of Revenues and Expenditures - Budget and Actual	112
	Nonmajor Governmental Funds:	
C-1	Combining Balance Sheet	113
C-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	114
	Nonmajor Special Revenue Funds:	
D-1	Combining Balance Sheet	115-116
D-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	117-118
D-3	Sales Tax Reinvestment Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	119
D-4	Fire Districts Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	120

CALDWELL COUNTY, NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

<u>Schedule</u>		<u>Page</u>
	Nonmajor Special Revenue Funds (continued):	
D-5	Rescue Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	121
D-6	Emergency Telephone System Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	122
D-7	Fines and Forfeitures Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	123
D-8	Deed of Trust Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	124
D-9	Representative Payee Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	125
D-10	Opioid Settlement Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	126
	Nonmajor Capital Project Fund:	
E-1	Schools Capital Project Fund - Sales Tax Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	127
	Enterprise Funds:	
F-1	Water Fund - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	128-129
F-2	Water Tanks Capital Project Fund - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	130
	Custodial Funds:	
G-1	Combining Statement of Fiduciary Net Position	131
G-2	Combining Statement of Changes in Fiduciary Net Position	132

CALDWELL COUNTY, NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

<u>Schedule</u>		<u>Page</u>
	Other Schedules:	
H-1	General Fund - Schedule of Ad Valorem Taxes Receivable	133
H-2	Analysis of Current Tax Levy - County-Wide Levy	134-135
I-1	Emergency Telephone System Fund Unspent Balance - PSAP Reconciliation	136
	Statistical Section:	
<u>Table</u>		
1	Net Position by Component, For the Last Ten Fiscal Years	137-138
2	Changes in Net Position, Last Ten Fiscal Years	139-142
3	Fund Balances, Governmental Funds, Last Ten Fiscal Years	143-144
4	Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years	145-146
5	Assessed Value of Taxable Property, Last Ten Fiscal Years	147
6	Property Tax Rate, Direct and Overlapping Governments, Last Ten Fiscal Years	148-149
7	Principal Property Tax Payers, Current Year and Ten Years Ago	150
8	Property Tax Levies and Collections, Last Ten Fiscal Years	151
9	Ratios of Outstanding Debt by Type Last Ten Fiscal Years	152
10	Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years	153

CALDWELL COUNTY, NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

<u>Table</u>		<u>Page</u>
	Statistical Section (continued):	
11	Direct and Overlapping Governmental Activities Debt As of June 30, 2022	154
12	Legal Debt Margin Information	155-156
13	Demographic and Economic Statistics	157
14	Principal Employers, Current Year and Ten Years Ago	158
15	Full-Time Equivalent County Government Employees by Function	15-160
16	Operating Indicators by Function	161-164
17	Capital Assets Statistics by Function	165-166
18	Miscellaneous Information	167

INTRODUCTORY SECTION



Caldwell County

N O R T H C A R O L I N A

PO Box 2200 • Lenoir, NC 28645

828-757-1300 • CaldwellCountyNC.org



LETTER OF TRANSMITTAL

October 31, 2022

The Board of Commissioners

County of Caldwell

Lenoir, North Carolina

State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of Caldwell County for the fiscal year ended June 30, 2022.

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

Caldwell County's financial statements have been audited by Martin Starnes & Associates, CPA's, PA, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Caldwell County for the fiscal year ended 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 Caldwell County's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Caldwell County was a part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal 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 awards. These reports are available in Caldwell County's Single Audit Report.

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

Description of the County

Caldwell County is located in scenic western North Carolina, approximately 70 miles northwest of Charlotte, 85 miles southwest of Winston-Salem and 90 miles northeast of Asheville. The altitude of the County ranges from 900 to 5,964 feet above sea level with topography ranging from rolling foothills to high-forested mountains. It has a land area of 471 square miles and an estimated population of 79,594. There are ten incorporated municipalities in Caldwell County. The City of Lenoir and the towns of Cahaj's Mountain, Gamewell, Granite Falls, Hudson, Sawmills, and the Village of Cedar Rock are entirely within the County and the City of Hickory and the towns of Blowing Rock and Rhodhiss are partially within the County. The City of Lenoir is the largest municipality and serves as the county seat.

Caldwell County, carved from the counties of Burke and Wilkes, was actually formed in January 1841, several weeks after the bill was introduced in the legislature. The bill to establish the county was rejected in 1839 because a faction within the state legislature wished to form two Democratic counties instead of one Whig county. The bill was reintroduced by Representative Elisha P. Miller on November 19, 1840. The bill of 1840 proposed to establish a county from Burke and Wilkes to be named Boone. It was first read and rejected on December 5, 1840. It was

read a second time and passed by the casting vote of the Speaker, Robert B. Gilliam on December 14, 1840. There was some confusion over the selection of the name, however, but when Charles Manley, Clerk of the House, suggested to Representative Miller that the county be named for Dr. Joseph Caldwell, former President of the University of North Carolina and advocator of a public school system and a railroad system stretching from Morehead City through the questioned county to Tennessee, the bill was ratified and signed on January 11, 1841.

The County utilizes the commission/manager form of government. The five-member Board of Commissioners is elected at large on a partisan basis for staggered four-year terms of office. The Board represents the citizens by setting policy and a County manager hired by the Board administers the day-to-day business of government and carries out the policies of the Board.

The County provides its citizens with a wide range of services that include law enforcement, emergency medical services, register of deeds, water, animal care and enforcement, upkeep of the courthouse and other public

buildings, solid waste disposal, public libraries, cultural and recreational activities, health services, social services, general administration and others. This report includes all the County's activities in maintaining these services. The County also provides financial support to certain boards, agencies and commissions to assist their efforts in serving citizens. Among these are the Caldwell County Board of Education, Caldwell Community College, Foothills Area Programs, and the Western Piedmont Council of Governments.

Economic Conditions and Outlook

The local economy is in good shape. The county's sales tax collections are running ahead of last year's pace. Property tax collections so far, this fiscal year have been strong and are ahead of last year's pace. The local housing market is doing very well and average home prices have risen significantly. Many local employers are advertising open positions.

Financial Information

The North Carolina Local Government Budget and Fiscal Control Act requires that all money expended by a unit of local government be budgeted. Because of this requirement, the budget is an integral part of a city or county's accounting system and daily operations. The annual budget, together with the various project budgets, forms an operating plan in addition to setting spending limits. For Caldwell County, annual budgets are adopted for the General Fund, some Special Revenue Funds, and Enterprise Operating Fund. Multiyear

project budgets are adopted for some Special Revenue Funds, Capital Project Funds and Enterprise Capital Project Funds. Appropriations in the General Fund are made at the department level, and Enterprise and Special Revenue appropriations are made at the fund level. Capital Project appropriations are made at the object level. For internal accounting purposes, budgetary control is maintained at the line item account level. Purchase orders within any line item are not issued until additional appropriations are made available through budget amendments or transfers. County department heads may make transfers of appropriations within a fund as long as total fund appropriations are not changed. The Board of Commissioners must approve budget amendments that change total fund appropriations or transfer appropriations between funds. Encumbrances outstanding at June 30, 2022, have been reported as reservations of fund balance.

Financial Policies

The county's financial policy for the fiscal year covered in this report focused on maximizing revenues and minimizing expenditures. The county has made every effort to spend only when absolutely necessary and to maximize other controllable revenue sources. The county has been able to reduce its outstanding debt over the past few years. The county's debt service percentage for the year was 6.01%.

Long Term Financial Planning

The county continues to monitor its existing debt and look for savings opportunities. The long-held goals of building a new Granite Falls Middle School and a new Animal Care Facility are now coming to fruition. Granite

Falls Middle had its grand opening recently and is substantially complete. The new Animal Care Facility is tentatively set to open December.

Other Information

North Carolina state law (G.S. 159-34) requires the county to have an annual independent financial audit. A compliance audit of federal and state financial assistance programs is also required under the federal Single Audit Act of 1984 and the State Single Audit Implementation Act. The firm of Martin Starnes & Associates, CPA's, PA, performed both of these audits. The audit contract was awarded to this firm based on their qualifications. The auditor's report on the Basic Financial Statements is included in the Financial Section of this report.

Preparation of this report would not have been possible without the dedicated efforts of the entire staff of the Finance Department and support from the Caldwell County Board of Commissioners.

Respectfully submitted,



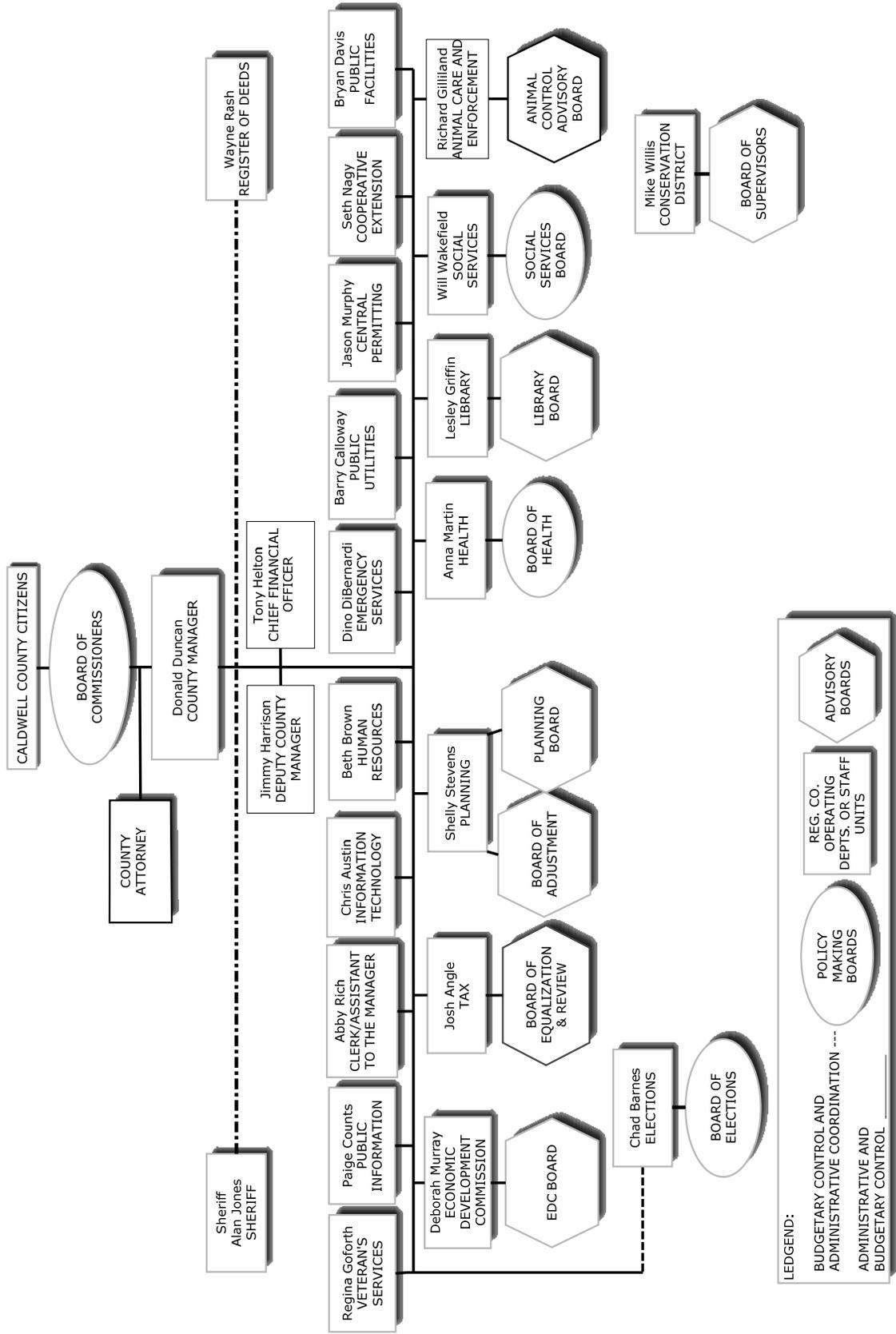
Donald Duncan Jr., ICMA-CM
County Manager



Anthony Helton, CPA
Chief Financial Officer

Commissioners: Randy T. Church, *Chairman* • Michael W. LaBrose, *Vice Chairman*
Jeff Branch • Donnie Potter • Robbie Wilkie • Donald Duncan, County Manager

CALDWELL COUNTY GOVERNMENT ORGANIZATIONAL CHART



LEDGEND:
 BUDGETARY CONTROL AND ADMINISTRATIVE COORDINATION ----
 ADMINISTRATIVE AND BUDGETARY CONTROL

Revised 8/31/2022 dwg

CALDWELL COUNTY, NORTH CAROLINA

Principal Officials

June 30, 2022

Board of Commissioners

Randy T. Church, Chairman

Mike LaBrose, Vice-Chairman

Jeff Branch, Commissioner

Donnie Potter, Commissioner

Robbie Wilkie, Commissioner

Other County Officials

Donald Duncan, County Manager

Jimmy Harrison, Assistant County Manager

Tony Helton, Finance Director

Abby Rich, Clerk to the Board

Alan C. Jones, Sheriff

Wayne Rash, Register of Deeds

Will Wakefield, DSS Director

Anna Martin, Health Director

Monty Woods, Tax Administrator

Beth Brown, Human Resources Director

Leslie Griffin, Library Director

Chad Barnes, Director of Elections

Barry Calloway, Public Utilities Supervisor

Bryan Davis, Facilities Supervisor

Jason Murphy, Central Permitting Supervisor

Shelley Stevens, Planning Director

Regina Goforth, Veterans Services Director

Dino Dibernardi, Emergency Services Director

Kevin Brown, Fire Marshal

Vic Misenheimer, Emergency Management Director

Chris Austin, Information Technology Director

Seth Nagy, Cooperative Extension Director



FINANCIAL SECTION



MARTIN STARNES & ASSOCIATES, CPAs, P.A.

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

Independent Auditor's Report

To the Board of Commissioners
Caldwell County
Lenoir, 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, each major fund, and the aggregate remaining fund information of Caldwell 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, 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, each major fund, and the aggregate remaining fund information of Caldwell 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.

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.

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 a 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 Other Post-Employment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios, the Local Governmental Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability (Asset) and Contributions, the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and Schedule of County Contributions, and the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Employee Payroll 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 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 Caldwell County's basic financial statements. The combining and individual fund financial statements, budgetary 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. In our opinion, the combining and individual fund financial statements, budgetary 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 October 31, 2022 on our consideration of Caldwell 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 Caldwell 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 Caldwell County's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
October 31, 2022

Management's Discussion and Analysis

As management of Caldwell County, we offer readers of Caldwell County's financial statements this narrative overview and analysis of financial activities of Caldwell County for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in the financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of Caldwell County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$41,253,725 (net position).
- The government's total net position increased by \$14,940,123, due to increased net position in both the governmental and business-type activities.
- As of the close of the current fiscal year, Caldwell County's governmental funds reported combined ending fund balances of \$39,537,801.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$12,892,593.
- The total fund balance in the General Fund increased by \$10,227,774 as a result of activities that took place during the fiscal year ended June 30, 2022.
- The General Fund expenditures concluded the year within budget.
- The County successfully complied with all state and federal service mandates as prescribed by law.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Caldwell County's basic financial statements. Caldwell County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Caldwell County's finances in a manner similar to private-sector business.

The *Statement of Net Position* presents information on all of Caldwell County's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Caldwell County is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned and unused vacation leave).

Both of the government-wide financial statements distinguish functions of Caldwell County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Caldwell County include general government, public safety, economic and physical development, environmental, and culture and recreation. The business-type activities of Caldwell County include a water operation.

The government-wide financial statements can be found on Exhibits A and B of this report.

Fund Financial Statements. 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. Caldwell County, like other state and local governments, used fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Caldwell County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Caldwell County maintains eight individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the American Rescue Plan Act Fund, and the Public Schools Capital Project Fund, and the General Capital Projects Fund which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Caldwell County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Exhibits C to F of this report.

Proprietary Funds. Caldwell County maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Caldwell County uses enterprise funds to account for its water operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The propriety fund financial statements provide separate information for water operations, which is considered to be a major fund of Caldwell County.

The basic proprietary fund financial statements can be found on Exhibits G to I of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements, because the resources of those funds are not available to support Caldwell County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on Exhibit J and K 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 on pages 28 through 83 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Caldwell County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 84-96 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 97-132 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Caldwell County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$41,253,725 at the close of the most recent fiscal year.

The largest portion of Caldwell County's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) and right to use leased assets, less any related debt and lease liabilities used to acquire those assets that are still outstanding. Caldwell County used these capital assets and right to use leased assets to provide services to citizens; consequently, these assets are not available for future spending. Although Caldwell County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1

Condensed Statements of Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Assets:						
Current and other assets	\$ 70,475,637	\$ 42,512,979	\$ 9,583,299	\$ 8,524,031	\$ 80,058,936	\$ 51,037,010
Capital & right to use assets	38,226,103	33,437,224	5,625,595	5,952,843	43,851,698	39,390,067
Total assets	<u>108,701,740</u>	<u>75,950,203</u>	<u>15,208,894</u>	<u>14,476,874</u>	<u>123,910,634</u>	<u>90,427,077</u>
Deferred Outflows of Resources	<u>10,198,085</u>	<u>9,091,597</u>	<u>189,511</u>	<u>166,367</u>	<u>10,387,596</u>	<u>9,257,964</u>
Liabilities:						
Current liabilities	37,891,892	17,925,217	295,229	280,915	38,187,121	18,206,132
Long-term liabilities	45,346,400	53,609,726	192,586	336,401	45,538,986	53,946,127
Total liabilities	<u>83,238,292</u>	<u>71,534,943</u>	<u>487,815</u>	<u>617,316</u>	<u>83,726,107</u>	<u>72,152,259</u>
Deferred Inflows of Resources	<u>9,134,505</u>	<u>1,197,172</u>	<u>183,893</u>	<u>22,008</u>	<u>9,318,398</u>	<u>1,219,180</u>
Net Position:						
Net investment in capital assets	22,645,701	20,657,600	5,624,575	5,952,843	28,270,276	26,610,443
Restricted net position	10,000,083	8,206,605	-	-	10,000,083	8,206,605
Unrestricted net position	(6,118,756)	(16,554,520)	9,102,122	8,051,074	2,983,366	(8,503,446)
Total net position	<u>\$ 26,527,028</u>	<u>\$ 12,309,685</u>	<u>\$ 14,726,697</u>	<u>\$ 14,003,917</u>	<u>\$ 41,253,725</u>	<u>\$ 26,313,602</u>

The government’s net position increased by \$14,940,123 during the current fiscal year. This is the result of several factors. First, the County budgeted conservatively and was able to add to its fund balance through operations. The County also benefited from funding from the federal government’s ARP funds as well as state funding from its SCIF grants.

Table 2

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Revenues:						
Program revenues:						
Charges for services	\$ 20,137,316	\$ 7,990,158	\$ 4,052,685	\$ 3,801,534	\$ 24,190,001	\$ 11,791,692
Operating grants and contributions	17,832,824	15,564,670	-	-	17,832,824	15,564,670
Capital grants and contributions	1,492,870	11,698,640	-	-	1,492,870	11,698,640
General revenues:						
Property taxes	58,098,919	53,594,991	-	-	58,098,919	53,594,991
Local option sales tax	16,415,762	15,295,264	-	-	16,415,762	15,295,264
Other taxes and licenses	3,139,352	2,192,503	-	-	3,139,352	2,192,503
Investment earnings	8,077	(10,963)	-	-	8,077	(10,963)
Total revenues	<u>117,125,120</u>	<u>106,325,263</u>	<u>4,052,685</u>	<u>3,801,534</u>	<u>121,177,805</u>	<u>110,126,797</u>
Expenses:						
Governmental activities:						
General government	10,340,208	8,765,643	-	-	10,340,208	8,765,643
Public safety	29,873,118	29,941,422	-	-	29,873,118	29,941,422
Environmental protection	540,786	662,124	-	-	540,786	662,124
Economic and physical development	10,567,697	10,985,907	-	-	10,567,697	10,985,907
Human services	23,002,090	20,523,436	-	-	23,002,090	20,523,436
Cultural and recreational	1,565,776	1,557,071	-	-	1,565,776	1,557,071
Education	26,384,013	30,325,802	-	-	26,384,013	30,325,802
Interest	634,089	1,623,120	-	-	634,089	1,623,120
Business-type activities:						
Water Fund	-	-	3,329,905	3,158,910	3,329,905	3,158,910
Total expenses	<u>102,907,777</u>	<u>104,384,525</u>	<u>3,329,905</u>	<u>3,158,910</u>	<u>106,237,682</u>	<u>107,543,435</u>
Change in net position	<u>14,217,343</u>	<u>1,940,738</u>	<u>722,780</u>	<u>642,624</u>	<u>14,940,123</u>	<u>2,583,362</u>
Net Position:						
Beginning net position	12,309,685	10,323,532	14,003,917	13,361,293	26,313,602	23,684,825
Restatement	-	45,415	-	-	-	45,415
Beginning net position, restated	<u>12,309,685</u>	<u>10,368,947</u>	<u>14,003,917</u>	<u>13,361,293</u>	<u>26,313,602</u>	<u>23,730,240</u>
Ending net position	<u>\$ 26,527,028</u>	<u>\$ 12,309,685</u>	<u>\$ 14,726,697</u>	<u>\$ 14,003,917</u>	<u>\$ 41,253,725</u>	<u>\$ 26,313,602</u>

Governmental Activities. Governmental activities increased Caldwell County's net position by \$14,217,343. This is the result of conservative budgeting combined with federal ARP funds and state SCIF grants.

Business-Type Activities. Business-type activities increased Caldwell County's net position by \$722,780. The key elements in this increase are as follows:

- Business-type activities increased the County's net financial position due to the results from operations. The Water Fund typically generates positive cash flows

Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of Caldwell County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Caldwell County's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Caldwell County's governmental funds reported combined ending fund balances of \$39,537,801, an increase of \$9,856,555 in comparison with the prior year.

The General Fund is the chief operating fund of Caldwell County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$12,892,593 while total fund balance reached \$25,295,827. The County's fund balance available, using the calculation method suggested by the Local Government Commission of North Carolina, equaled \$18,776,888, or 20.63%, of expenditures.

The total fund balance of Caldwell County's General Fund increased by \$10,227,774 during the current fiscal year. This was due partially to conservative budgeting which allowed normal operations to add a significant amount to the fund balance. It was also due to the federal ARP funds being used for revenue replacement.

The County's American Rescue Plan Act Fund is a major special revenue fund set up to account for fund the County received from the federal government under that act. The funds must be spent on specific purposes including COVID-19 response. These funds must be held separately from other government funds so they can be properly reported.

The County's Public Schools Capital Project Fund is a major capital project fund. This fund includes the project to renovate / rebuild Granite Falls Middle School. The County borrowed \$12.3 million for this purpose. The County also received a \$15 million grant from the Needs Based school grant program. As of June 30, 2022, construction was roughly 90% complete on this project.

The County's General Capital Projects Fund is another major capital project fund. The County uses this fund for general government capital projects and to reserve money for future capital needs. The largest active project in the fund is for a new animal shelter facility. The County recently borrowed \$3.7 million to fund construction. Various other projects are also underway including an almost \$2.3 million project to replace HVAC equipment at three County facilities.

The County's State Grants 2022 Fund is the final major capital project fund. The County uses this fund to account for over \$23 million in state funds. Projects underway in this fund include a new \$8.5 million communications center, \$5.5 million in renovations to the courthouse, \$3 million in maintenance and repairs to existing county facilities, \$3.5 million for the new animal shelter project and various other smaller projects.

Proprietary Funds. Caldwell County's propriety funds provide the same type of information found in government-wide financial statements, but in more detail. Unrestricted net position of the Water Fund at the end of the fiscal year amounted to \$9,102,122. The total increase in net position for the Water Fund was \$722,780. Other factors concerning the finances of this fund have already been addressed in the discussion of Caldwell County's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget reflected an increase in appropriation of \$14,234,218. The major changes can be briefly summarized as follows:

- The County chose to take the \$10 million revenue replacement option with its ARP funds.
- The County implemented a pay study which adjusted employee salaries to be competitive with surrounding local governments.
- The County added capital outlay purchases of roughly \$1.7 million to the budget during the year.

Other Major Funds' Highlights

The Schools Capital Project Fund contained the ongoing construction of the new Granite Falls Middle School. The County borrowed \$12.3 million for this project and will also receive state funding in the amount of \$15 million when combined with the \$300k previously allocated to this project gives a total budget of \$27.6 million. This project will renovate a portion of the old school while removing a portion and rebuild it. This project is roughly 90% complete as of June 30, 2022.

Capital Asset and Debt Administration

Capital Assets. Caldwell County's investment in capital assets for its governmental and business-type activities as of June 30, 2022 amounts to \$43,258,389. This investment in capital assets includes land, buildings and systems, improvements, machinery, and equipment.

The following major projects represent the accomplishments of the elected leadership during this year:

- The County began several new large projects during this fiscal year, they include:
 - New Animal Shelter
 - New Communications Center
 - Renovations to the courthouse
 - Various new projects that will improve the water system
 - Implementing a salary study so that employees are paid fairly
- The County's tax rate remained unchanged for fiscal year 2021-2022 at 63 cents.

Table 3
Capital Assets, Net of Depreciation
As of June 30, 2022

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Land	\$ 8,517,789	\$ 8,052,600	\$ 60,181	\$ 60,181	\$ 8,577,970	\$ 8,112,781
Construction in progress	2,951,150	324,770	226,590	203,465	3,177,740	528,235
Buildings	19,546,499	20,092,359	125,716	132,077	19,672,215	20,224,436
Equipment, furniture, and vehicles	6,618,433	4,967,495	-	-	6,618,433	4,967,495
Water system	-	-	5,212,031	5,557,120	5,212,031	5,557,120
Total capital assets, net of depreciation, where applicable	<u>\$ 37,633,871</u>	<u>\$ 33,437,224</u>	<u>\$ 5,624,518</u>	<u>\$ 5,952,843</u>	<u>\$ 43,258,389</u>	<u>\$ 39,390,067</u>

Additional information on Caldwell County’s capital assets can be found in Note 3 beginning on page 44 of this report.

Long-Term Debt. At the end of the current fiscal year, Caldwell County had total bonded debt outstanding of \$0. The County currently does not have outstanding revenue bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue to 8% of its total assessed valuation. The current debt limitation for Caldwell County is approximately \$631,643,000, which is significantly in excess of Caldwell County’s outstanding general obligation debt.

Additional information on Caldwell County’s long-term debt can be found in Note 3 beginning on page 65 of this report.

Impact of Coronavirus on the County

Caldwell County’s local economy continues to improve and expand as the pandemic has eased. The County’s sales tax receipts have increased when compared to the prior year. So far in the new fiscal year sales taxes are up about 5%. The County is now seeing a housing shortage due to the influx of new jobs. During the fiscal year ended June 30, 2022, the County added 710 new jobs but only issued 228 building permits for new housing.

Caldwell County has received almost \$16 million dollars from the American Rescue Plan Act (ARPA). \$10 million of this money was used for revenue replacement in the General Fund which freed up local dollars for various projects including the purchase of vehicles and equipment to help the county’s public health departments better deal with the pandemic.

The County has mostly recovered from the impact from COVID-19 as businesses are now open and business is able to function close to pre-pandemic levels.

Economic Factors and Next Year's Budgets and Rates

Caldwell County continues to maintain a sound financial condition. Caldwell County's fund balance percentage, as calculated by the Local Government Commission, is 21.23% as of June 30, 2022.

The budget for fiscal year 2022-2023 maintains the current tax rate of 63 cents per \$100 of tax value. The budget for fiscal year 2022-2023 includes a substantial fund balance appropriation in the General Fund, but we do not anticipate using much of it. The County typically budgets its expenditures at 100% but only spends at 95%. Lapsed salaries and other unspent funds typically generate substantial savings. The County also attempts to be conservative in its revenue estimates and often will collect more than the budget includes.

Requests for Information

This financial report is designed to provide a general overview of Caldwell County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, Caldwell County, P.O. Box 2200, Lenoir, NC 28645.



BASIC FINANCIAL STATEMENTS

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2022

	<u>Primary Government</u>		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 32,645,710	\$ 8,664,869	\$ 41,310,579
Taxes receivable, net	1,891,104	-	1,891,104
Accounts receivable, net	7,409,831	565,414	7,975,245
Due from other governments	979,591	45,915	1,025,506
Inventories	72,094	208,301	280,395
Restricted cash and cash equivalents	27,356,077	98,800	27,454,877
Total current assets	<u>70,354,407</u>	<u>9,583,299</u>	<u>79,937,706</u>
Non-current assets:			
Right to use assets, net of amortization	592,232	1,077	593,309
Net pension asset	121,230	-	121,230
Non-depreciable capital assets	11,468,939	286,771	11,755,710
Depreciable capital assets, net	26,164,932	5,337,747	31,502,679
Total non-current assets	<u>38,347,333</u>	<u>5,625,595</u>	<u>43,972,928</u>
Total assets	<u>108,701,740</u>	<u>15,208,894</u>	<u>123,910,634</u>
Deferred Outflows of Resources:			
OPEB deferrals	599,141	12,228	611,369
Pension deferrals	9,598,944	177,283	9,776,227
Total deferred outflows of resources	<u>10,198,085</u>	<u>189,511</u>	<u>10,387,596</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued expenses	1,590,133	121,994	1,712,127
Unearned revenue	315,793	-	315,793
Accrued interest payable	202,547	-	202,547
Payable from restricted assets:			
Customer deposits	-	98,800	98,800
Accounts payable	31,529	-	31,529
Advance from grantor	26,493,775	-	26,493,775
Current portion of long-term liabilities	9,258,115	74,435	9,332,550
Total current liabilities	<u>37,891,892</u>	<u>295,229</u>	<u>38,187,121</u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Long-term liabilities:			
Net pension liability - LGERS	5,536,470	112,991	5,649,461
Total pension liability - LEOSSA	2,973,670	-	2,973,670
Total OPEB liability	3,000,832	61,241	3,062,073
Due in more than one year	33,835,428	18,354	33,853,782
Total long-term liabilities	45,346,400	192,586	45,538,986
Total liabilities	83,238,292	487,815	83,726,107
Deferred Inflows of Resources:			
Prepaid taxes	24,683	-	24,683
OPEB deferrals	835,608	17,053	852,661
Pension deferrals	8,274,214	166,840	8,441,054
Total deferred inflows of resources	9,134,505	183,893	9,318,398
Net Position:			
Net investment in capital assets	22,645,701	5,624,575	28,270,276
Restricted for:			
Stabilization by state statute	7,919,833	-	7,919,833
Register of Deeds pension plan	142,187	-	142,187
General government	2,766	-	2,766
Human services	497,678	-	497,678
Public safety	1,324,913	-	1,324,913
Register of Deeds	85,777	-	85,777
Education	26,929	-	26,929
Unrestricted (deficit)	(6,118,756)	9,102,122	2,983,366
Total net position	\$ 26,527,028	\$ 14,726,697	\$ 41,253,725

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Functions/Programs:				
Primary Government:				
Governmental Activities:				
General government	\$ 10,340,208	\$ 14,110,510	\$ -	\$ -
Public safety	29,873,118	3,851,152	2,977,833	-
Environmental protection	540,786	1,372,541	-	-
Economic and physical development	10,567,697	87,684	-	10,842
Human services	23,002,090	698,663	14,590,992	-
Cultural and recreational	1,565,776	16,766	263,999	-
Education	26,384,013	-	-	1,482,028
Interest	634,089	-	-	-
Total governmental activities	<u>102,907,777</u>	<u>20,137,316</u>	<u>17,832,824</u>	<u>1,492,870</u>
Business-Type Activities:				
Water Fund	<u>3,329,905</u>	<u>4,052,685</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 106,237,682</u>	<u>\$ 24,190,001</u>	<u>\$ 17,832,824</u>	<u>\$ 1,492,870</u>

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

CALDWELL COUNTY, NORTH CAROLINA

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Functions/Programs:			
Primary Government:			
Governmental Activities:			
General government	\$ 3,770,302	\$ -	\$ 3,770,302
Public safety	(23,044,133)	-	(23,044,133)
Environmental protection	831,755	-	831,755
Economic and physical development	(10,469,171)	-	(10,469,171)
Human services	(7,712,435)	-	(7,712,435)
Cultural and recreational	(1,285,011)	-	(1,285,011)
Education	(24,901,985)	-	(24,901,985)
Interest	(634,089)	-	(634,089)
Total governmental activities	(63,444,767)	-	(63,444,767)
Business-Type Activities:			
Water Fund	-	722,780	722,780
Total primary government	(63,444,767)	722,780	(62,721,987)
General Revenues:			
Taxes:			
Property taxes, levied for general purpose	58,098,919	-	58,098,919
Local option sales tax	16,415,762	-	16,415,762
Other taxes and licenses	3,139,352	-	3,139,352
Investment earnings	8,077	-	8,077
Total general revenues	77,662,110	-	77,662,110
Change in net position	14,217,343	722,780	14,940,123
Net Position:			
Beginning of year - July 1	12,309,685	14,003,917	26,313,602
End of year - June 30	\$ 26,527,028	\$ 14,726,697	\$ 41,253,725

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

CALDWELL COUNTY, NORTH CAROLINA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	Major Funds						Total
	General Fund	American Rescue Plan Act Fund	State Grants 2022 Fund	Public Schools Capital Project Fund	General Capital Projects Fund	Other Governmental Funds	
Assets:							
Cash and cash equivalents	\$ 19,567,802	\$ -	\$ 9,985	\$ 3,599,746	\$ 5,066,744	\$ 4,401,433	\$ 32,645,710
Taxes receivable (net)	1,709,337	-	-	-	-	181,767	1,891,104
Accounts receivable (net)	6,029,056	-	-	-	116,094	1,264,681	7,409,831
Due from other governments	887,378	-	-	40,681	36,500	15,032	979,591
Inventories	72,094	-	-	-	-	-	72,094
Restricted cash and cash equivalents	514,980	4,599,932	21,925,372	-	-	315,793	27,356,077
Total assets	<u>\$ 28,780,647</u>	<u>\$ 4,599,932</u>	<u>\$ 21,935,357</u>	<u>\$ 3,640,427</u>	<u>\$ 5,219,338</u>	<u>\$ 6,178,706</u>	<u>\$ 70,354,407</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:							
Liabilities:							
Accounts payable and accrued liabilities	\$ 1,281,211	\$ -	\$ -	\$ -	\$ 237,132	\$ 71,790	\$ 1,590,133
Unearned revenue	-	-	-	-	-	315,793	315,793
Payable from restricted assets:							
Accounts payable	-	-	31,529	-	-	-	31,529
Advance from grantor	-	4,599,932	21,893,843	-	-	-	26,493,775
Total liabilities	<u>1,281,211</u>	<u>4,599,932</u>	<u>21,925,372</u>	<u>-</u>	<u>237,132</u>	<u>387,583</u>	<u>28,431,230</u>
Deferred Inflows of Resources:							
Property taxes receivable	1,709,337	-	-	-	-	181,767	1,891,104
Prepaid taxes	24,683	-	-	-	-	-	24,683
Ambulance receivable	469,589	-	-	-	-	-	469,589
Total deferred inflows of resources	<u>2,203,609</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,767</u>	<u>2,385,376</u>
Fund Balances:							
Non-spendable:							
Inventories	72,094	-	-	-	-	-	72,094
Restricted:							
Stabilization by state statute	6,446,845	-	-	40,681	152,594	1,279,713	7,919,833
Restricted, all other	1,027,943	-	-	-	-	910,120	1,938,063
Committed	-	-	9,985	3,599,746	4,829,612	-	8,439,343
Assigned	4,856,352	-	-	-	-	3,437,000	8,293,352
Unassigned	12,892,593	-	-	-	-	(17,477)	12,875,116
Total fund balances	<u>25,295,827</u>	<u>-</u>	<u>9,985</u>	<u>3,640,427</u>	<u>4,982,206</u>	<u>5,609,356</u>	<u>39,537,801</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 28,780,647</u>	<u>\$ 4,599,932</u>	<u>\$ 21,935,357</u>	<u>\$ 3,640,427</u>	<u>\$ 5,219,338</u>	<u>\$ 6,178,706</u>	<u>\$ 70,354,407</u>

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

CALDWELL COUNTY, NORTH CAROLINA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	<u>Total</u>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Total fund balances	\$ 39,537,801
Capital assets, net of accumulated depreciation, used in governmental activities, are not current financial resources and, therefore, are not reported in the funds.	37,633,871
Right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds	592,232
Net pension asset	121,230
Net pension liability - LGERS	(5,536,470)
Total pension liability - LEOSSA	(2,973,670)
Total OPEB liability	(3,000,832)
Deferred outflows of resources related to pensions are not reported in the funds.	9,598,944
Deferred outflows of resources related to OPEB are not reported in the funds.	599,141
Deferred inflows of resources in the governmental funds are used to offset accounts receivable not expected to be available within 90 days of year-end. These receivables are a component of net position in the Statement of Net Position.	2,360,693
Deferred inflows of resources related to pensions are not reported in the funds.	(8,274,214)
Deferred inflows of resources related to OPEB are not reported in the funds.	(835,608)
Long-term liabilities, compensated absences and interest payable are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(43,296,090)</u>
Net position of governmental activities, per Exhibit A	<u>\$ 26,527,028</u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Major Funds						Total
	General Fund	American Rescue Plan Act Fund	State Grants 2022 Fund	Public Schools Capital Project Fund	General Capital Projects Fund	Other Governmental Funds	
Revenues:							
Ad valorem taxes	\$ 52,817,029	\$ -	\$ -	\$ -	\$ -	\$ 5,349,004	\$ 58,166,033
Local option sales taxes	9,732,878	-	-	-	1,405,779	4,673,105	15,811,762
Other taxes and licenses	931,209	-	-	-	-	-	931,209
Unrestricted intergovernmental	2,348,263	-	-	-	-	604,000	2,952,263
Restricted intergovernmental	16,438,617	11,362,181	133,157	1,482,028	10,842	665,344	30,092,169
Permits and fees	1,361,076	-	-	-	-	-	1,361,076
Sales and services	6,040,622	-	-	-	-	-	6,040,622
Investment earnings	7,801	-	-	-	276	-	8,077
Miscellaneous	280,769	-	-	-	-	831,543	1,112,312
Total revenues	89,958,264	11,362,181	133,157	1,482,028	1,416,897	12,122,996	116,475,523
Expenditures:							
Current:							
General government	9,621,464	206,171	91,157	-	-	561,654	10,480,446
Public safety	24,969,873	569,005	42,000	-	2,668,443	5,554,654	33,803,975
Environmental protection	702,370	-	-	-	-	-	702,370
Economic and physical development	9,561,456	28,458	-	-	371,144	975,534	10,936,592
Human services	21,481,576	502,429	-	-	-	202,146	22,186,151
Cultural and recreational	1,408,934	56,118	-	-	-	-	1,465,052
Education	18,511,966	-	-	5,071,790	-	2,800,257	26,384,013
Debt service:							
Principal retirement	3,534,830	-	-	-	-	2,472,991	6,007,821
Interest and fees	357,368	-	-	-	40,900	281,783	680,051
Total expenditures	90,149,837	1,362,181	133,157	5,071,790	3,080,487	12,849,019	112,646,471
Revenues over (under) expenditures	(191,573)	10,000,000	-	(3,589,762)	(1,663,590)	(726,023)	3,829,052
Other Financing Sources (Uses):							
Long-term debt issued	750,000	-	-	-	3,700,000	-	4,450,000
Lease liability issued	975,363	-	-	-	-	-	975,363
Transfers from other funds	10,670,000	-	9,985	-	2,568,171	700,000	13,948,156
Transfers to other funds	(2,578,156)	(10,000,000)	-	-	(1,020,000)	(350,000)	(13,948,156)
Proceeds from sale of capital assets	602,140	-	-	-	-	-	602,140
Total other financing sources (uses)	10,419,347	(10,000,000)	9,985	-	5,248,171	350,000	6,027,503
Net change in fund balances	10,227,774	-	9,985	(3,589,762)	3,584,581	(376,023)	9,856,555
Fund Balances:							
Beginning of year - July 1	15,068,053	-	-	7,230,189	1,397,625	5,985,379	29,681,246
End of year - June 30	\$ 25,295,827	\$ -	\$ 9,985	\$ 3,640,427	\$ 4,982,206	\$ 5,609,356	\$ 39,537,801

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

CALDWELL COUNTY, NORTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2022

Amounts reported for governmental activities in the Statement of Activities (Exhibit B) are different due to the following items:

Net change in fund balances - total governmental funds (Exhibit D)	\$ 9,856,555
<p>Exhibit D reports revenues using a current financial resources basis, which generally means revenue is recognized when collected or is expected to be collected within 90 days of year-end. Exhibit B reports revenues when the earning process is complete, regardless of when it is collected. This measurement difference causes timing of revenue recognition differences for the following revenue types:</p>	
Property taxes	(67,114)
Sales and services	114,571
Expenses related to compensated absences that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(1,465,580)
Expenses related to landfill closure and post-closure costs that do not require current financial resources are not reported as expenditures.	28,939
Expenses related to interest expense that do not require current financial resources are not reported as expenditures.	45,962
Capital outlays are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.	6,775,631
Right to use leased asset capital outlay expenditures which were capitalized	975,363
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(2,578,984)
Amortization of right to use leased assets is not reported as an expenditure in the governmental funds statement.	(383,131)
Issuances of debt are reported as revenues in the governmental funds statements. However, in the Statement of Activities, proceeds from the issuance of debt is not a revenue rather it is an increase in liabilities.	(4,450,000)
Lease liability issued provides current financial resources to governmental funds	(975,363)
Pension expense - LEOSSA	(274,800)
Pension expense - LGERS	732,093
Pension expense - ROD	(1,935)
OPEB plan expense	(122,685)
Principal repayments and refunding of debt are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, these transactions are not an expense, rather they are a decrease in liabilities.	<u>6,007,821</u>
Change in net position of governmental activities, per Exhibit B	<u><u>\$ 14,217,343</u></u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund			Variance with Final Budget Over/Under
	Original Budget	Final Budget	Actual	
Revenues:				
Ad valorem taxes	\$ 50,722,350	\$ 50,722,350	\$ 52,817,029	\$ 2,094,679
Local option sales taxes	8,200,000	8,200,000	9,732,878	1,532,878
Other taxes and licenses	656,000	696,000	931,209	235,209
Unrestricted intergovernmental	696,665	696,665	2,348,263	1,651,598
Restricted intergovernmental	15,236,141	18,365,443	16,438,617	(1,926,826)
Permits and fees	1,025,000	1,025,000	1,361,076	336,076
Sales and services	5,588,527	5,596,027	6,040,622	444,595
Investment earnings	10,000	10,000	7,801	(2,199)
Miscellaneous	155,022	211,164	280,769	69,605
Total revenues	<u>82,289,705</u>	<u>85,522,649</u>	<u>89,958,264</u>	<u>4,435,615</u>
Expenditures:				
Current:				
General government	8,553,863	10,040,356	8,788,227	1,252,129
Public safety	22,365,002	28,469,011	24,969,873	3,499,138
Environmental protection	702,524	752,711	702,370	50,341
Economic and physical development	9,721,871	9,827,740	9,561,456	266,284
Human services	22,219,020	26,058,571	21,481,576	4,576,995
Cultural and recreational	1,676,972	1,657,784	1,408,934	248,850
Intergovernmental:				
Education	18,511,697	18,520,991	18,511,966	9,025
Contingency	170,000	2,393,357	-	2,393,357
Debt service:				
Principal retirement	3,121,000	3,534,916	3,534,830	86
Interest and fees	342,004	362,734	357,368	5,366
Total expenditures	<u>87,383,953</u>	<u>101,618,171</u>	<u>89,316,600</u>	<u>12,301,571</u>
Revenues over (under) expenditures	<u>(5,094,248)</u>	<u>(16,095,522)</u>	<u>641,664</u>	<u>16,737,186</u>
Other Financing Sources (Uses):				
Long-term debt issued	-	750,000	750,000	-
Lease liability issued	-	-	142,126	142,126
Transfers from other funds	670,000	10,670,000	10,670,000	-
Transfers to other funds	-	(2,578,156)	(2,578,156)	-
Proceeds from sale of capital assets	25,000	509,934	602,140	92,206
Appropriated fund balance	4,399,248	6,743,744	-	(6,743,744)
Total other financing sources (uses)	<u>5,094,248</u>	<u>16,095,522</u>	<u>9,586,110</u>	<u>(6,509,412)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>10,227,774</u>	<u>\$ 10,227,774</u>
Reconciliation from Budgetary Basis to Modified Accrual Basis:				
Initial implementation of lease standard:				
Lease liability issued			833,237	
Capital outlay			(833,237)	
Fund Balance:				
Beginning of year - July 1			<u>15,068,053</u>	
End of year - June 30			<u>\$ 25,295,827</u>	

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2022

	<u>Water Fund</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 8,664,869
Accounts receivable net	565,414
Due from other governments	45,915
Inventories	208,301
Restricted cash and cash equivalents	<u>98,800</u>
Total current assets	<u>9,583,299</u>
Non-Current Assets:	
Capital assets:	
Non-depreciable capital assets	286,771
Capital assets (net of depreciation)	<u>5,337,747</u>
Total capital assets	<u>5,624,518</u>
Right to use assets, net of amortization	<u>1,077</u>
Total non-current assets	<u>5,625,595</u>
Total assets	<u>15,208,894</u>
Deferred Outflows of Resources:	
OPEB deferrals	12,228
Pension deferrals	<u>177,283</u>
Total deferred outflows of resources	<u>189,511</u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	121,994
Amounts payable from restricted assets:	
Customer deposits	98,800
Current portion of compensated absences payable	73,415
Current portion of long-term debt	<u>1,020</u>
Total current liabilities	<u>295,229</u>
Non-current liabilities:	
Compensated absences payable	18,354
Net pension liability	112,991
Total OPEB liability	<u>61,241</u>
Total non-current liabilities	<u>192,586</u>
Total liabilities	<u>487,815</u>
Deferred Inflows of Resources:	
Pension deferrals	166,840
OPEB deferrals	<u>17,053</u>
Total deferred inflows of resources	<u>183,893</u>
Net Position:	
Net investment in capital assets	5,624,575
Unrestricted	<u>9,102,122</u>
Total net position	<u>\$ 14,726,697</u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUND FOR THE YEAR ENDED JUNE 30, 2022

	<u>Water Fund</u>
Operating Revenues:	
Charges for services	\$ 3,940,382
Water taps	103,280
Other operating revenues	9,023
Total operating revenues	<u>4,052,685</u>
Operating Expenses:	
Water operations	2,976,761
Depreciation and amortization	353,136
Total operating expenses	<u>3,329,897</u>
Operating income (loss)	722,788
Non-Operating Revenues (Expenses):	
Interest and fees	<u>(8)</u>
Change in net position	722,780
Net Position:	
Beginning of year - July 1	<u>14,003,917</u>
End of year - June 30	<u>\$ 14,726,697</u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF CASH FLOWS PROPRIETARY FUND FOR THE YEAR ENDED JUNE 30, 2022

	<u>Water Fund</u>
Cash Flows from Operating Activities:	
Cash received from customers	\$ 3,900,554
Cash paid for goods and services	(2,431,073)
Cash paid to or on behalf of employees	<u>(674,404)</u>
Net cash provided (used) by operating activities	<u>795,077</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition and construction of capital assets	(23,125)
Debt principal paid	(1,743)
Interest and fees paid	<u>(8)</u>
Net cash provided (used) by capital and related financing activities	<u>(24,876)</u>
Net increase (decrease) in cash and cash equivalents	770,201
Cash and Cash Equivalents:	
Beginning of year - July 1	<u>7,993,468</u>
End of year - June 30	<u>\$ 8,763,669</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating income (loss)	<u>\$ 722,788</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation and amortization	353,136
Change in Assets and Liabilities:	
(Increase) decrease in accounts receivable	(120,215)
(Increase) decrease in inventory and other current assets	(136,936)
(Increase) decrease in due from other governments	(31,916)
(Increase) decrease in deferred outflows of resources for pensions	(22,473)
(Increase) decrease in deferred outflows of resources for OPEB	(671)
Increase (decrease) in net pension liability	(156,419)
Increase (decrease) in OPEB	5,240
Increase (decrease) in deferred inflows of resources for pensions	163,950
Increase (decrease) in deferred inflows of resources for OPEB	(2,065)
Increase (decrease) in accounts payable and accrued liabilities	(14,142)
Increase (decrease) in customer deposits	(2,020)
Increase (decrease) in compensated absences payable	<u>36,820</u>
Total adjustments	<u>72,289</u>
Net cash provided (used) by operating activities	<u>\$ 795,077</u>
Non-Cash Transactions:	
Right to use asset acquired in exchange for a lease liability	<u>\$ 2,763</u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

JUNE 30, 2022

	<u>Custodial Funds</u>
Assets:	
Cash and cash equivalents	\$ 47,059
Taxes receivable for other governments, net	<u>31,699</u>
Total assets	<u>78,758</u>
Liabilities:	
Due to other governments	<u>912</u>
Total liabilities	<u>912</u>
Net Position:	
Restricted for:	
Individuals, organizations, and other governments	<u>\$ 77,846</u>

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

CALDWELL COUNTY, NORTH CAROLINA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS FOR THE YEAR ENDED JUNE 30, 2022

	<u>Custodial Funds</u>
Additions:	
Ad valorem taxes for other governments	\$ 2,345,541
Collections on behalf of inmates	<u>313,282</u>
Total additions	<u>2,658,823</u>
Deductions:	
Payments on behalf of inmates	310,421
Tax distributions to other governments	<u>2,345,221</u>
Total deductions	<u>2,655,642</u>
Net increase (decrease) in fiduciary net position	3,181
Net position - beginning	<u>74,665</u>
Net position - ending	<u>\$ 77,846</u>

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



CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

1. Summary of Significant Accounting Policies

The accounting policies of Caldwell County, North Carolina, (government) and its component units conform to generally accepted accounting principles (GAAP) as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The County, which is governed by a five-member Board of Commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable.

The Caldwell County Industrial Facilities and Pollution Control Financing Authority (the “Authority”) was created for the purpose of the aiding industrial and manufacturing facilities with financing for pollution control equipment.

The Economic Development Commission of Caldwell County is a commission appointed by the County Commissioners to promote economic development in Caldwell County and its municipalities. The Authority and the Economic Development Commission have no financial transactions or account balances; therefore, they are not presented in the basic financial statements.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Caldwell County Industrial Facilities and Pollution Control Authority	Discrete	The Authority is governed by a nine-member Board that is appointed by the County Commissioners. They can remove any member with or without cause.	None issued
Economic Development Commission of Caldwell County	Discrete	The Economic Development Commission’s Board members are appointed by the County Commissioners. They can remove any member with or without cause.	None issued

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

B. Basis of Presentation

Measurement Focus – Basis of Accounting

Government-Wide Statements. 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. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed, in whole or in part, by fees charged to external parties.

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

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 enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

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

The County reports the following major governmental funds:

General Fund. This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, sales taxes, federal and state grants, and various other 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 governmental services.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

American Rescue Plan Act Fund. This fund is used to track the revenue and expenditures of funds received from the American Rescue Plan Act.

State Grants 2022 Fund. This fund is used track the use of state grant money awarded to the county. Most of this came in the form of SCIF grants. Projects include a new animal shelter, a new communications center, courthouse renovations, capital outlay and various repairs and maintenance work for county property.

Public Schools Capital Project Fund. This fund is used to track the costs associated with the renovations of existing schools.

General Capital Projects Fund. This fund is used to track the costs associated with various County projects.

The County reports the following major enterprise fund:

Water Fund. This fund accounts for the operation, maintenance, and capital improvements to the County's water system.

The County reports the following fiduciary 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 Tax Collector Fund, which accounts for ad valorem property taxes that are billed and collected by the County for municipalities within the County and the Jail Inmate Pay Fund, which accounts for monies held for prisoners at the Caldwell County jail.

Nonmajor Funds. The County maintains nine legally budgeted nonmajor funds. The Sales Tax Reinvestment Fund, Fire District Fund, Rescue Fund, Emergency Telephone System Fund, Fines and Forfeitures, Deed of Trust, Representative Payee and Opioid Settlement Fund are reported as nonmajor special revenue funds. The Schools Capital Project Fund – Sales Tax is reported as a nonmajor capital project fund.

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 recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise fund are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales and 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. Under this method, revenues are recognized when measurable and available.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after 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. Since September 1, 2013, the State of North Carolina has been responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. These property taxes are due when vehicles are registered. Motor vehicle property tax revenues are applicable to the fiscal year in which they are received. Uncollected taxes that were billed by the County for periods prior to September 1, 2013, or those for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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

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

D. Budgetary Data

The County's budgets are adopted as required by North Carolina General Statutes. An annual budget is adopted for the General Fund, the Sales Tax Reinvestment Fund, the Fire Districts Fund, the Rescue Fund, the Emergency Telephone System Special Revenue Fund, Fines and Forfeitures, Deed of Trust, Representative Payee, Opioid Settlement Fund, the School Capital Project Fund – Sales Tax, and the Water Operations Enterprise Fund. All annual appropriations lapse at fiscal year-end. Project ordinances are adopted for the Public Schools Capital Project Fund, General Capital Project Fund, American Rescue Plan Act Fund, State Grants 2022 Fund, and the Water Capital Project Fund.

A reconciliation is included for the General Fund due to the implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*.

All budgets are prepared using the modified accrual basis of accounting. The annual budget is approved by the Board at the department level. Expenditures may not legally exceed appropriations at the department level for all annually budgeted funds and at the project level for the multi-year funds. The County Manager and/or the Finance Director may make transfers of appropriations within a department.

Their authority is subject to the following limitations:

- Any transfer that results in the creation of additional staff positions requires approval by the Board of Commissioners.
- Any transfer that obligates additional federal, state, or local funds requires approval by the Board of Commissioners.
- Any transfer that results in the initiation of a new program or policy requires approval by the Board of Commissioners.
- Department heads or their designees may adjust line items within departmental budgets subject to the approval of the County Manager or his designee.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

- Interdepartmental transfers shall be presented to the Board of Commissioners for recognition prior to the end of the fiscal year.

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 that time until the annual ordinance can be adopted.

E. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant areas where estimates are made are allowance for doubtful accounts and depreciation lives.

F. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity

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)(8)] authorizes 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 (NCCMT).

The County's investments are carried at fair value. Non-participating interest earning contracts are accounted for at cost. The NC Capital Management Trust Government Portfolio, an SEC-registered 2a-7 government money market fund, is valued at fair value.

Cash and Cash Equivalents

The County pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are considered cash and cash equivalents.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Restricted Assets

Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. The federal asset forfeiture and state-controlled substance funds are also classified as restricted assets because their use is restricted for future law enforcement expenditures. ARPA funds (advance from grantor) in the amount of \$4,599,932 are classified as restricted cash because they must be expended in accordance with American Rescue Plan Act of 2021. Funds in the State Grants 2022 Fund and other governmental funds (Opioid Settlement Fund) are classified as restricted cash because they must be expended in accordance with their respective agreements.

Governmental Activities:

General Fund:

Federal asset forfeiture funds	\$ 111,061
State controlled substance funds	<u>403,919</u>
Total General Fund	514,980

American Rescue Plan Act Fund:

Advance from grantor	4,599,932
----------------------	-----------

State Grants 2022 Fund:

Advance from grantor	21,893,843
Unexpended grant funds	<u>31,529</u>
Total State Grants 2022 Fund	21,925,372

Other Governmental Funds:

Unexpended opioid settlement proceeds	<u>315,793</u>
---------------------------------------	----------------

Total governmental activities	27,356,077
-------------------------------	------------

Business-Type Activities:

Water Fund:

Customer deposits	<u>98,800</u>
-------------------	---------------

Total restricted cash	<u><u>\$ 27,454,877</u></u>
-----------------------	-----------------------------

Ad Valorem Taxes Receivable

In accordance with state law [G.S. 105-347 and G.S. 159-13(a)], the County levies and collects ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2021. As allowed by state law, the County has established a schedule of discounts that apply to taxes which are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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.

Inventories

The inventories of the County are valued at cost, which approximates market, using the first-in, first-out method. The County's General Fund inventory consists of expendable supplies that are recorded as expenditures when purchased. The inventory of the County's Enterprise Fund consists of materials and supplies held for consumption or resale. The cost of the inventory carried in the County's Enterprise Fund is recorded as an expense as it is consumed or sold.

Capital Assets

Purchased or constructed assets are reported at historical cost. Donated capital assets received prior to July 1, 2015, are recorded at their estimated fair value at the date of donation. Donated capital assets received after July 1, 2015, are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. 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 cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' life are not capitalized.

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

<u>Asset</u>	<u>Estimated Useful Lives</u>
Buildings	40 years
Improvements	25 years
Furniture and equipment	5 years
Vehicles	5 years
Computer equipment	5 years

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.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net assets that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has two items that meet the criteria – pension and OPEB related deferrals.

In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net assets that applies to a future period and so will not be recognized as revenue until then. The County has several items that meet the criteria for this category – prepaid taxes, property taxes receivable, ambulance receivable, and pension and OPEB related deferrals.

Long-Term Obligations

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type Statement of Net Position.

In the fund financial statements for governmental fund-types, the face amount of debt issued is reported as other financing sources.

Compensated Absences

The vacation policies of the County provide for the accumulation of up to thirty (30) days earned vacation leave, with such leave being fully vested when earned. For the County's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. Compensated absences of the County have typically been liquidated in the governmental funds and are accounted for on the LIFO basis, assuming that employees are taking leave time as it is earned. Compensated absences are reported in the governmental funds only if they have matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement).

The sick leave policy of the County provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since none of the entities have any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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

Fund Balances

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

The governmental fund types classify fund balances as follows:

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

Inventories – portion of fund balance that is not an available resource because it represents the year-end balance of inventories, which are not spendable resources.

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

Restricted for Stabilization by 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 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State Statute (RSS) is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "Restricted by State Statute." Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget. Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as non-spendable. 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.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Restricted for 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.

Restricted for Public Safety – portion of fund balance restricted by revenue source for public safety related activities such as police, fire, EMS, and E-911.

Restricted for Human Services (Adoption) – portion of fund balance restricted by revenue source to enhance and expand adoption programs, secure permanent homes for hard to place children, and encourage partnerships between public and private agencies to secure permanency for children; also, to help provide adoption services such as recruitment, pre-adoption training, post placement support, and facilitation of legal procedures.

Restricted for Education – portion of fund balance restricted by revenue source to be used to support public education.

Restricted for Human Services – portion of fund balance that can only be used to benefit beneficiaries under the Social Security’s Representative Payee Program.

Restricted for General Government – portion of fund balance that can only be used by the Register of Deeds from fees related to registering or filing a deed of trust or mortgage.

Restricted fund balance at June 30, 2022 is as follows:

Purpose	General Fund	Other Governmental Funds
Restricted, All Other:		
Register of Deeds	\$ 85,777	\$ -
Human services (adoption)	427,186	-
Human services	-	70,492
General government	-	2,766
Public safety	514,980	809,933
Education	-	26,929
Total	\$ 1,027,943	\$ 910,120

Restricted fund balance/net position on Exhibit A varies from Exhibit C by the Register of Deeds pension plan calculation for full accrual purposes of \$142,187 at June 30, 2022.

Committed Fund Balance. The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. The governing board can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Committed for Future Capital Projects – portion of fund balance budgeted by the Board to be used for future capital projects.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Committed fund balance at June 30, 2022 is as follows:

<u>Purpose</u>	<u>State Grants 2022 Fund</u>	<u>Public Schools Capital Project Fund</u>	<u>General Capital Project Fund</u>
Future capital projects	\$ 9,985	\$ 3,599,746	\$ 4,829,612

Assigned Fund Balance. Assigned fund balance is the portion of fund balance that Caldwell County intends to use for specific purposes. The County’s governing body has the authority to assign fund balance.

Subsequent Year’s Expenditures – portion of fund balance that is appropriated in the next year’s budget that is not already classified in restricted or committed. The governing body approves the appropriation; however, the budget ordinance authorizes the Manager to make certain modifications utilizing a contingency line item without requiring Board approval.

Assigned for Economic Development – portion of fund balance budgeted by the Board for economic development incentives and projects.

Assigned fund balance at June 30, 2022 is as follows:

<u>Purpose</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>
Subsequent year's expenditures	\$ 4,856,352	\$ 1,750,000
Economic development	-	1,687,000
Total	\$ 4,856,352	\$ 3,437,000

Unassigned Fund Balance. Unassigned fund balance represents the portion of fund balance that has not been assigned to another fund or is not restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

The County has not officially adopted a fund balance policy.

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	\$ 25,295,827
Less:	
Inventories	(72,094)
Stabilization by state statute	<u>(6,446,845)</u>
Fund balance available for appropriation	<u>\$ 18,776,888</u>

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 Register of Deeds' Supplemental Pension Plan (RODSPF) (collectively, the "state-administered defined, benefit pension plans"). For purposes of measuring the net pension asset or 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 for all plans are reported at fair value.

2. Stewardship, Compliance, and Accountability

Non-Compliance with North Carolina General Statutes

Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2022, the expenditures in two of the County's special revenue funds exceed appropriations at the amounts listed below. The County was in violation of state law (G.S. 15-28). Statutes require that obligations of the unit be pre-audited in accordance with the Local Governmental Budget and Fiscal Control Act. The over-expenditures indicate that pre-audit and budget monitoring were not being performed consistently.

Fines & Forfeitures Fund:	
Fees	\$ 17,123
Deed of Trust Fund:	
Expenses	<u>61,654</u>
	<u>\$ 78,777</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Correction Action Plan: Management of the County will ensure proper pre-audit procedures and budget control procedures are in place to ensure future compliance with the general statutes.

3. Detail Notes on All Funds

A. Assets

Deposits

All 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 its name. 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 held by its agents in the County's name. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness on any other financial institution used by the County. The County complies with the provisions, G.S. 159-31, when designating official depositories and verifying that deposits are properly secured. The County does not have a policy regarding custodial credit risk for deposits.

At June 30, 2022, the County's deposits had a carrying amount of \$62,280,279 and a bank balance of \$63,469,421. Of the bank balance, \$250,000 was covered by federal depository insurance and \$63,219,421 was covered by collateral held under the Pooling Method.

At June 30, 2022, the County had \$21,488 cash on hand.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Investments

As of June 30, 2022, the County's investment balances were as follows:

<u>Investment Type</u>	<u>Valuation Measurement Method</u>	<u>Fair Value</u>	<u>Less Than 6 Months</u>	<u>6-12 Months</u>	<u>Maturity</u>	<u>Rating</u>
NC Capital Management Trust - Government Portfolio	Fair Value Level 1	\$ 6,510,748	\$ 6,510,748	N/A	N/A	AAAm
Total investments		<u>\$ 6,510,748</u>				

*Because the NC Capital Management Trust Term Portfolio has a weighted average maturity of less than 90 days, it was presented as an investment with a maturity of less than 6 months.

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 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets.

Interest Rate Risk. The County has no formal investment policy regarding interest rate risk.

Credit Risk. The County has no formal policy regarding credit risk but has internal management procedures that limits the County's 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. 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.

Property Tax – Use-Value Assessment on Certain Lands

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

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,613,685	\$ 242,053	\$ 1,855,738
2020	1,645,139	164,514	1,809,653
2021	1,894,802	94,740	1,989,542
2022	1,916,110	-	1,916,110
Total	<u>\$ 7,069,736</u>	<u>\$ 501,307</u>	<u>\$ 7,571,043</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Receivables

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

	<u>Accounts</u>	<u>Property Taxes</u>	<u>Due from Other Governments</u>	<u>Total</u>
Governmental Activities:				
General property taxes	\$ -	\$ 4,314,622	\$ -	\$ 4,314,622
Allowance for doubtful accounts	-	(2,605,285)	-	(2,605,285)
Fire district taxes	-	230,437	-	230,437
Allowance for doubtful accounts	-	(49,552)	-	(49,552)
Rescue squad taxes	-	14,783	-	14,783
Allowance for doubtful accounts	-	(13,901)	-	(13,901)
Total	<u>-</u>	<u>1,891,104</u>	<u>-</u>	<u>1,891,104</u>
Ambulance receivables	12,344,668	-	-	12,344,668
Allowance for doubtful accounts	(11,419,336)	-	-	(11,419,336)
Sales tax receivable	3,787,873	-	-	3,787,873
DSS 1571 receivable	1,452,782	-	-	1,452,782
Other receivables	1,243,844	-	432,435	1,676,279
Sales tax refund	-	-	547,156	547,156
Total governmental activities	<u>\$ 7,409,831</u>	<u>\$ 1,891,104</u>	<u>\$ 979,591</u>	<u>\$ 10,280,526</u>
Business-Type Activities:				
Water	\$ 1,003,049	\$ -	\$ -	\$ 1,003,049
Allowance for doubtful accounts	(437,635)	-	-	(437,635)
Sales tax refund	-	-	45,915	45,915
Total business-type activities	<u>\$ 565,414</u>	<u>\$ -</u>	<u>\$ 45,915</u>	<u>\$ 611,329</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Capital Assets

Primary Government

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

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Governmental Activities:				
Non-Depreciable Capital Assets:				
Land	\$ 8,052,600	\$ 465,189	\$ -	\$ 8,517,789
Construction in progress	<u>324,770</u>	<u>2,626,380</u>	<u>-</u>	<u>2,951,150</u>
Total non-depreciable capital assets	<u>8,377,370</u>	<u>3,091,569</u>	<u>-</u>	<u>11,468,939</u>
Depreciable Capital Assets:				
Buildings	35,696,615	252,046	-	35,948,661
Equipment and furniture	15,590,863	2,364,536	(157,450)	17,797,949
Vehicles	<u>9,065,890</u>	<u>1,067,480</u>	<u>(978,798)</u>	<u>9,154,572</u>
Total depreciable capital assets	<u>60,353,368</u>	<u>3,684,062</u>	<u>(1,136,248)</u>	<u>62,901,182</u>
Less Accumulated Depreciation:				
Buildings	15,604,256	797,906	-	16,402,162
Equipment and furniture	13,091,896	814,039	(157,450)	13,748,485
Vehicles	<u>6,597,362</u>	<u>967,039</u>	<u>(978,798)</u>	<u>6,585,603</u>
Total accumulated depreciation	<u>35,293,514</u>	<u>\$ 2,578,984</u>	<u>\$ (1,136,248)</u>	<u>36,736,250</u>
Total depreciable capital assets, net	<u>25,059,854</u>			<u>26,164,932</u>
Governmental activities capital assets, net	<u>\$ 33,437,224</u>			<u>\$ 37,633,871</u>

Depreciation expense was charged to the governmental functions as follows:

General government	\$ 301,671
Public safety	1,699,333
Economic and physical development	4,208
Environmental protection	35,764
Human services	452,284
Cultural and recreational	<u>85,724</u>
Total	<u>\$ 2,578,984</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Business-Type Activities:				
Non-Depreciable Capital Assets:				
Land	\$ 60,181	\$ -	\$ -	\$ 60,181
Construction in progress	203,465	23,125	-	226,590
Total non-depreciable capital assets	263,646	23,125	-	286,771
Depreciable Capital Assets:				
Buildings	173,863	-	-	173,863
Water lines	15,682,336	-	-	15,682,336
Water valves	254,907	-	-	254,907
Fire hydrants	485,698	-	-	485,698
Water meters	431,637	-	-	431,637
Other system components	3,977,647	-	-	3,977,647
Equipment and vehicles	1,766,587	-	(56,453)	1,710,134
Total depreciable capital assets	22,772,675	-	(56,453)	22,716,222
Less Accumulated Depreciation:				
Buildings	41,786	6,361	-	48,147
Water lines	12,803,541	91,454	-	12,894,995
Water valves	244,790	2,674	-	247,464
Fire hydrants	382,670	7,662	-	390,332
Water meters	392,354	5,406	-	397,760
Other system components	1,705,304	71,250	-	1,776,554
Equipment and vehicles	1,513,033	166,643	(56,453)	1,623,223
Total accumulated depreciation	17,083,478	\$ 351,450	\$ (56,453)	17,378,475
Total depreciable capital assets, net	5,689,197			5,337,747
Business-type activities capital assets, net	\$ 5,952,843			\$ 5,624,518

Construction Commitments

The County has active construction projects as of June 30, 2022. At year-end, the County's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Granite Falls Middle School	\$ 24,205,204	\$ 3,394,796
Animal shelter	2,876,715	1,065,466

Right-to-Use Leased Assets

The County has recorded 36 right-to-use leased assets. The assets are right-to-use assets for leased computer and office equipment. The related leases are discussed in the Leases subsection of the long-term obligations section of the footnotes. The right-to-use lease assets are amortized on a straight-line basis over the terms of the related leases.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Right-to-use asset activity for the County for the year ended June 30, 2022 was as follows:

Right-to-Use Assets:

	<u>July 1, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2022</u>
Governmental Activities:				
Equipment	\$ -	\$ 975,363	\$ -	\$ 975,363
Less: accumulated amortization	-	(383,131)	-	(383,131)
Right-to-use assets, net	\$ -	\$ 592,232	\$ -	\$ 592,232
Business-Type Activities:				
Equipment	\$ -	\$ 2,763	\$ -	\$ 2,763
Less: accumulated amortization	-	(1,686)	-	(1,686)
Right-to-use assets, net	\$ -	\$ 1,077	\$ -	\$ 1,077

B. Liabilities

Payables

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Trade payables	\$ 697,631	\$ 121,994	\$ 819,625
Hospitalization reserve	892,502	-	892,502
Total	\$ 1,590,133	\$ 121,994	\$ 1,712,127

Pension Plan Obligations

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 (ACFR) for the State of North Carolina. The State's ACFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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 post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age or have completed 15 years of service as a LEO and have reached age 50 or have completed five years of creditable service as a LEO and have reached age 55 or have completed 15 of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to 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 12.04% of compensation for law enforcement officers and 11.40% for general employees, 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 \$3,212,579 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.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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 \$5,649,461 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 0.36838% (measured as of June 30, 2021), which was a decrease of 0.00858% from its proportion as of June 30, 2021 (measured as of June 30, 2020).

For the year ended June 30, 2022, the County recognized pension expense of \$2,465,546. 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
Differences between expected and actual experience	\$ 1,797,297	\$ -
Changes of assumptions	3,549,304	-
Net difference between projected and actual earnings on pension plan investments	-	8,071,383
Changes in proportion and differences between County contributions and proportionate share of contributions	304,954	270,615
County contributions subsequent to the measurement date	3,212,579	-
Total	\$ 8,864,134	\$ 8,341,998

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

\$3,212,579 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 outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending	
June 30	Total
2023	\$ 567,455
2024	(107,851)
2025	(680,154)
2026	(2,469,893)
2027	-
Thereafter	-
Total	<u>\$ (2,690,443)</u>

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

The plan actuary currently uses mortality rates based on the RP-2014 Total Data Set for Health Annuity 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 was based on the results of an actuarial experience study for the period January 1, 2015, through December 31, 2019.

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

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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 returns 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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>	

The information above is based on 30-year expectations developed with the consulting actuary as part of a study conducted in 2016, and is part of the asset, liability and investment policy of the North Carolina Retirement Systems. 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 contribution 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 benefits payments to determine the total pension liability.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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%, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate:

	1% Decrease (5.5%)	Discount Rate (6.5%)	1% Increase (7.5%)
County's proportionate share of the net pension liability (asset)	\$ 21,930,737	\$ 5,649,461	\$ (7,749,083)

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 (ACFR) for the State of North Carolina.

Law Enforcement Officers' Special Separation Allowance

Plan Description. The County administers a public employee retirement system (the "Separation Allowance"), a single-employer, defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. A separate report was not issued for the plan.

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2020, the Separation Allowance's membership consisted of:

Retirees receiving benefits	7
Terminated plan member entitled to, but not yet receiving, benefits	-
Active plan members	82
Total	89

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Summary of Significant Accounting Policies

Basis of Accounting. The County has chosen to fund the Separation Allowance on a pay-as-you-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meets the 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	2.5 percent
Salary increase	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	2.25 percent

The discount rate used to measure the total pension liability is the S&P Municipal Bond 20-Year High Grade Rate Index.

The actuarial assumptions used in the December 31, 2020; valuation was based on the results of an experience study completed by the actuary for the Local Governmental Employee's Retirement System for the five-year period ending December 31, 2019.

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

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

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

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

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

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

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Contributions. The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and, at present, has chosen to fund the benefit payments on a pay-as-you-go basis through appropriations made in the General Fund operating budget. 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 \$125,389 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 \$2,973,670. 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 assumptions. For the year ended June 30, 2022, the County recognized pension expense of \$420,790.

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
Differences between expected and actual experience	\$ 264,351	\$ 1,536
Changes of assumptions	551,479	92,561
Benefit payments and plan administrative expense made subsequent to the measurement date	70,347	-
Total	\$ 886,177	\$ 94,097

\$70,347 reported as deferred outflows of resources related to pensions resulting from County benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows or inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending	Total
June 30	Total
2023	\$ 187,962
2024	179,049
2025	166,825
2026	148,502
2027	39,395
Thereafter	-
Total	\$ 721,733

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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%, as well as what the County's total pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.25%) or one percentage point higher (3.25%) than the current rate:

	1% Decrease (1.25%)	Discount Rate (2.25%)	1% Increase (3.25%)
Total pension liability	\$ 3,235,147	\$ 2,973,670	\$ 2,737,028

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

	2022
Beginning balance	\$ 2,787,465
Service cost	182,416
Interest on the total pension liability	52,588
Differences between expected and actual experience in the measurement of the total pension liability	157,478
Changes of assumptions or other inputs	(80,888)
Benefit payments	(125,389)
Net changes	186,205
Ending balance of the total pension liability	\$ 2,973,670

Changes of Assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 1.93% at December 31, 2020 (measurement date) to 2.25% at December 31, 2021 (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.

Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The County contributes to the Supplemental Retirement Income Plan (Plan), a defined, contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The state's ACFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to 5% of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the Plan. Contributions for the year ended June 30, 2022, were \$251,082, which consisted of \$192,282 from the County and \$58,800 from the law enforcement officers. No amounts were forfeited.

Register of Deeds' Supplemental Pension Fund

Plan Description. The County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a non-contributory, cost-sharing multiple-employer defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Governmental 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 (ACFR) for the State of North Carolina. The State's ACFR 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 \$7,987 for the year ended June 30, 2022.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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

At June 30, 2022, the County reported an asset of \$121,230 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, 2022, the County's proportion was 0.63098% (measured as of June 30, 2021), which was a decrease of 0.0307% from its proportion as of June 30, 2021 (measured as of June 30, 2020).

For the year ended June 30, 2022, the County recognized pension expense of \$9,921. 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
Differences between expected and actual experience	\$ 1,294	\$ 1,470
Changes of assumptions	8,840	-
Net difference between projected and actual earnings on pension plan investments	-	372
Changes in proportion and differences between County contributions and proportionate share of contributions	7,795	3,117
County contributions subsequent to the measurement date	7,987	-
Total	\$ 25,916	\$ 4,959

\$7,987 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 and outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Total
2023	\$ 6,015
2024	4,412
2025	(284)
2026	2,827
2027	-
Thereafter	-
Total	\$ 12,970

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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

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

The actuarial assumptions used in the December 31, 2020 valuation was 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 returns 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 as part of a study conducted in 2016, and is part of the asset, liability and investment policy of the North Carolina Retirement Systems. 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.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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%, 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%) or 1-percentage-point higher (4.00%) 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)	\$ (96,294)	\$ (121,230)	\$ (142,185)

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 (ACFR) for the State of North Carolina.

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 of December 31, 2020. The total pension liability for LEOSSA 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:

	LGERS	LEOSSA	ROD	Total
Proportionate share of net pension liability (asset)	\$ 5,649,461	NA	\$ (121,230)	\$ 5,528,231
Proportion of the net pension liability (asset)	0.36838%	NA	0.63098%	
Total pension liability	NA	\$ 2,973,670	NA	\$ 2,973,670
Pension expense	\$ 2,465,546	\$ 420,790	\$ 9,921	\$ 2,896,257

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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

	<u>LGERS</u>	<u>LEOSSA</u>	<u>ROD</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 1,797,297	\$ 264,351	\$ 1,294	\$ 2,062,942
Changes of assumptions	3,549,304	551,479	8,840	4,109,623
Changes in proportion and differences between County contributions and proportionate share of contributions	304,954	-	7,795	312,749
County contributions (LGERS, ROD) and benefit payments and administration costs (LEOSSA) subsequent to the measurement date	<u>3,212,579</u>	<u>70,347</u>	<u>7,987</u>	<u>3,290,913</u>
Total	<u><u>\$ 8,864,134</u></u>	<u><u>\$ 886,177</u></u>	<u><u>\$ 25,916</u></u>	<u><u>\$ 9,776,227</u></u>
 <u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	\$ -	\$ 1,536	\$ 1,470	\$ 3,006
Changes of assumptions	-	92,561	-	92,561
Net difference between projected and actual earnings on pension plan investments	8,071,383	-	372	8,071,755
Changes in proportion and differences between County contributions and proportionate share of contributions	<u>270,615</u>	<u>-</u>	<u>3,117</u>	<u>273,732</u>
Total	<u><u>\$ 8,341,998</u></u>	<u><u>\$ 94,097</u></u>	<u><u>\$ 4,959</u></u>	<u><u>\$ 8,441,054</u></u>

Other Post-Employment Benefits – Healthcare Benefits

Plan Description. The County (by local ordinance) provides post-employment healthcare benefits to retirees of the County as a single-employer, defined, benefit plan, provided they 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 pays 50% of the cost of coverage for these benefits through private insurers until the retiree reaches the age for Medicare eligibility. Also, the County’s retirees can purchase coverage for their dependents at the County’s group rates if that dependent was previously covered at the time of retirement. New dependents cannot be added after retirement. The County Commissioners may amend the benefit provisions. A separate report was not issued for the Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Membership of the Plan consisted of the following at June 30, 2020, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	19
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	<u>561</u>
Total	<u><u>580</u></u>

Funding Policy. The County pays 50% of the cost of coverage for the healthcare benefits paid to qualified retirees under a County resolution that can be amended by the County Board. The County's members pay the current active employee rate for dependent coverage if the retiree elects to purchase the coverage. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis.

Total OPEB Liability

The County's total OPEB liability of \$3,062,073 was measured as of June 30, 2021, and was determined by an actuarial valuation as 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
Salary increases	3.25%-8.41%, including wage inflation
Discount rate	2.16 percent
Healthcare cost trend rates	Pre-Medicare - 7.00% for 2020 decreasing to an ultimate rate of 4.50% by 2030

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2021	\$ 2,800,105
Changes for the year:	
Service cost	196,554
Interest	64,854
Differences between expected and actual experience	(19,320)
Changes of assumptions or other inputs	144,651
Benefit payments	<u>(124,771)</u>
Net changes	261,968
Balance at June 30, 2022	<u>\$ 3,062,073</u>

Changes in assumptions and other inputs reflect a change in the Municipal Bond Index Rate from 2.21% to 2.16%.

The County selected a Municipal Bond Index Rate equal to the Bond Buyer 20-year General Obligation Bond Index published at the last Thursday of June by The Bond Buyer, and the Municipal Bond Index Rate as of the measurement date as the discount rate used to measure the total OPEB liability.

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 capita 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 done concurrently with the June 30, 2020, valuation.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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 (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current discount rate:

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB liability	\$ 3,437,821	\$ 3,062,073	\$ 2,733,298

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	\$ 2,627,719	\$ 3,062,073	\$ 3,597,776

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

For the year ended June 30, 2022, the County recognized OPEB expense of \$205,219. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,558	\$ 769,191
Changes of assumptions	518,922	83,470
Benefit payments and plan administrative expense made subsequent to the measurement date	86,889	-
Total	\$ 611,369	\$ 852,661

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

\$86,889 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	Total
2023	\$ (56,190)
2024	(56,190)
2025	(56,190)
2026	(56,190)
2027	(56,190)
Thereafter	<u>(47,231)</u>
Total	<u>\$ (328,181)</u>

Other Employment Benefits

In addition to providing pension 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 cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump-sum benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 but will not exceed \$50,000. Because all death benefit payments are made from the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The County considers these contributions to be immaterial.

Closure and Post-Closure Care Costs – Landfill Facility

Federal and state laws and regulations require the County to place a final cover on its Mt. Herman Landfill facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$91,109 reported as landfill closure and post-closure care liability at June 30, 2022 represents a cumulative amount reported to date based on the use of 100% of the total

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

estimated capacity of the old landfill that is subject to these regulations. These amounts are based on what it would cost to perform all closure and post-closure care in 1998. The County closed the landfill on April 1, 1998. Actual closure and post-closure costs may be higher due to inflation, changes in technology, or changes in regulations. As actual cost of closure and post-closure are incurred, they will be recognized as expenditures and reductions of the accrued liability.

The County built a new landfill in 1998. Republic Industries operates the landfill in accordance with all regulations and will dispose of all residential waste within the County. All closure and post-closure costs will be assumed by Republic Industries.

The County is required by federal and state laws and regulations to demonstrate financial assurance for the required closure, post-closure, and corrective action. Financial assurance may be demonstrated by one of the several prescribed methods. The County has chosen to use the Local Government Financial Test method. Under this method, the local government must annually satisfy each of four components: 1) show financial health by means of financial ratios or bond rating indicators, 2) meet an operating deficit requirement, 3) not be in default on any outstanding general obligation debt or any long-term obligations, and 4) not have outstanding general obligation bonds rated lower than investment grade. The County is in compliance with the four requirements of the Local Government Financial Test.

Deferred Outflows and Inflows of Resources

Deferred outflows of resources at year-end are comprised of the following:

<u>Source</u>	<u>Amount</u>
Pension deferrals	\$ 9,776,227
OPEB deferrals	611,369
Total	<u>\$ 10,387,596</u>

Deferred inflows of resources at year-end are comprised of the following:

<u>Source</u>	<u>Amount</u>
Taxes receivable, net (General Fund and Special Revenue Fund)	\$ 1,891,104
Prepaid taxes	24,683
Ambulance receivables, net (General Fund)	469,589
OPEB deferrals	852,661
Pension deferrals	8,441,054
Total	<u>\$ 11,679,091</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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 County obtains property coverage through SIA Insurance Services, Inc. equal to replacement cost values of owned property subject to a limit of \$57,245,785 for any one occurrence; general, auto, professional, and employment practices liability coverage of \$2 million per occurrence; auto physical damage coverage for owned autos at actual cash value; and crime coverage of \$250,000 per occurrence. The County is insured for its health insurance with the State Health Plan and is fully insured for its workers' compensation insurance with the North Carolina County Commissioners' Association.

The County carries commercial coverage for all other risks of loss. 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 does not carry flood insurance.

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 Finance Director and Tax Administrator are each covered with a \$50,000 bond. The Register of Deeds and the Sheriff are both covered by a \$50,000 bond. All employees who have access to cash are covered by a blanket policy of \$250,000. This blanket policy also covers the Finance Director, Register of Deeds, Tax Administrator, and Sheriff.

Long-Term Obligations

Leases

The County has entered into agreements to lease certain 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.

For the year ended 6/30/2022, 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 a deferred inflow of resources. For additional information, refer to the disclosures below.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

On 07/01/2021, Caldwell County entered into a 18 month lease as Lessee for the use of Copier - Ricoh 2555SP. An initial lease liability was recorded in the amount of \$1,780. As of 06/30/2022, the value of the lease liability is \$594. Caldwell County is required to make monthly fixed principal and interest payments of \$99. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$1,780 with accumulated amortization of \$1,169 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 34 month lease as Lessee for the use of Copier - Ricoh IM C3000. An initial lease liability was recorded in the amount of \$6,128. As of 06/30/2022, the value of the lease liability is \$3,977. Caldwell County is required to make monthly fixed principal and interest payments of \$182. The lease has an interest rate of 0.6480%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$6,128 with accumulated amortization of \$2,119 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 21 month lease as Lessee for the use of Copier - Ricoh IM 403F. An initial lease liability was recorded in the amount of \$2,342. As of 06/30/2022, the value of the lease liability is \$1,005. Caldwell County is required to make monthly fixed principal and interest payments of \$112. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$2,342 with accumulated amortization of \$1,321 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 36 month lease as Lessee for the use of Copier - Ricoh 4055SP. An initial lease liability was recorded in the amount of \$4,454. As of 06/30/2022, the value of the lease liability is \$2,977. Caldwell County is required to make monthly fixed principal and interest payments of \$125. The lease has an interest rate of 0.6480%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$4,454 with accumulated amortization of \$1,485 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 34 month lease as Lessee for the use of Copier - Konica Minolta 558. An initial lease liability was recorded in the amount of \$4,744. As of 06/30/2022, the value of the lease liability is \$3,078. Caldwell County is required to make monthly fixed principal and interest payments of \$141. The lease has an interest rate of 0.6480%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$4,744 with accumulated amortization of \$1,663 is included with Equipment on the Lease Class activities table found below.

On 01/24/2022, Caldwell County entered into a 36 month lease as Lessee for the use of Copier - Ricoh IM 4000. An initial lease liability was recorded in the amount of \$7,391. As of 06/30/2022, the value of the lease liability is \$6,172. Caldwell County is required to make

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

monthly fixed principal and interest payments of \$209. The lease has an interest rate of 1.2640%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$7,391 with accumulated amortization of \$1,074 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 22 month lease as Lessee for the use of Copier - Ricoh C3004 & Plotter - HP T1600. An initial lease liability was recorded in the amount of \$5,106. As of 06/30/2022, the value of the lease liability is \$2,326. Caldwell County is required to make monthly fixed principal and interest payments of \$233. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$5,106 with accumulated amortization of \$2,707 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 35 month lease as Lessee for the use of Copier - Ricoh 3055sp. An initial lease liability was recorded in the amount of \$3,351. As of 06/30/2022, the value of the lease liability is \$2,205. Caldwell County is required to make monthly fixed principal and interest payments of \$96. The lease has an interest rate of 0.2370%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$3,351 with accumulated amortization of \$1,138 is included with Equipment on the Lease Class activities table found below. Caldwell County has 1 extension option(s), each for 24 months.

On 07/01/2021, Caldwell County entered into a 22 month lease as Lessee for the use of Copier - Ricoh C3004. An initial lease liability was recorded in the amount of \$2,619. As of 06/30/2022, the value of the lease liability is \$1,193. Caldwell County is required to make monthly fixed principal and interest payments of \$120. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$2,619 with accumulated amortization of \$1,386 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 20 month lease as Lessee for the use of Pitney Bowes - 905 West Ave NW. An initial lease liability was recorded in the amount of \$5,399. As of 06/30/2022, the value of the lease liability is \$1,803. Caldwell County is required to make quarterly fixed principal and interest payments of \$903. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$5,399 with accumulated amortization of \$3,140 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 22 month lease as Lessee for the use of Pitney Bowes - 2351 Morganton Blvd SW. An initial lease liability was recorded in the amount of \$730. As of 06/30/2022, the value of the lease liability is \$313. Caldwell County is required to make quarterly fixed principal and interest payments of \$105. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$730 with

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

accumulated amortization of \$398 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 34 month lease as Lessee for the use of Postage Meter Machine - SendPro C Series S2. An initial lease liability was recorded in the amount of \$2,039. As of 06/30/2022, the value of the lease liability is \$1,300. Caldwell County is required to make quarterly fixed principal and interest payments of \$187. The lease has an interest rate of 0.6480%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$2,039 with accumulated amortization of \$720 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 36 month lease as Lessee for the use of Printer - HP T1600. An initial lease liability was recorded in the amount of \$4,536. As of 06/30/2022, the value of the lease liability is \$3,032. Caldwell County is required to make monthly fixed principal and interest payments of \$127. The lease has an interest rate of 0.6480%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$4,536 with accumulated amortization of \$1,511 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 34 month lease as Lessee for the use of Copier - Konica Minolta - 368e. An initial lease liability was recorded in the amount of \$5,119. As of 06/30/2022, the value of the lease liability is \$3,322. Caldwell County is required to make monthly fixed principal and interest payments of \$152. The lease has an interest rate of 0.6480%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$5,119 with accumulated amortization of \$1,774 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 36 month lease as Lessee for the use of Pitney Bowes - Digital Mailing System. An initial lease liability was recorded in the amount of \$5,320. As of 06/30/2022, the value of the lease liability is \$3,879. Caldwell County is required to make quarterly fixed principal and interest payments of \$488. The lease has an interest rate of 0.6480%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$5,320 with accumulated amortization of \$1,770 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 19 month lease as Lessee for the use of Copier - Konica Minolta - C458. An initial lease liability was recorded in the amount of \$2,763. As of 06/30/2022, the value of the lease liability is \$1,020. Caldwell County is required to make monthly fixed principal and interest payments of \$146. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$2,763 with accumulated amortization of \$1,686 is included with Equipment on the Lease Class activities table found below.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

On 08/30/2021, Caldwell County entered into a 36 month lease as Lessee for the use of Ricoh Copiers. An initial lease liability was recorded in the amount of \$92,817. As of 06/30/2022, the value of the lease liability is \$64,599. Caldwell County is required to make monthly fixed principal and interest payments of \$2,601. The lease has an interest rate of 0.5930%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$92,817 with accumulated amortization of \$25,868 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 35 month lease as Lessee for the use of Dell Systems. An initial lease liability was recorded in the amount of \$224,133. As of 06/30/2022, the value of the lease liability is \$147,713. Caldwell County is required to make monthly fixed principal and interest payments of \$6,464. The lease has an interest rate of 0.6480%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$224,133 with accumulated amortization of \$76,122 is included with Equipment on the Lease Class activities table found below.

On 12/20/2021, Caldwell County entered into a 36 month lease as Lessee for the use of Laptop - Dell Latitude 5520. An initial lease liability was recorded in the amount of \$41,918. As of 06/30/2022, the value of the lease liability is \$33,823. Caldwell County is required to make monthly fixed principal and interest payments of \$1,178. The lease has an interest rate of 0.7980%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$41,918 with accumulated amortization of \$7,413 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 30 month lease as Lessee for the use of Laptop - Dell Latitude 5510. An initial lease liability was recorded in the amount of \$29,432. As of 06/30/2022, the value of the lease liability is \$17,711. Caldwell County is required to make monthly fixed principal and interest payments of \$989. The lease has an interest rate of 0.6480%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$29,432 with accumulated amortization of \$11,592 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 30 month lease as Lessee for the use of Printer - Ricoh W6700. An initial lease liability was recorded in the amount of \$11,086. As of 06/30/2022, the value of the lease liability is \$6,672. Caldwell County is required to make monthly fixed principal and interest payments of \$373. The lease has an interest rate of 0.6480%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$11,086 with accumulated amortization of \$4,338 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 27 month lease as Lessee for the use of Copier - Ricoh MP C4503. An initial lease liability was recorded in the amount of \$4,503. As of 06/30/2022, the value of the lease liability is \$2,507. Caldwell County is required to make monthly fixed principal and interest payments of \$168. The lease has an interest rate of

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$4,503 with accumulated amortization of \$1,956 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 27 month lease as Lessee for the use of Copier - Ricoh 5055SP. An initial lease liability was recorded in the amount of \$29,809. As of 06/30/2022, the value of the lease liability is \$16,593. Caldwell County is required to make monthly fixed principal and interest payments of \$1,109. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$29,809 with accumulated amortization of \$13,071 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 38 month lease as Lessee for the use of Copier - Ricoh IM C400F. An initial lease liability was recorded in the amount of \$15,796. As of 06/30/2022, the value of the lease liability is \$10,841. Caldwell County is required to make monthly fixed principal and interest payments of \$420. The lease has an interest rate of 0.6480%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$15,796 with accumulated amortization of \$4,890 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 19 month lease as Lessee for the use of Postage Meter Machine - SendPro C Series. An initial lease liability was recorded in the amount of \$1,032. As of 06/30/2022, the value of the lease liability is \$345. Caldwell County is required to make quarterly fixed principal and interest payments of \$173. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$1,032 with accumulated amortization of \$637 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 43 month lease as Lessee for the use of Ricoh Copier & Printer. An initial lease liability was recorded in the amount of \$54,538. As of 06/30/2022, the value of the lease liability is \$39,464. Caldwell County is required to make monthly fixed principal and interest payments of \$1,287. The lease has an interest rate of 0.8140%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$54,538 with accumulated amortization of \$15,045 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 26 month lease as Lessee for the use of Laptop - Dell Latitude 3310. An initial lease liability was recorded in the amount of \$8,633. As of 06/30/2022, the value of the lease liability is \$4,658. Caldwell County is required to make monthly fixed principal and interest payments of \$334. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$8,633 with

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

accumulated amortization of \$3,885 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 13 month lease as Lessee for the use of Copier - Konica Minolta - 458e. An initial lease liability was recorded in the amount of \$1,640. As of 06/30/2022, the value of the lease liability is \$126. Caldwell County is required to make monthly fixed principal and interest payments of \$126. The lease has an interest rate of 0.3080%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$1,640 with accumulated amortization of \$1,473 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 35 month lease as Lessee for the use of Copier - Ricoh IM C6000. An initial lease liability was recorded in the amount of \$6,212. As of 06/30/2022, the value of the lease liability is \$4,095. Caldwell County is required to make monthly fixed principal and interest payments of \$179. The lease has an interest rate of 0.6480%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$6,212 with accumulated amortization of \$2,082 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 23 month lease as Lessee for the use of Copier - Ricoh 2555. An initial lease liability was recorded in the amount of \$2,689. As of 06/30/2022, the value of the lease liability is \$1,289. Caldwell County is required to make monthly fixed principal and interest payments of \$117. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$2,689 with accumulated amortization of \$1,348 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 15 month lease as Lessee for the use of 2345 Morganton Blvd. An initial lease liability was recorded in the amount of \$12,187. As of 06/30/2022, the value of the lease liability is \$2,441. Caldwell County is required to make monthly fixed principal and interest payments of \$814. The lease has an interest rate of 0.3080%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$12,187 with accumulated amortization of \$9,435 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 53 month lease as Lessee for the use of Systel Equipment. An initial lease liability was recorded in the amount of \$69,345. As of 06/30/2022, the value of the lease liability is \$53,858. Caldwell County is required to make monthly fixed principal and interest payments of \$1,332. The lease has an interest rate of 0.8140%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$69,345 with accumulated amortization of \$15,429 is included with Equipment on the Lease Class activities table found below.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

On 07/01/2021, Caldwell County entered into a 43 month lease as Lessee for the use of 120 Hospital Ave . An initial lease liability was recorded in the amount of \$54,538. As of 06/30/2022, the value of the lease liability is \$39,464. Caldwell County is required to make monthly fixed principal and interest payments of \$1,287. The lease has an interest rate of 0.8140%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$54,538 with accumulated amortization of \$15,045 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 20 month lease as Lessee for the use of 2351 Morganton Blvd. An initial lease liability was recorded in the amount of \$24,524. As of 06/30/2022, the value of the lease liability is \$9,830. Caldwell County is required to make monthly fixed principal and interest payments of \$1,231. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$24,524 with accumulated amortization of \$14,148 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 20 month lease as Lessee for the use of Market Space Solutions - 2345 Morganton Blvd SW. An initial lease liability was recorded in the amount of \$116,808. As of 06/30/2022, the value of the lease liability is \$44,993. Caldwell County is required to make monthly fixed principal and interest payments of \$6,202. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$116,808 with accumulated amortization of \$68,823 is included with Equipment on the Lease Class activities table found below. Caldwell County has 1 extension option(s), each for 12 months.

On 07/01/2021, Caldwell County entered into a 16 month lease as Lessee for the use of Sheriff EMS Laptops. An initial lease liability was recorded in the amount of \$12,563. As of 06/30/2022, the value of the lease liability is \$3,146. Caldwell County is required to make monthly fixed principal and interest payments of \$787. The lease has an interest rate of 0.3080%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$12,563 with accumulated amortization of \$8,938 is included with Equipment on the Lease Class activities table found below.

On 07/01/2021, Caldwell County entered into a 20 month lease as Lessee for the use of Desktop - Dell Optiplex. An initial lease liability was recorded in the amount of \$100,102. As of 06/30/2022, the value of the lease liability is \$40,123. Caldwell County is required to make monthly fixed principal and interest payments of \$5,024. The lease has an interest rate of 0.4350%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$100,102 with accumulated amortization of \$58,218 is included with Equipment on the Lease Class activities table found below.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, were as follows:

Governmental Activities:

Year Ending			
June 30	Principal	Interest	Total
2023	\$ 334,671	\$ 2,756	\$ 337,427
2024	195,748	1,103	196,851
2025	44,400	190	44,590
2026	6,648	14	6,662
Total	<u>\$ 581,467</u>	<u>\$ 4,063</u>	<u>\$ 585,530</u>

Business-Type Activities:

Year Ending			
June 30	Principal	Interest	Total
2023	\$ 1,020	\$ 1	\$ 1,021
Total	<u>\$ 1,020</u>	<u>\$ 1</u>	<u>\$ 1,021</u>

Installment Purchases

As authorized by state law (G.S. 160A-20 and 153A-158.1), the County financed various property and equipment acquisitions by installment purchase.

As authorized by state law (G.S. 160A-20 and 153A-158.1), the County has entered into two installment financing agreements for school renovations and improvements for Caldwell County schools. These installment purchases were issued pursuant to deeds of trust that require legal title remain with the County as long as the debt is outstanding. The County entered into leases with the Board of Education of Caldwell County that transfers the rights and responsibilities for maintenance and insurance of the properties to the Board of Education. These leases call for nominal annual lease payments and contain a bargain purchase option. The lease terms are the same as the installment purchase obligations. Due to the economic substance of these transitions, the capital assets associated with the installment purchase obligations are recorded by the Board of Education.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Installment purchase contracts at June 30, 2022 are comprised of the following:

Serviced by the County's General Fund:

\$676,415 for expansion of the Mental Health Facility, financed for 30 years at 0% interest and due in monthly installments	\$	587,514
\$5,950,000 financing for the construction of the ASU Center facility on the campus of CCC&TI, due in annual installments of \$326,100 through July 2012; annual payment increases to \$542,568, including interest at 2.17%, through July 2025		1,888,735
\$16,300,000 contract for the Early College facility on the campus of CCC&TI, upgrade to emergency communications system to include new towers, new equipment, renovations to the Courthouse and the County offices building, financed for 20 years at 2.415% interest, due in semi-annual installments (one installment is interest only, the other is principal and interest)		4,289,473
\$12,500,000 for a new facility on the government campus adjacent to the existing Sheriff's Department building to house both the Department of Social Services and the Health Department, financed for 20 years at 2.65% interest, due in semi-annual installments (one installment is interest only, the other is principal and interest)		3,289,474
\$2,971,361 Qualified School Construction Bonds for the addition of new classrooms at Sawmills Elementary School and Hudson Elementary School, financed for 14 years at 2.17% interest, due in annual installments through December 2024		594,272
\$2,248,500 for the replacement of HVAC systems at Davenport, Hudson and Gamewell schools; funded by BB&T through the federal stimulus program's QSCB loan program with an effective interest rate of zero; payments due annually through 2025		599,600
\$1,264,000 59 month financing to purchase capital outlay consisting of vehicles and other equipment. Financed at an interest rate of 1.60% through September of 2022		261,000

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

\$1,457,000 59 month financing to purchase capital outlay consisting of ambulances and other emergency response vehicles. Financed at an interest rate of 2.79% through September of 2023	606,000
\$12,300,000 borrowing to renovate and build additions to Granite Falls Middle School. Financed at an interest rate of 1.4% through April 2034	11,024,000
\$3,045,000 borrowing to construct two EMS bases in the city of Lenoir. Financed at an interest rate of 1.4% through June 2034	2,436,000
\$1,470,000 59 month financing to purchase capital outlay consisting of various vehicles and equipment. Financed at an interest rate of 1.6787% through June 2025	896,000
\$515,000 59 month financing to purchase capital outlay consisting of various vehicles and equipment. Financed at an interest rate of 1.18% through January 2026	414,000
\$3,700,000 59 month financing to purchase capital outlay consisting of various vehicles and equipment. Financed at an interest rate of 1.18% through January 2026	3,700,000
\$750,000 59 month financing to purchase capital outlay consisting of various vehicles and equipment. Financed at an interest rate of 1.18% through January 2026	750,000
\$14,500,000 borrowing to construct new middle school to replace the old facility that housed William Lenoir Middle School. Financed at an interest rate of 1.2% through September 2028	<u>7,434,000</u>
Total serviced by the General Fund	<u>\$ 38,770,068</u>

The County's outstanding note from direct placements related to governmental activities of \$587,514 is secured by a deed of trust on the mental health facility located on Morganton Boulevard. Upon the failure to pay or make timely payments, the outstanding principal is due, and all leases and rents of residential units are assigned to NCHFA. Upon default, interest on the loan increases to 10% and the lender can enforce its security interest in the mortgaged property, including initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$1,888,735 is secured by a deed of trust on the building on the campus of the community college referred to as the ASU center. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and accrued interest are due. The lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$4,289,473 is secured by a deed of trust on the County's courthouse building and by the facility on the campus of Caldwell Community College and Technical Institute referred to as the Early College. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and accrued interest are due.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

The lender can enforce its security interest in the mortgaged properties, which includes initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$3,289,474 is secured by a deed of trust on the county owned building referred to as the Health and Human Services Building located off Morganton Boulevard in Lenoir, NC. Upon the failure to pay or make timely payments or the failure to budget / appropriate for the debt service, the outstanding principal and accrued interest are due. The lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$594,272 is secured by a deed of trust on Sawmills Elementary School. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and accrued interest are due. The lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$599,600 is secured by a deed of trust on Gamewell Middle School. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and accrued interest are due. The lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$261,000 is secured by a security interest in various vehicles and equipment. Upon the failure to pay or make timely payments, the failure to budget/appropriate for the debt service, failure to perform any term, condition, or covenant for a period of 30 days after written notice, or an attachment, levy or execution is levied on or against any of the vehicles or equipment, the outstanding principal is due. Upon default, interest on the loan increases by 4.00% and the lender can sell, lease, or sublease the vehicles and equipment.

The County's outstanding note from direct placements related to governmental activities of \$606,000 is secured by a security interest in various vehicles and equipment. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and interest are due. Upon default, the lender will take possession of the vehicles and equipment securing the loan and the County will relinquish all rights to the vehicles and equipment.

The County's outstanding note from direct placements related to governmental activities of \$11,024,000 is secured by a deed of trust on Granite Falls Middle School. Upon the failure to pay or make timely payments, the failure to budget/appropriate for the debt service or the removal of the appropriation from the budget, the outstanding principal and accrued interest are due. The lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

The County's outstanding note from direct placements related to governmental activities of \$2,436,000 is secured by a deed of trust on two emergency medical services buildings. Upon the failure to pay or make timely payments, the failure to budget/appropriate for the debt service or the removal of the appropriation from the budget, the outstanding principal and accrued interest are due. Upon default, interest on the loan increases by 4.00% and the lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

The County's outstanding note from direct placements related to governmental activities of \$896,000 is secured by a security interest in various vehicles and equipment. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and interest are due. Upon default, the lender will take possession of the vehicles and equipment securing the loan and the County will relinquish all rights to the vehicles and equipment.

The County's outstanding note from direct placements related to governmental activities of \$414,000 is secured by a security interest in various vehicles and equipment. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and interest are due. Upon default, the lender will take possession of the vehicles and equipment securing the loan and the County will relinquish all rights to the vehicles and equipment.

The County's outstanding note from direct placements related to governmental activities of \$3,700,000 is secured by the new animal shelter facility. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the bank shall elect to (a) declare the unpaid portion of the then outstanding principal immediately due and payable; (b) proceed by appropriate court action to enforce the performance by the County of the applicable covenants of the contract or recover for any breach thereof; (c) exercise or direct the trustee to exercise all the rights and remedies of a secured party or creditor, including taking possession of the property and sell, lease, sublease or make other disposition; (d) enforce its security interest in the property or direct the trustee to institute foreclosure proceedings and sell the property; or (e) pursue any other remedy available at law or equity to the bank.

The County's outstanding note from direct placements related to governmental activities of \$750,000 is secured by the vehicles and equipment purchased with those funds. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and interest are due. Upon default, the lender will take possession of the vehicles and equipment securing the loan and the County will relinquish all rights to the vehicles and equipment.

The County's outstanding note from direct placements related to governmental activities of \$7,434,000 is secured by a deed of trust on William Lenoir Middle School. Upon the failure to pay or make timely payments, the failure to budget/appropriate for the debt service or the removal of the appropriation from the budget, the outstanding principal and accrued interest are due. Upon default, interest on the loan increases by 4.00% and the lender can enforce its security interest in the mortgaged property, which includes initiating foreclosure proceedings.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Annual debt service requirements to maturity for the County's direct placement installment purchases are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 6,002,725	\$ 624,057
2024	5,736,740	514,074
2025	5,437,974	409,560
2026	4,912,342	317,463
2027	4,134,793	231,155
2028-2032	8,856,020	593,463
2033-2037	3,402,020	116,817
2038-2042	100,020	-
2043-2047	100,020	-
2048-2052	87,414	-
Total	<u>\$ 38,770,068</u>	<u>\$ 2,806,589</u>

At June 30, 2022, the County had a legal debt margin of approximately \$631,643,000.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Long-Term Obligation Activity

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2022:

	Balance			Current	
	July 1, 2021	Increases	Decreases	Balance	Portion of
				June 30, 2022	Balance
Governmental Activities:					
Notes from direct placements	\$ 39,933,993	\$ 4,450,000	\$ 5,613,925	\$ 38,770,068	\$ 6,002,725
Leases	-	975,363	393,896	581,467	334,671
Compensated absences	2,185,319	2,622,400	1,156,820	3,650,899	2,920,719
Total OPEB liability	2,744,104	256,728	-	3,000,832	-
Accrued post-closure care	120,048	1,441	30,380	91,109	-
Net pension liability (LGERS)	13,200,977	-	7,664,507	5,536,470	-
Total pension obligation (LEOSSA)	<u>2,787,465</u>	<u>311,594</u>	<u>125,389</u>	<u>2,973,670</u>	<u>-</u>
Total governmental activities	<u>\$ 60,971,906</u>	<u>\$ 8,617,526</u>	<u>\$14,984,917</u>	<u>\$ 54,604,515</u>	<u>\$ 9,258,115</u>
Business-Type Activities:					
Compensated absences	\$ 54,949	\$ 62,600	\$ 25,780	\$ 91,769	\$ 73,415
Leases	-	2,763	1,743	1,020	1,020
Total OPEB liability	56,001	5,240	-	61,241	-
Net pension liability (LGERS)	<u>269,410</u>	<u>-</u>	<u>156,419</u>	<u>112,991</u>	<u>-</u>
Total business-type activities	<u>\$ 380,360</u>	<u>\$ 70,603</u>	<u>\$ 183,942</u>	<u>\$ 267,021</u>	<u>\$ 74,435</u>

Compensated absences typically have been liquidated in the General Fund and the Enterprise Fund. OPEB typically has been liquidated in the General Fund. Compensated absences are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.

Net Investment in Capital Assets

Net investment in capital assets at June 30, 2022 is computed as follows:

Capital assets, net of accumulated depreciation	\$ 37,633,871
Right to use leased assets, net of accumulated amortization	592,232
Less capital debt:	
Gross debt	39,351,535
Less:	
School debt related to assets to which the County does not hold title	<u>(23,771,133)</u>
Net capital debt	<u>15,580,402</u>
Net investment in capital assets	<u>\$ 22,645,701</u>

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Conduit Debt Obligations

The Authority has previously issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds were secured by the properties financed, as well as letters of credit, and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision, thereof, is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2022, there were no industrial revenue bonds outstanding.

C. Interfund Balances and Activity

Transfers in (out) for the year ended June 30, 2022, are summarized below.

From	To	Amount	Purpose
General Fund	General Capital Projects Fund	\$ 285,000	Proceeds from sale of land for project fund
General Fund	General Capital Projects Fund	1,107,002	HHS building HVAC replacement
General Fund	General Capital Projects Fund	608,669	Sheriff's office HVAC replacement
General Fund	General Capital Projects Fund	567,500	Library HVAC replacement
General Fund	State Grants 2022 Fund	9,985	Purchase of capital outlay
			Use of 524 sales tax funds for additional
General Capital Projects Fund	General Fund	320,000	SRO's at County schools
	Schools Capital Project Fund -		
General Capital Projects Fund	Sales Tax	700,000	Debt service on GFMS project
ARPA Fund	General Fund	10,000,000	ARPA expenditures
			Transfer to help fund two new EMS bases
Sales Tax Reinvestment Fund	General Fund	350,000	(debt service)
Total		<u>\$ 13,948,156</u>	

4. Joint Ventures

The County, in conjunction with the State of North Carolina, the Caldwell County Board of Education, and the Board of Commissioners of Watauga County, participates in a joint venture to operate Caldwell Community College. The County, the Board of Education, and the Governor each appoint four members of the fifteen-member Board of Trustees of the Community College. The Board of Commissioners of Watauga County appoints two members, and the President of the Community College's student government association serves as ex-officio, non-voting member. The Community College is included as a component unit in the financial statements of the State of North Carolina.

The County has an ongoing statutory responsibility to provide funding for the facilities of the Community College. This responsibility is fulfilled by means of an annual appropriation covering plant operations and maintenance, capital outlay, and some operating expenses. In addition, the County periodically issues general obligation bonds and installment purchase debt to provide financing for new and restructured facilities. As of June 30, 2022, \$4,132,987 of debt issued for this purpose was still outstanding.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

The County contributed \$3,518,619 for operating and capital purposes during the fiscal year ended June 30, 2022. In addition, the County made debt service payments of \$992,857 during the fiscal year on installment purchase debt issued for community college capital facilities.

The participating governments do not have any equity interest in the Community College; therefore, no equity interest has been reflected in these financial statements. Complete financial statements for the Community College may be obtained at the College's administrative offices on Highway 321, Hudson, North Carolina.

Vaya Health is the MH/DD/SAS area program for the following 23 counties: Alexander, Alleghany, Ashe, Avery, Buncombe, Caldwell, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania, Watauga, Wilkes, and Yancey. The County Commissioners are responsible for appointing two of the 46 members of the Board of Directors of Vaya Health for MH/DD/SAS. The County Commissioners also appoint one at-large member to the Vaya Health Board, but this member has no voting power. The County's accountability for this organization does not extend beyond making these appointments.

5. Jointly Governed Organizations

The Western Piedmont Council of Governments (the "Council") was established in November 1968 by the County in conjunction with three other counties and twenty-three municipalities. Each participating government appoints one member to the Council's governing board. The Council's financing is derived from voluntary annual dues paid by member governments and from federal and state grants. The County paid dues of \$34,414 to the Council during the fiscal year ended June 30, 2022.

The Region E Development Corporation (the "Corporation") was founded in 1982 by the Commissioners of the four counties of the Unifour Area. It serves as the access point for small businesses to obtain financing under the U.S. Small Business Administration's 504 Loan Program. Six of the twenty-five members of the Corporation are appointed by the Caldwell County Board of Commissioners. The County does not provide any regular appropriation of funds for the Corporation.

Blue Ridge Community Action, Inc. (the "BRCA") is a private, non-profit, tax-exempt organization, which operates various programs providing aid and services to economically disadvantaged, handicapped, and elderly persons. BRCA is supported primarily by federal and state grants and appropriations from local governments. It is governed by a Board of Directors representing the County Commissions of Caldwell County and Burke County, local civic organizations, and communities with a high incidence of poverty. The Caldwell County Board of Commissioners appoints three of the eighteen members of the Board of Directors. For the year ended June 30, 2022, the County provided \$13,473 to support the home delivered meals program.

Foothills Regional Airport Authority was established by Caldwell County in conjunction with one other county and two municipalities. Each participating government appoints two members to the

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

authority's governing board. Each government funds the authority in equal amounts. For the fiscal year ended June 30, 2022, Caldwell County contributed \$47,137.

6. Summary Disclosure of Significant Commitments and Contingencies

Federal and State-Assisted Programs

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

7. Claims, Judgement, and Contingent Liabilities

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

8. 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.

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 Local Governments ("Local Abatement Funds")
- 5% to a County Incentive Fund

The County received \$315,793 as 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. The MOA offered the County two options of expending the funds. The County opted for Option B which allows a wide array of strategies to address the impact of the opioid epidemic.

CALDWELL COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

9. Reimbursement for Pandemic-Related Expenditures

In fiscal year 2020-2021, the American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for eligible state, local, territorial, and tribal governments. The County was allocated \$15,962,113 of fiscal recovery funds to be paid in two equal installments. The first installment of \$7,981,057 was received in May 2021. The second installment of \$7,981,056 was received in June 2022. County staff and the Board of Commissioners elected to use \$10,000,000 of the ARPA funds for revenue replacement in the 2022 fiscal year, and these funds were transferred to the General Fund. The County used \$1,362,181 of the ARPA funds for premium pay in the 2022 fiscal year. The remaining funds of \$4,599,932 have not yet been appropriated, but the County is discussing using the funds for broadband grant matching funds and water fund capital projects.

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 a deferred inflow of resources.

REQUIRED SUPPLEMENTARY FINANCIAL DATA

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

- **Other Post-Employment Benefits – Schedule of Changes in the Total OPEB Liability and Related Ratios**
- **Law Enforcement Officers’ Special Separation Allowance – Schedule of Changes in Total Pension Liability**
- **Law Enforcement Officers’ Special Separation Allowance – Schedule of Total Pension Liability as a Percentage of Covered Employee Payroll**
- **Local Governmental Employees’ Retirement System – Proportionate Share of Net Pension Liability (Asset)**
- **Local Governmental Employees’ Retirement System – Contributions**
- **Register of Deeds’ Supplemental Pension Fund – Proportionate Share of Net Pension Liability (Asset)**
- **Register of Deeds’ Supplemental Pension Fund – Contributions**



CALDWELL COUNTY, NORTH CAROLINA

**OTHER POST-EMPLOYMENT BENEFITS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
 LAST FIVE FISCAL YEARS**

	Other Post-Employment Benefits				
	2022	2021	2020	2019	2018
Service cost	\$ 196,554	\$ 138,200	\$ 126,343	\$ 163,077	\$ 178,535
Interest	64,854	104,932	106,468	110,381	96,162
Differences between expected and actual experience	(19,320)	(579,093)	(23,156)	(450,313)	11,053
Changes of assumptions or other inputs	144,651	366,131	107,120	33,594	(165,955)
Benefit payments	(124,771)	(178,327)	(208,946)	(231,748)	(196,737)
Net change in total OPEB liability	261,968	(148,157)	107,829	(375,009)	(76,942)
Total OPEB liability - beginning	2,800,105	2,948,262	2,840,433	3,215,442	3,292,384
Total OPEB liability - ending	<u>\$ 3,062,073</u>	<u>\$ 2,800,105</u>	<u>\$ 2,948,262</u>	<u>\$ 2,840,433</u>	<u>\$ 3,215,442</u>
Covered employee payroll	\$ 23,341,121	\$ 23,341,121	\$ 19,511,954	\$ 19,511,954	\$ 19,582,380
Total OPEB liability as a percentage of covered employee payroll	13.12%	12.00%	15.11%	14.56%	16.42%

Notes to the Required Schedules:

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:

Fiscal Year	Rate
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
 LAST SIX FISCAL YEARS**

Law Enforcement Officers' Special Separation Allowance			
	2022	2021	2020
Beginning balance	\$ 2,787,465	\$ 1,869,705	\$ 1,679,198
Service cost	182,416	114,275	89,209
Interest on the total pension liability	52,588	59,464	59,804
Differences between expected and actual experience in the measurement of the total pension liability	157,478	89,759	56,947
Changes of assumptions or other inputs	(80,888)	745,583	57,016
Benefit payments	(125,389)	(91,321)	(72,469)
Ending balance of the total pension liability	<u>\$ 2,973,670</u>	<u>\$ 2,787,465</u>	<u>\$ 1,869,705</u>

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

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
 LAST SIX FISCAL YEARS**

Law Enforcement Officers' Special Separation Allowance

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 1,546,222	\$ 1,391,989	\$ 1,338,948
Service cost	91,339	75,166	78,498
Interest on the total pension liability	47,757	52,578	47,113
Differences between expected and actual experience in the measurement of the total pension liability	129,494	(8,216)	-
Changes of assumptions or other inputs	(65,791)	94,447	(34,077)
Benefit payments	<u>(69,823)</u>	<u>(59,742)</u>	<u>(38,493)</u>
Ending balance of the total pension liability	<u>\$ 1,679,198</u>	<u>\$ 1,546,222</u>	<u>\$ 1,391,989</u>

CALDWELL COUNTY, NORTH CAROLINA

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE
OF COVERED EMPLOYEE PAYROLL
LAST SIX FISCAL YEARS**

Law Enforcement Officers' Special Separation Allowance			
	2022	2021	2020
Total pension liability	\$ 2,973,670	\$ 2,787,465	\$ 1,869,705
Covered employee payroll	4,176,000	3,998,998	3,359,068
Total pension liability as a percentage of covered employee payroll	71.21%	69.70%	55.66%

Notes to the Schedules:

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

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE
OF COVERED EMPLOYEE PAYROLL
LAST SIX FISCAL YEARS

	<u>Law Enforcement Officers' Special Separation Allowance</u>		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 1,679,198	\$ 1,546,222	\$ 1,391,989
Covered employee payroll	3,226,682	3,020,106	2,924,773
Total pension liability as a percentage of covered employee payroll	52.04%	51.20%	47.59%

CALDWELL COUNTY, NORTH CAROLINA

**CALDWELL COUNTY'S PROPORTIONATE SHARE
OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST NINE FISCAL YEARS***

	Local Governmental Employees' Retirement System				
	2022	2021	2020	2019	2018
Caldwell County's proportion of the net pension liability (asset) (%)	0.36838%	0.37696%	0.33916%	0.35492%	0.35885%
Caldwell County's proportion of the net pension liability (asset) (\$)	\$ 5,649,461	\$ 13,470,387	\$ 9,262,195	\$ 8,419,914	\$ 5,482,232
Caldwell County's covered payroll	\$ 26,106,605	\$ 25,605,966	\$ 23,639,579	\$ 22,049,890	\$ 21,329,068
Caldwell County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	21.64%	52.61%	39.18%	38.19%	25.70%
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 ended June 30.

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

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA

**CALDWELL COUNTY'S PROPORTIONATE SHARE
OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST NINE FISCAL YEARS***

	Local Governmental Employees' Retirement System			
	2017	2016	2015	2014
Caldwell County's proportion of the net pension liability (asset) (%)	0.36841%	0.35415%	0.34861%	0.34430%
Caldwell County's proportion of the net pension liability (asset) (\$)	\$ 7,818,892	\$ 1,589,402	\$ (2,055,915)	\$ 4,150,137
Caldwell County's covered payroll	\$ 20,958,493	\$ 20,047,230	\$ 19,324,605	\$ 17,879,977
Caldwell County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	37.31%	7.93%	(10.64%)	23.21%
Plan fiduciary net position as a percentage of the total pension liability**	91.47%	98.09%	102.64%	94.35%

CALDWELL COUNTY, NORTH CAROLINA

**CALDWELL COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST NINE FISCAL YEARS**

	Local Governmental Employees' Retirement System				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 3,212,579	\$ 2,683,972	\$ 2,327,296	\$ 1,866,454	\$ 1,685,322
Contributions in relation to the contractually required contribution	<u>3,212,579</u>	<u>2,683,972</u>	<u>2,327,296</u>	<u>1,866,454</u>	<u>1,685,322</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Caldwell County's covered payroll	\$ 28,003,714	\$ 26,106,605	\$ 25,605,966	\$ 23,639,579	\$ 22,049,890
Contributions as a percentage of covered payroll	11.47%	10.28%	9.09%	7.90%	7.64%

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA

**CALDWELL COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST NINE FISCAL YEARS**

Local Governmental Employees' Retirement System				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,583,959	\$ 1,426,692	\$ 1,423,076	\$ 1,366,046
Contributions in relation to the contractually required contribution	<u>1,583,959</u>	<u>1,426,692</u>	<u>1,423,076</u>	<u>1,366,046</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Caldwell County's covered payroll	\$ 21,329,068	\$ 20,958,493	\$ 20,047,230	\$ 19,324,605
Contributions as a percentage of covered payroll	7.43%	6.81%	7.10%	7.07%

CALDWELL COUNTY, NORTH CAROLINA

**CALDWELL COUNTY'S PROPORTIONATE SHARE
OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST NINE FISCAL YEARS***

	Register of Deeds' Supplemental Pension Fund				
	2022	2021	2020	2019	2018
Caldwell County's proportion of the net pension liability (asset) (%)	0.63098%	0.66168%	0.61246%	0.68684%	0.67060%
Caldwell County's proportion of the net pension liability (asset) (\$)	\$ (121,230)	\$ (151,644)	\$ (120,912)	\$ (113,761)	\$ (114,465)
Caldwell County's covered payroll	\$ 74,421	\$ 73,575	\$ 73,271	\$ 73,271	\$ 72,734
Caldwell County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-162.90%	-206.11%	-165.02%	-155.26%	-157.37%
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 ended June 30.

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

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA

**CALDWELL COUNTY'S PROPORTIONATE SHARE
OF NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST NINE FISCAL YEARS***

	Register of Deeds' Supplemental Pension Fund			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Caldwell County's proportion of the net pension liability (asset) (%)	0.75778%	0.72118%	0.76574%	0.68111%
Caldwell County's proportion of the net pension liability (asset) (\$)	\$ (141,675)	\$ (167,130)	\$ (173,562)	\$ (145,485)
Caldwell County's covered payroll	\$ 71,275	\$ 69,845	\$ 68,441	\$ 66,963
Caldwell County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-198.77%	-239.29%	-253.59%	-217.26%
Plan fiduciary net position as a percentage of the total pension liability**	160.17%	197.29%	193.88%	190.50%

CALDWELL COUNTY, NORTH CAROLINA

**CALDWELL COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST NINE FISCAL YEARS**

Register of Deeds' Supplemental Pension Fund

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 7,987	\$ 7,573	\$ 6,336	\$ 5,821	\$ 5,878
Contributions in relation to the contractually required contribution	<u>7,987</u>	<u>7,573</u>	<u>6,336</u>	<u>5,821</u>	<u>5,878</u>
Contribution deficiency (excess)	<u>\$ -</u>				
Caldwell County's covered payroll	\$ 84,427	\$ 74,421	\$ 73,575	\$ 73,271	\$ 73,271
Contributions as a percentage of covered payroll	9.46%	10.18%	8.61%	7.94%	8.02%

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CALDWELL COUNTY, NORTH CAROLINA

CALDWELL COUNTY'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST NINE FISCAL YEARS

Register of Deeds' Supplemental Pension Fund

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 5,827	\$ 6,191	\$ 5,771	\$ 6,252
Contributions in relation to the contractually required contribution	<u>5,827</u>	<u>6,191</u>	<u>5,771</u>	<u>6,252</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Caldwell County's covered payroll	\$ 72,734	\$ 71,275	\$ 69,845	\$ 68,441
Contributions as a percentage of covered payroll	8.01%	8.69%	8.26%	9.13%



THE GENERAL FUND

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



CALDWELL COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Ad valorem taxes	\$ 50,722,350	\$ 52,817,029	\$ 2,094,679
Local Option Sales Tax:			
Article 39 one percent	4,000,000	4,792,325	792,325
Article 40 one-half of one percent	3,600,000	4,260,290	660,290
Article 42 one-half of one percent	600,000	680,310	80,310
Article 44 one-half of one percent	-	(47)	(47)
Total	<u>8,200,000</u>	<u>9,732,878</u>	<u>1,532,878</u>
Other Taxes and Licenses:			
Real estate transfer tax	250,000	488,469	238,469
Local occupancy tax	240,000	258,620	18,620
Scrap tire tax	150,000	131,830	(18,170)
White goods tax	50,000	43,540	(6,460)
Schedule B licenses	3,000	1,835	(1,165)
Gross receipts tax	3,000	6,915	3,915
Total	<u>696,000</u>	<u>931,209</u>	<u>235,209</u>
Unrestricted Intergovernmental:			
Payment in lieu of taxes	150,000	138,975	(11,025)
State hold-harmless reimbursement	100,000	1,752,402	1,652,402
Cable franchise tax	385,000	316,766	(68,234)
Soft cost reimbursement	49,665	52,436	2,771
EDC occupancy tax	12,000	87,684	75,684
Total	<u>696,665</u>	<u>2,348,263</u>	<u>1,651,598</u>
Restricted Intergovernmental:			
Federal and state aid - health	4,672,107	3,058,379	(1,613,728)
Federal and state aid - social services	11,649,199	10,504,878	(1,144,321)
Federal and state aid - law enforcement	626,538	614,959	(11,579)
Federal and state aid - library	132,500	132,018	(482)
Federal and state aid - miscellaneous	121,294	108,737	(12,557)
Federal and state aid - JCPC	272,323	272,323	-
Federal and state aid - ambulance	762,482	1,485,548	723,066
Federal and state shared - controlled substance	5,000	135,175	130,175
Court facility fees	106,000	105,889	(111)
ABC revenue	18,000	20,711	2,711
Total	<u>18,365,443</u>	<u>16,438,617</u>	<u>(1,926,826)</u>

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Permits and Fees:			
Inspection department	300,000	459,898	159,898
Marriage license	12,000	11,476	(524)
Environmental fees	85,000	143,855	58,855
Civil fees	115,000	87,686	(27,314)
Weapons permits	180,000	170,120	(9,880)
Register of Deeds	330,000	438,823	108,823
Miscellaneous	3,000	49,218	46,218
Total	<u>1,025,000</u>	<u>1,361,076</u>	<u>336,076</u>
Sales and Services:			
Ambulance fees	3,260,623	2,963,153	(297,470)
Animal control	25,000	42,733	17,733
Jail fees	300,900	380,884	79,984
Jail commissary	80,000	134,011	54,011
Sheriff collection fees	1,000	727	(273)
Health department fees	210,000	698,663	488,663
Household fees	700,000	726,055	26,055
Republic host fees	850,000	941,650	91,650
Library fines and fees	18,000	16,766	(1,234)
Collection fees - special tax districts and towns	15,000	17,311	2,311
Miscellaneous	135,504	118,669	(16,835)
Total	<u>5,596,027</u>	<u>6,040,622</u>	<u>444,595</u>
Investment Earnings	<u>10,000</u>	<u>7,801</u>	<u>(2,199)</u>
Miscellaneous:			
Contributions	133,242	131,981	(1,261)
Other	77,922	148,788	70,866
Total	<u>211,164</u>	<u>280,769</u>	<u>69,605</u>
Total revenues	<u>85,522,649</u>	<u>89,958,264</u>	<u>4,435,615</u>
Expenditures:			
General Government:			
Administration:			
Salaries and benefits	514,137	526,377	
Operating expenditures	264,402	238,832	
Capital outlay	327,204	327,204	
Total	<u>1,105,743</u>	<u>1,092,413</u>	<u>13,330</u>

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Board of Elections:			
Salaries and benefits	219,295	192,144	
Operating expenditures	253,113	145,190	
Total	<u>472,408</u>	<u>337,334</u>	<u>135,074</u>
Register of Deeds:			
Salaries and benefits	401,728	393,311	
Operating expenditures	141,489	122,200	
Total	<u>543,217</u>	<u>515,511</u>	<u>27,706</u>
Finance:			
Salaries and benefits	495,606	494,547	
Operating expenditures	107,105	100,271	
Total	<u>602,711</u>	<u>594,818</u>	<u>7,893</u>
Information Services:			
Salaries and benefits	527,966	529,615	
Operating expenditures	765,452	585,235	
Capital outlay	110,772	41,918	
Total	<u>1,404,190</u>	<u>1,156,768</u>	<u>247,422</u>
Scanning:			
Salaries and benefits	126,152	85,010	
Operating expenditures	22,000	9,163	
Total	<u>148,152</u>	<u>94,173</u>	<u>53,979</u>
Tax Administrator:			
Salaries and benefits	717,621	716,831	
Operating expenditures	574,019	479,261	
Total	<u>1,291,640</u>	<u>1,196,092</u>	<u>95,548</u>
Revaluation:			
Salaries and benefits	296,589	282,035	
Operating expenditures	80,690	51,530	
Capital outlay	53,220	50,846	
Total	<u>430,499</u>	<u>384,411</u>	<u>46,088</u>

CALDWELL COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Public Information:			
Salaries and benefits	179,413	177,191	
Operating expenditures	52,146	30,933	
Total	<u>231,559</u>	<u>208,124</u>	<u>23,435</u>
Building Maintenance:			
Salaries and benefits	418,710	449,270	
Operating expenditures	903,101	783,216	
Total	<u>1,321,811</u>	<u>1,232,486</u>	<u>89,325</u>
Land Records:			
Salaries and benefits	219,850	221,981	
Operating expenditures	87,971	70,943	
Total	<u>307,821</u>	<u>292,924</u>	<u>14,897</u>
Human Resources:			
Salaries and benefits	1,510,080	1,072,864	
Operating expenditures	642,868	598,330	
Total	<u>2,152,948</u>	<u>1,671,194</u>	<u>481,754</u>
Veterans Administration:			
Salaries and benefits	132,195	129,252	
Operating expenditures	13,916	6,670	
Total	<u>146,111</u>	<u>135,922</u>	<u>10,189</u>
Special Services:			
Law library - courthouse	6,000	-	6,000
Institute of Government	9,000	9,512	(512)
Western Piedmont Council of Governments	36,134	36,133	1
Premium pay	63,401	63,401	-
Administrative expenses	(238,989)	(238,989)	-
Community service program	6,000	6,000	-
Total	<u>(118,454)</u>	<u>(123,943)</u>	<u>5,489</u>
Total general government	<u>10,040,356</u>	<u>8,788,227</u>	<u>1,252,129</u>

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Public Safety:			
Animal Control:			
Salaries and benefits	527,657	456,759	
Operating expenditures	229,201	152,235	
Capital outlay	<u>51,922</u>	<u>46,662</u>	
Total	<u>808,780</u>	<u>655,656</u>	<u>153,124</u>
Sheriff's Department:			
Salaries and benefits	894,117	796,135	
Operating expenditures	627,518	509,703	
Capital outlay	<u>266,186</u>	<u>265,882</u>	
Total	<u>1,787,821</u>	<u>1,571,720</u>	<u>216,101</u>
Patrol Division:			
Salaries and benefits	2,318,941	2,058,703	
Operating expenditures	457,512	420,877	
Capital outlay	<u>18,279</u>	<u>7,170</u>	
Total	<u>2,794,732</u>	<u>2,486,750</u>	<u>307,982</u>
Investigative Division:			
Salaries and benefits	1,025,009	1,031,273	
Operating expenditures	131,300	124,805	
Capital outlay	<u>6,000</u>	<u>5,995</u>	
Total	<u>1,162,309</u>	<u>1,162,073</u>	<u>236</u>
Support Division:			
Salaries and benefits	824,276	863,896	
Operating expenditures	229,559	185,881	
Capital outlay	<u>353,780</u>	<u>164,920</u>	
Total	<u>1,407,615</u>	<u>1,214,697</u>	<u>192,918</u>
Reserve Division:			
Salaries and benefits	53,119	24,927	
Operating expenditures	<u>8,400</u>	<u>155</u>	
Total	<u>61,519</u>	<u>25,082</u>	<u>36,437</u>
County Jail and Building:			
Salaries and benefits	2,989,114	2,500,835	
Operating expenditures	1,700,985	1,419,483	
Capital outlay	<u>13,196</u>	<u>-</u>	
Total	<u>4,703,295</u>	<u>3,920,318</u>	<u>782,977</u>

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
School Resource Officer:			
Salaries and benefits	887,842	800,504	
Operating expenditures	50,060	28,290	
Total	<u>937,902</u>	<u>828,794</u>	<u>109,108</u>
Emergency Medical Services:			
Salaries and benefits	6,376,213	6,116,846	
Operating expenditures	2,256,117	1,838,845	
Capital outlay	3,044,695	2,265,991	
Total	<u>11,677,025</u>	<u>10,221,682</u>	<u>1,455,343</u>
Emergency Management:			
Salaries and benefits	155,574	107,088	
Operating expenditures	220,694	187,377	
Capital outlay	266,927	257,704	
Total	<u>643,195</u>	<u>552,169</u>	<u>91,026</u>
Fire Marshal:			
Salaries and benefits	308,015	288,040	
Operating expenditures	90,606	84,627	
Total	<u>398,621</u>	<u>372,667</u>	<u>25,954</u>
Communications Center:			
Salaries and benefits	1,317,639	1,192,542	
Operating expenditures	492,118	518,529	
Total	<u>1,809,757</u>	<u>1,711,071</u>	<u>98,686</u>
Emergency Services Building:			
Operating expenditures	135,000	107,309	
Total	<u>135,000</u>	<u>107,309</u>	<u>27,691</u>
Special Services:			
Court reform expense	5,116	4,006	1,110
Crime Stoppers	3,600	3,600	-
COOP Plan	2,800	-	2,800
PILT sharing	43,500	40,671	2,829
Forest contract - NC State	86,424	91,608	(5,184)
Total	<u>141,440</u>	<u>139,885</u>	<u>1,555</u>
Total public safety	<u>28,469,011</u>	<u>24,969,873</u>	<u>3,499,138</u>

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Environmental Protection:			
Convenience Center:			
Salaries and benefits	257,811	242,115	
Operating expenditures	494,900	460,255	
Total	<u>752,711</u>	<u>702,370</u>	<u>50,341</u>
Total environmental protection	<u>752,711</u>	<u>702,370</u>	<u>50,341</u>
Economic and Physical Development:			
Planning and Development:			
Salaries and benefits	166,259	167,391	
Operating expenditures	82,439	65,669	
Total	<u>248,698</u>	<u>233,060</u>	<u>15,638</u>
Building Inspection:			
Salaries and benefits	430,802	410,898	
Operating expenditures	65,306	53,804	
Capital outlay	57,180	-	
Total	<u>553,288</u>	<u>464,702</u>	<u>88,586</u>
Cooperative Extension:			
Salaries and benefits	16,832	9,546	
Operating expenditures	210,200	190,563	
Total	<u>227,032</u>	<u>200,109</u>	<u>26,923</u>
Soil and Water Conservation:			
Salaries and benefits	111,458	108,846	
Operating expenditures	29,516	19,235	
Total	<u>140,974</u>	<u>128,081</u>	<u>12,893</u>
Economic Development:			
Salaries and benefits	153,911	137,350	
Operating expenditures	8,185,700	8,080,017	
Total	<u>8,339,611</u>	<u>8,217,367</u>	<u>122,244</u>
Special Services:			
Occupancy tax expenditures	261,000	258,620	
Foothills Regional Airport Authority	57,137	59,517	
Total	<u>318,137</u>	<u>318,137</u>	<u>-</u>
Total economic and physical development	<u>9,827,740</u>	<u>9,561,456</u>	<u>266,284</u>

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Human Services:			
Human Services Building:			
Salaries and benefits	130,320	129,708	
Operating expenditures	273,927	270,985	
Capital outlay	222,285	-	
Total	<u>626,532</u>	<u>400,693</u>	<u>225,839</u>
Health:			
Health Support:			
Salaries and benefits	819,745	802,152	
Operating expenditures	100,348	94,683	
Capital outlay	10,947	18,338	
Total	<u>931,040</u>	<u>915,173</u>	<u>15,867</u>
Environmental Health:			
Salaries and benefits	525,514	533,278	
Operating expenditures	147,559	140,112	
Capital outlay	167,732	166,594	
Total	<u>840,805</u>	<u>839,984</u>	<u>821</u>
Women's Health:			
Salaries and benefits	484,208	448,332	
Operating expenditures	47,250	37,299	
Total	<u>531,458</u>	<u>485,631</u>	<u>45,827</u>
Child Health:			
Salaries and benefits	808,506	677,060	
Operating expenditures	242,816	143,612	
Total	<u>1,051,322</u>	<u>820,672</u>	<u>230,650</u>
Dental Health:			
Salaries and benefits	286,581	252,093	
Operating expenditures	51,100	46,515	
Total	<u>337,681</u>	<u>298,608</u>	<u>39,073</u>
Clinic:			
Salaries and benefits	1,501,209	1,282,716	
Operating expenditures	1,995,303	629,746	
Capital outlay	17,726	17,726	
Total	<u>3,514,238</u>	<u>1,930,188</u>	<u>1,584,050</u>

CALDWELL COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Women, Infants, and Children:			
Salaries and benefits	390,789	328,994	
Operating expenditures	41,303	31,183	
Total	<u>432,092</u>	<u>360,177</u>	71,915
Total health	<u>7,638,636</u>	<u>5,650,433</u>	<u>1,988,203</u>
Social Services:			
Administration:			
Salaries and benefits	9,959,506	9,236,855	
Operating expenditures	648,831	533,369	
Capital outlay	75,418	168,538	
Total	<u>10,683,755</u>	<u>9,938,762</u>	744,993
Public Assistance:			
Adult resources	697,915	435,241	
Child resources	3,707,500	2,640,574	
Temporary resources	2,032,716	1,836,468	
Medicaid	65,000	7,315	
Total	<u>6,503,131</u>	<u>4,919,598</u>	1,583,533
Total social services	<u>17,186,886</u>	<u>14,858,360</u>	<u>2,328,526</u>
Special Services:			
Medical examiner	80,000	46,050	33,950
Mental health	122,138	122,732	(594)
Sheltered home	8,500	8,500	-
Council on Adolescent Health	12,000	12,000	-
Food for the elderly	13,473	13,473	-
Senior center	5,000	5,000	-
Psychological services	35,105	35,105	-
Youthful sex offender services	40,330	40,330	-
Peace pipeline	49,747	49,747	-
Juvenile justice intervention	341	341	-
Miscellaneous CBA expenditures	12,914	11,844	1,070
Caldwell House	6,000	6,000	-
Project Challenge	70,000	70,000	-

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Caldwell opportunities	7,500	7,500	-
Western Piedmont sister cities	25,668	25,667	1
Rural planning organization	30,000	30,000	-
Western Piedmont Regional Transit Authority	67,132	67,132	-
Robin's Nest	10,000	10,000	-
Caldwell Friends	10,669	10,669	-
Total	<u>606,517</u>	<u>572,090</u>	<u>34,427</u>
Total human services	<u>26,058,571</u>	<u>21,481,576</u>	<u>4,576,995</u>
Cultural and Recreational:			
Library:			
Salaries and benefits	1,206,189	1,051,641	
Operating expenditures	<u>255,374</u>	<u>239,612</u>	
Total	<u>1,461,563</u>	<u>1,291,253</u>	<u>170,310</u>
Library Buildings:			
Operating expenditures	<u>37,800</u>	<u>28,783</u>	
Total	<u>37,800</u>	<u>28,783</u>	<u>9,017</u>
County Parks and Recreation:			
Wilson's Creek Center	<u>88,179</u>	<u>18,656</u>	
Total	<u>88,179</u>	<u>18,656</u>	<u>69,523</u>
Special Services:			
Caldwell Arts Council	1,500	1,500	-
Historical Society	2,500	2,500	-
Baton Ruritan Park	8,000	8,000	-
Dudley Shoals Park	5,000	5,000	-
Oak Hill Park	9,628	9,628	-
Collettsville Park	18,114	18,114	-
North Catawba Optimist Park	14,500	14,500	-
Kings Creek Community Athletic	1,500	1,500	-
Gamewell Optimist Club	3,500	3,500	-
Special Olympics	2,500	2,500	-
Fort Defiance	<u>3,500</u>	<u>3,500</u>	<u>-</u>
Total	<u>70,242</u>	<u>70,242</u>	<u>-</u>
Total cultural and recreational	<u>1,657,784</u>	<u>1,408,934</u>	<u>248,850</u>

CALDWELL COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Education:			
Public Schools:			
Current expense	14,869,294	14,869,294	
Total	<u>14,869,294</u>	<u>14,869,294</u>	-
Community College:			
Current expense	3,373,619	3,364,594	
Capital outlay	180,000	180,000	
Total	<u>3,553,619</u>	<u>3,544,594</u>	9,025
Education Foundation	<u>11,520</u>	<u>11,520</u>	-
Kids at Work	<u>53,558</u>	<u>53,558</u>	-
Communities in Schools	<u>33,000</u>	<u>33,000</u>	-
Total education	<u>18,520,991</u>	<u>18,511,966</u>	9,025
Debt Service:			
Principal retirement	3,534,916	3,534,830	86
Interest and fees	362,734	357,368	5,366
Total debt service	<u>3,897,650</u>	<u>3,892,198</u>	5,452
Contingency	<u>2,393,357</u>	-	2,393,357
Total expenditures	<u>101,618,171</u>	<u>89,316,600</u>	12,301,571
Revenues over (under) expenditures	<u>(16,095,522)</u>	<u>641,664</u>	16,737,186
Other Financing Sources (Uses):			
Installment purchase financing issued	750,000	750,000	-
Lease liability issued	-	142,126	142,126
Transfers:			
Transfers from other funds	10,670,000	10,670,000	-
Transfers to other funds	(2,578,156)	(2,578,156)	-
Proceeds from sale of capital assets	509,934	602,140	92,206
Appropriated fund balance	<u>6,743,744</u>	-	(6,743,744)
Total other financing sources (uses)	<u>16,095,522</u>	<u>9,586,110</u>	(6,509,412)

CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Net change in fund balance	\$ -	10,227,774	\$ 10,227,774
Reconciliation from budgetary basis to modified accrual basis:			
Initial implementation of lease standard:			
Lease liability issued		833,237	
Capital outlay		(833,237)	
Fund Balance:			
Beginning of year - July 1		<u>15,068,053</u>	
End of year - June 30		<u>\$ 25,295,827</u>	

PUBLIC SCHOOLS CAPITAL PROJECT FUND

This fund is used to track the costs associated with the renovations of existing schools.



CALDWELL COUNTY, NORTH CAROLINA

PUBLIC SCHOOLS CAPITAL PROJECT FUND - MAJOR FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

	<u>Project Authorization</u>	<u>Actual</u>		
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
Restricted intergovernmental:				
ADM funds	\$ -	\$ 62,401	\$ -	\$ 62,401
Public school lottery funds	15,000,000	13,517,972	1,482,028	15,000,000
Investment earnings	-	183,231	-	183,231
Total revenues	<u>15,000,000</u>	<u>13,763,604</u>	<u>1,482,028</u>	<u>15,245,632</u>
Expenditures:				
Capital outlay:				
Education:				
Granite Falls Middle School:				
Construction and design	<u>27,600,000</u>	<u>19,133,415</u>	<u>5,071,790</u>	<u>24,205,205</u>
Revenues over (under) expenditures	<u>(12,600,000)</u>	<u>(5,369,811)</u>	<u>(3,589,762)</u>	<u>(8,959,573)</u>
Other Financing Sources (Uses):				
Installment purchase financing issued	12,300,000	12,300,000	-	12,300,000
Transfers:				
Transfers from other funds	<u>300,000</u>	<u>300,000</u>	<u>-</u>	<u>300,000</u>
Total other financing sources (uses)	<u>12,600,000</u>	<u>12,600,000</u>	<u>-</u>	<u>12,600,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 7,230,189</u>	<u>\$ (3,589,762)</u>	<u>\$ 3,640,427</u>



GENERAL CAPITAL PROJECTS FUND

This fund includes the following individual projects:

The EMS Base Renovations Project - This project will construct two new EMS bases to serve the Lenoir area. One will be located in Lower Creek near the intersection of Highways 90 and 18. The other will be located behind Valmead School off of Highway 321 North.

The Animal Shelter Project – The County began a capital project that would construct a new animal shelter to replace the current facility with a more modern and capable one. An architect has designed the new facility but the project was placed on hold due to the pandemic. The County hopes to re-start this project at the appropriate time.

CARES Act Funding – The County has received funding from the federal CARES act to help combat the spread of the covid-19 virus. A portion of this money is being shared with the municipalities located within the County.

Harpertown House Sale Funds – This money comes from the sale of a house in the Harpertown area and is held for uses to benefit that community.

The HHS Building HVAC Replacement - This project will provide replacement HVAC equipment at the HHS Building. This should result in a more comfortable and energy efficient Building. Funding was provided to the county by the state of North Carolina via a SCIF grant.

Building Reuse Fund – This fund is set up for economic development purposes. It's primary goal is to purchase and resale property to promote economic development within the county.

Library HVAC Replacement - This project will provide replacement HVAC equipment at the Library Building. This should result in a more comfortable and energy efficient Building. Funding was provided to the county by the state of North Carolina via a SCIF grant.

Capital Accumulation – These are funds set aside to address future needs.



CALDWELL COUNTY, NORTH CAROLINA

GENERAL CAPITAL PROJECT FUND - MAJOR FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

	<u>Project Authorization</u>	<u>Actual</u>		
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
Restricted intergovernmental	\$ 3,181,969	\$ 3,171,127	\$ 10,842	\$ 3,181,969
Local option sales tax	1,613,666	1,591,900	1,405,779	2,997,679
Investment earnings	-	81,728	276	82,004
Miscellaneous revenue	-	20,925	-	20,925
Total revenues	<u>4,795,635</u>	<u>4,865,680</u>	<u>1,416,897</u>	<u>6,282,577</u>
Expenditures:				
Capital outlay:				
Public safety:				
EMS base renovations	2,082	-	2,082	2,082
Animal shelter	3,892,181	244,434	2,591,380	2,835,814
CARES Act funding	3,181,969	3,106,988	74,981	3,181,969
Sheriff's Office HVAC Replacement	608,669	-	-	-
Human services:				
Harpertown House Sale Funds	11,000	8,407	-	8,407
HHS Building HVAC Replacement	1,107,002	-	-	-
Economic and physical development:				
Building reuse fund	785,000	-	371,144	371,144
Capital accumulation	477,450	282,674	-	282,674
Cultural and recreational:				
Library HVAC Replacement	<u>567,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt service:				
Interest and fees	<u>50,000</u>	<u>-</u>	<u>40,900</u>	<u>40,900</u>
Total expenditures	<u>10,682,853</u>	<u>3,642,503</u>	<u>3,080,487</u>	<u>6,722,990</u>
Revenues over (under) expenditures	<u>(5,887,218)</u>	<u>1,223,177</u>	<u>(1,663,590)</u>	<u>(440,413)</u>
Other Financing Sources (Uses) :				
Installment purchase financing issued	3,700,000	-	3,700,000	3,700,000
Transfers from other funds	3,207,218	174,448	2,568,171	2,742,619
Transfers to other funds	<u>(1,020,000)</u>	<u>-</u>	<u>(1,020,000)</u>	<u>(1,020,000)</u>
Total other financing sources (uses)	<u>5,887,218</u>	<u>174,448</u>	<u>5,248,171</u>	<u>5,422,619</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,397,625</u>	<u>\$ 3,584,581</u>	<u>\$ 4,982,206</u>



AMERICAN RESCUE PLAN ACT FUND

This fund is used to track the revenue and expenditures of funds received from the American Rescue Plan Act.



CALDWELL COUNTY, NORTH CAROLINA

AMERICAN RESCUE PLAN ACT FUND - MAJOR FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

	Project Authorization	Actual		
		Prior Years	Current Year	Total To Date
Revenues:				
Restricted intergovernmental:				
American Rescue Plan Act	\$ 15,962,112	\$ -	\$ 11,362,181	\$ 11,362,181
Expenditures:				
Grant expenditures	4,599,931	-	-	-
Grant expenditures - general government	179,981	-	179,981	179,981
Grant expenditures - public safety	569,005	-	569,005	569,005
Grant expenditures - economic & physical development	28,458	-	28,458	28,458
Grant expenditures - health & human services	502,429	-	502,429	502,429
Grant expenditures - cultural & recreational	56,118	-	56,118	56,118
Grant expenditures - water	26,190	-	26,190	26,190
Total expenditures	5,962,112	-	1,362,181	1,362,181
Revenues over (under) expenditures	10,000,000	-	10,000,000	10,000,000
Other Financing Sources (Uses):				
Transfers:				
Transfers to other funds	(10,000,000)	-	(10,000,000)	(10,000,000)
Net change in fund balance	\$ -	\$ -	\$ -	\$ -



STATE GRANTS 2022 FUND

This fund is used to track the revenue and expenditures of funds received from the state of North Carolina in the form of SCIF grants.



CALDWELL COUNTY, NORTH CAROLINA

STATE GRANTS 2022 FUND - MAJOR FUND
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

	Project Authorization	Actual		Total To Date
		Prior Years	Current Year	
Revenues:				
Restricted intergovernmental:				
State grant	\$ 22,027,000	\$ -	\$ 133,157	\$ 133,157
Expenditures:				
Capital outlay:				
General government:				
Courthouse	5,500,000	-	-	-
Communications Center	8,500,000	-	8,423	8,423
Building maintenance	3,000,000	-	82,734	82,734
Public safety:				
Animal Control	3,500,000	-	-	-
Ambulance	275,000	-	-	-
Capital outlay	250,000	-	40,000	40,000
Sheriff	359,985	-	-	-
Other	652,000	-	2,000	2,000
Total expenditures	<u>22,036,985</u>	<u>-</u>	<u>133,157</u>	<u>133,157</u>
Revenues over (under) expenditures	(9,985)	-	-	-
Other Financing Sources (Uses):				
Transfers:				
Transfers from other funds	<u>9,985</u>	<u>-</u>	<u>9,985</u>	<u>9,985</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,985</u>	<u>\$ 9,985</u>



COMBINING STATEMENTS FOR NONMAJOR FUNDS



CALDWELL COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2022

	Special Revenue Funds (Schedule D-1)	Capital Project Fund	Total Nonmajor Governmental Funds (Exhibit C)
Assets:			
Cash and cash equivalents	\$ 4,374,504	\$ 26,929	\$ 4,401,433
Taxes receivable - net	181,767	-	181,767
Accounts receivable	59,290	1,205,391	1,264,681
Due from other governments	15,032	-	15,032
Restricted cash	315,793	-	315,793
Total assets	<u>\$ 4,946,386</u>	<u>\$ 1,232,320</u>	<u>\$ 6,178,706</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	\$ 71,790	\$ -	\$ 71,790
Unearned revenue	315,793	-	315,793
Total liabilities	<u>387,583</u>	<u>-</u>	<u>387,583</u>
Deferred Inflows of Resources:			
Property taxes receivable	181,767	-	181,767
Fund Balances:			
Restricted:			
Stabilization by state statute	74,322	1,205,391	1,279,713
Restricted, all other	883,191	26,929	910,120
Assigned	3,437,000	-	3,437,000
Unassigned	(17,477)	-	(17,477)
Total fund balances	<u>4,377,036</u>	<u>1,232,320</u>	<u>5,609,356</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,946,386</u>	<u>\$ 1,232,320</u>	<u>\$ 6,178,706</u>

CALDWELL COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds (Schedule D-2)	Capital Project Fund (Schedule E-1)	Total Nonmajor Governmental Funds (Exhibit D)
Revenues:			
Ad valorem taxes	\$ 5,349,004	\$ -	\$ 5,349,004
Local option sales tax	-	4,673,105	4,673,105
Unrestricted intergovernmental	604,000	-	604,000
Restricted intergovernmental	665,344	-	665,344
Miscellaneous	831,543	-	831,543
Total revenues	<u>7,449,891</u>	<u>4,673,105</u>	<u>12,122,996</u>
Expenditures:			
Current:			
Public safety	5,554,654	-	5,554,654
General government	561,654	-	561,654
Economic and physical development	975,534	-	975,534
Education	267,123	2,533,134	2,800,257
Human services	202,146	-	202,146
Debt service:			
Principal retirement	-	2,472,991	2,472,991
Interest and fees	-	281,783	281,783
Total expenditures	<u>7,561,111</u>	<u>5,287,908</u>	<u>12,849,019</u>
Revenues over (under) expenditures	<u>(111,220)</u>	<u>(614,803)</u>	<u>(726,023)</u>
Other Financing Sources (Uses):			
Transfers:			
Transfers from other funds	-	700,000	700,000
Transfers to other funds	<u>(350,000)</u>	<u>-</u>	<u>(350,000)</u>
Total other financing sources (uses)	<u>(350,000)</u>	<u>700,000</u>	<u>350,000</u>
Net change in fund balances	(461,220)	85,197	(376,023)
Fund Balances:			
Beginning of year - July 1	<u>4,838,256</u>	<u>1,147,123</u>	<u>5,985,379</u>
End of year - June 30	<u>\$ 4,377,036</u>	<u>\$ 1,232,320</u>	<u>\$ 5,609,356</u>

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted for expenditure for particular purposes.

Sales Tax Reinvestment Fund – This fund accounts for contributions of a portion of sales tax revenues from five municipalities to be used for the common good of the County and its citizens, primarily for economic development purposes.

Fire District Fund – accounts for the ad valorem tax levies for the fire districts.

Rescue Fund – accounts for the ad valorem tax levies for the rescue readiness tax. This tax has not been levied in a few years. The fund is still open to account for the collection of delinquent years taxes.

Emergency Telephone System Fund – accounts for collection of monies to provide enhanced 911 services.

Fines and Forfeitures Fund – accounts for various legal fines and forfeitures that the County is required to remit to the Caldwell County Board of Education

Deed of Trust Fund – accounts for the \$5 of each fee collected by the Register of Deeds for registering or filing a deed of trust or mortgage.

Representative Payee Fund – accounts for monies held by the Social Services department for the benefit of certain individuals in the County.

Opioid Settlement Fund – accounts for funds received from a nationwide settlement related to multiple opioid lawsuits.

CALDWELL COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

	<u>Sales Tax Reinvestment Fund</u>	<u>Fire Districts Fund</u>	<u>Rescue Fund</u>	<u>Emergency Telephone System Fund</u>
Assets:				
Cash and cash equivalents	\$ 3,437,000	\$ 21,191	\$ 70,857	\$ 728,115
Cash and cash equivalents, restricted	-	-	-	-
Taxes receivable - net	-	180,885	882	-
Accounts receivable	-	33	-	28,602
Due from other governments	-	-	-	15,032
Total assets	<u>\$ 3,437,000</u>	<u>\$ 202,109</u>	<u>\$ 71,739</u>	<u>\$ 771,749</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ 9,592	\$ -	\$ 638
Unearned revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>9,592</u>	<u>-</u>	<u>638</u>
Deferred Inflows of Resources:				
Property taxes receivable	<u>-</u>	<u>180,885</u>	<u>882</u>	<u>-</u>
Fund Balances:				
Restricted:				
Stabilization by state statute	-	33	-	43,634
Restricted, all other	-	11,599	70,857	727,477
Assigned	3,437,000	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>3,437,000</u>	<u>11,632</u>	<u>70,857</u>	<u>771,111</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,437,000</u>	<u>\$ 202,109</u>	<u>\$ 71,739</u>	<u>\$ 771,749</u>

CALDWELL COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

	<u>Fines and Forfeitures Fund</u>	<u>Deed of Trust Fund</u>	<u>Representative Payee Fund</u>	<u>Opioid Settlement Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets:					
Cash and cash equivalents	\$ -	\$ 46,849	\$ 70,492	\$ -	\$ 4,374,504
Cash and cash equivalents, restricted	-	-	-	315,793	315,793
Taxes receivable - net	-	-	-	-	181,767
Accounts receivable	30,655	-	-	-	59,290
Due from other governments	-	-	-	-	15,032
Total assets	<u>\$ 30,655</u>	<u>\$ 46,849</u>	<u>\$ 70,492</u>	<u>\$ 315,793</u>	<u>\$ 4,946,386</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable and accrued liabilities	\$ 17,477	\$ 44,083	\$ -	\$ -	\$ 71,790
Unearned revenue	-	-	-	315,793	315,793
Total liabilities	<u>17,477</u>	<u>44,083</u>	<u>-</u>	<u>315,793</u>	<u>387,583</u>
Deferred Inflows of Resources:					
Property taxes receivable	-	-	-	-	181,767
Fund Balances:					
Restricted:					
Stabilization by state statute	30,655	-	-	-	74,322
Restricted, all other	-	2,766	70,492	-	883,191
Assigned	-	-	-	-	3,437,000
Unassigned	(17,477)	-	-	-	(17,477)
Total fund balances	<u>13,178</u>	<u>2,766</u>	<u>70,492</u>	<u>-</u>	<u>4,377,036</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 30,655</u>	<u>\$ 46,849</u>	<u>\$ 70,492</u>	<u>\$ 315,793</u>	<u>\$ 4,946,386</u>

CALDWELL COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Sales Tax Reinvestment Fund</u>	<u>Fire Districts Fund</u>	<u>Rescue Fund</u>	<u>Emergency Telephone System Fund</u>
Revenues:				
Ad valorem taxes	\$ -	\$ 5,341,649	\$ 7,355	\$ -
Unrestricted intergovernmental	604,000	-	-	-
Restricted intergovernmental	125,924	-	-	343,228
Miscellaneous	-	-	-	-
Total revenues	<u>729,924</u>	<u>5,341,649</u>	<u>7,355</u>	<u>343,228</u>
Expenditures:				
Public safety	-	5,330,039	39	224,576
General government	-	-	-	-
Economic and physical development	975,534	-	-	-
Human services	-	-	-	-
Education	-	-	-	-
Total expenditures	<u>975,534</u>	<u>5,330,039</u>	<u>39</u>	<u>224,576</u>
Revenues over (under) expenditures	<u>(245,610)</u>	<u>11,610</u>	<u>7,316</u>	<u>118,652</u>
Other Financing Sources (Uses):				
Transfers:				
Transfers to other funds	<u>(350,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(595,610)	11,610	7,316	118,652
Fund Balances:				
Beginning of year - July 1	<u>4,032,610</u>	<u>22</u>	<u>63,541</u>	<u>652,459</u>
End of year - June 30	<u>\$ 3,437,000</u>	<u>\$ 11,632</u>	<u>\$ 70,857</u>	<u>\$ 771,111</u>

CALDWELL COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	Fines and Forfeitures Fund	Deed of Trust Fund	Representative Payee Fund	Opioid Settlement Fund	Total Nonmajor Special Revenue Funds
Revenues:					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ 5,349,004
Unrestricted intergovernmental	-	-	-	-	604,000
Restricted intergovernmental	-	-	196,192	-	665,344
Miscellaneous	267,123	564,420	-	-	831,543
Total revenues	<u>267,123</u>	<u>564,420</u>	<u>196,192</u>	<u>-</u>	<u>7,449,891</u>
Expenditures:					
Public safety	-	-	-	-	5,554,654
General government	-	561,654	-	-	561,654
Economic and physical development	-	-	-	-	975,534
Human services	-	-	202,146	-	202,146
Education	267,123	-	-	-	267,123
Total expenditures	<u>267,123</u>	<u>561,654</u>	<u>202,146</u>	<u>-</u>	<u>7,561,111</u>
Revenues over (under) expenditures	<u>-</u>	<u>2,766</u>	<u>(5,954)</u>	<u>-</u>	<u>(111,220)</u>
Other Financing Sources (Uses):					
Transfers:					
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(350,000)</u>
Net change in fund balances	-	2,766	(5,954)	-	(461,220)
Fund Balances:					
Beginning of year - July 1	<u>13,178</u>	<u>-</u>	<u>76,446</u>	<u>-</u>	<u>4,838,256</u>
End of year - June 30	<u>\$ 13,178</u>	<u>\$ 2,766</u>	<u>\$ 70,492</u>	<u>\$ -</u>	<u>\$ 4,377,036</u>

CALDWELL COUNTY, NORTH CAROLINA

**SALES TAX REINVESTMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Unrestricted intergovernmental:			
Local municipalities	\$ 600,000	\$ 600,000	\$ -
Other unrestricted revenue	-	4,000	4,000
Restricted intergovernmental	-	125,924	125,924
Total revenues	<u>600,000</u>	<u>729,924</u>	<u>129,924</u>
Expenditures:			
Economic development:			
Economic development incentive	2,124,000	849,610	1,274,390
Grant expenditures	126,000	125,924	76
Total expenditures	<u>2,250,000</u>	<u>975,534</u>	<u>1,274,466</u>
Revenues over (under) expenditures	<u>(1,650,000)</u>	<u>(245,610)</u>	<u>1,404,390</u>
Other Financing Sources (Uses):			
Transfers:			
Transfers to other funds	(350,000)	(350,000)	-
Appropriated fund balance	2,000,000	-	(2,000,000)
Total other financing sources (uses)	<u>1,650,000</u>	<u>(350,000)</u>	<u>(2,000,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>(595,610)</u>	<u>\$ (595,610)</u>
Fund Balance:			
Beginning of year - July 1		<u>4,032,610</u>	
End of year - June 30		<u>\$ 3,437,000</u>	

CALDWELL COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Ad valorem taxes	\$ 5,415,970	\$ 5,341,649	\$ (74,321)
Investment earnings	502	-	(502)
Total revenues	<u>5,416,472</u>	<u>5,341,649</u>	<u>(74,823)</u>
Expenditures:			
Public safety:			
Bethlehem Fire District	14,977	12,518	2,459
Blowing Rock Fire District	216,440	215,473	967
Collettsville Fire District	355,961	353,726	2,235
Gamewell Fire District	470,137	462,720	7,417
Grace Chapel Fire District	699,079	693,139	5,940
Granite Falls Fire District	123,899	120,140	3,759
Gunpowder Fire District	834,062	818,850	15,212
Kings Creek Fire District	217,127	211,150	5,977
Little River Fire District	275,291	272,617	2,674
North Catawba Fire District	1,068,063	1,050,818	17,245
Patterson Fire District	268,818	260,220	8,598
Sawmills Fire District	543,637	545,227	(1,590)
Valmead Fire District	200,923	194,568	6,355
Yadkin Fire District	128,058	118,873	9,185
Total expenditures	<u>5,416,472</u>	<u>5,330,039</u>	<u>86,433</u>
Net change in fund balance	<u>\$ -</u>	11,610	<u>\$ 11,610</u>
Fund Balance:			
Beginning of year - July 1		<u>22</u>	
End of year - June 30		<u>\$ 11,632</u>	

CALDWELL COUNTY, NORTH CAROLINA

RESCUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Ad valorem taxes	\$ 24,600	\$ 7,355	\$ (17,245)
Investment earnings	1,500	-	(1,500)
Total revenues	<u>26,100</u>	<u>7,355</u>	<u>(18,745)</u>
Expenditures:			
Public safety	<u>26,100</u>	<u>39</u>	<u>26,061</u>
Net change in fund balance	<u>\$ -</u>	7,316	<u>\$ 7,316</u>
Fund Balance:			
Beginning of year - July 1		<u>63,541</u>	
End of year - June 30		<u>\$ 70,857</u>	

CALDWELL COUNTY, NORTH CAROLINA

**EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Other taxes and licenses:			
911 funds	\$ 343,708	\$ 343,228	\$ (480)
Expenditures:			
Public safety:			
Implemental functions	5,000	2,228	2,772
Telephone	81,528	25,423	56,105
Software maintenance	20,000	17,766	2,234
Hardware maintenance	206,528	102,299	104,229
Training	4,326	2,486	1,840
Capital outlay	150,682	72,667	78,015
S.L. 2010-158 expenditures	3,414	1,707	1,707
Total expenditures	<u>471,478</u>	<u>224,576</u>	<u>246,902</u>
Revenues over (under) expenditures	(127,770)	118,652	246,422
Other Financing Sources (Uses):			
Appropriated fund balance	<u>127,770</u>	-	<u>(127,770)</u>
Net change in fund balance	<u>\$ -</u>	118,652	<u>\$ 118,652</u>
Fund Balance:			
Beginning of year - July 1		<u>652,459</u>	
End of year - June 30		<u>\$ 771,111</u>	

CALDWELL COUNTY, NORTH CAROLINA

FINES AND FORFEITURES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Miscellaneous revenue	\$ 250,000	\$ 267,123	\$ 17,123
Expenditures:			
Education:			
Fees	250,000	267,123	(17,123)
Net change in fund balance	\$ -	-	\$ -
Fund Balance:			
Beginning of year - July 1		13,178	
End of year - June 30		<u>\$ 13,178</u>	

CALDWELL COUNTY, NORTH CAROLINA

**DEED OF TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Miscellaneous revenue	\$ 500,000	\$ 564,420	\$ 64,420
Expenditures:			
General government:			
Contractual services	<u>500,000</u>	<u>561,654</u>	<u>(61,654)</u>
Net change in fund balance	<u>\$ -</u>	<u>2,766</u>	<u>\$ 2,766</u>
Fund Balance:			
Beginning of year - July 1		<u>-</u>	
End of year - June 30		<u>\$ 2,766</u>	

CALDWELL COUNTY, NORTH CAROLINA

**REPRESENTATIVE PAYEE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Restricted intergovernmental:			
Grant revenue	\$ 250,000	\$ 196,192	\$ (53,808)
Expenditures:			
Human services:			
Grant expenditures	250,000	202,146	47,854
Net change in fund balance	<u>\$ -</u>	(5,954)	<u>\$ (5,954)</u>
Fund Balance:			
Beginning of year - July 1		<u>76,446</u>	
End of year - June 30		<u>\$ 70,492</u>	

CALDWELL COUNTY, NORTH CAROLINA

**OPIOID SETTLEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Restricted intergovernmental	\$ 315,793	\$ -	\$ (315,793)
Expenditures:			
Public safety:			
Grant expenditures	<u>315,793</u>	<u>-</u>	<u>315,793</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance:			
Beginning of year - July 1		<u>-</u>	
End of year - June 30		<u>\$ -</u>	



NONMAJOR CAPITAL PROJECT FUND

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

Schools Capital Project Fund – Sales Tax - This fund is used to account for the portion of the sales tax that is received by the County but is restricted to the use of public school system capital needs.



CALDWELL COUNTY, NORTH CAROLINA

SCHOOLS CAPITAL PROJECT FUND - SALES TAX
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Local option sales tax	\$ 4,587,909	\$ 4,673,105	\$ 85,196
Expenditures:			
Capital outlay:			
Education:			
School improvements - sales tax	2,533,135	2,533,134	1
Debt service:			
Principal retirement	2,472,991	2,472,991	-
Interest and fees	<u>281,783</u>	<u>281,783</u>	<u>-</u>
Total expenditures	<u>5,287,909</u>	<u>5,287,908</u>	<u>1</u>
Revenues over (under) expenditures	(700,000)	(614,803)	85,197
Other Financing Sources (Uses) :			
Transfers:			
Transfers from other funds	<u>700,000</u>	<u>700,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	85,197	<u>\$ 85,197</u>
Fund Balance:			
Beginning of year - July 1		<u>1,147,123</u>	
End of year - June 30		<u>\$ 1,232,320</u>	



ENTERPRISE FUND

Enterprise funds account for operations that are financed and operated in a manner similar to a business enterprise – where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

The sole enterprise fund operated by Caldwell County is its Water Fund. This fund provides water lines to various areas of the County where municipal water lines are not available. The water is purchased from municipalities and then carried via lines owned by the County to its various customers. The operations of this fund are financed entirely from user fees; no local tax dollars are necessary to operate the Water Fund.

Water Tanks Capital Project Fund – The purpose of this fund is to upgrade our existing water system infrastructure. The county had a hydraulic study performed which identified areas that need improvement in order to maintain water quality and water pressure. One of the key parts of this is to add an additional storage tank to the system. This project is funded entirely with existing funds generated by the water operations fund. The county has substantially completed one tank and another is under way.



CALDWELL COUNTY, NORTH CAROLINA

WATER FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Operating revenues:			
Charges for services:			
Water and sewer charges/fees	\$ 3,252,698	\$ 3,940,382	\$ 687,684
Reconnection fees	40,000	7,024	(32,976)
Water taps	50,000	103,280	53,280
Other operating revenues	5,000	1,999	(3,001)
Total operating revenues	<u>3,347,698</u>	<u>4,052,685</u>	<u>704,987</u>
Non-operating revenues:			
Investment earnings	<u>3,000</u>	<u>-</u>	<u>(3,000)</u>
Total revenues	<u>3,350,698</u>	<u>4,052,685</u>	<u>701,987</u>
Expenditures:			
Operating expenses:			
Water purchases		1,411,999	
Salaries		570,229	
Employee benefits		143,499	
Travel and training		4,906	
Contractual services		100,287	
Repairs and maintenance		55,063	
Other operating expenditures		<u>666,396</u>	
Total operating expenses	<u>4,007,703</u>	<u>2,952,379</u>	<u>1,055,324</u>
Debt service:			
Principal	1,743	1,743	-
Interest and fees	<u>8</u>	<u>8</u>	<u>-</u>
Total debt service	<u>1,751</u>	<u>1,751</u>	<u>-</u>
Total expenditures	<u>4,009,454</u>	<u>2,954,130</u>	<u>1,055,324</u>
Revenues over (under) expenditures	<u>(658,756)</u>	<u>1,098,555</u>	<u>1,757,311</u>

CALDWELL COUNTY, NORTH CAROLINA

WATER FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Other Financing Sources (Uses):			
Appropriated fund balance	658,756	-	(658,756)
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	1,098,555	<u>\$ 1,098,555</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
Lease liability payments		1,743	
Depreciation and amortization		(353,136)	
Right to use asset capitalized		2,763	
Lease liability issued		(2,763)	
Change in net pension liability		156,419	
Change in deferred outflows of resources - pension		22,473	
Change in deferred inflows of resources - pension		(163,950)	
Change in deferred outflows of resources - OPEB		671	
Change in deferred inflows of resources - OPEB		2,065	
Change in OPEB liability		(5,240)	
Change in compensated absences		(36,820)	
Water Capital Project Fund activities:			
Capital project expenditures (total)		(23,125)	
Capital project items capitalized to capital assets		<u>23,125</u>	
Change in net position		<u>\$ 722,780</u>	

CALDWELL COUNTY, NORTH CAROLINA

WATER TANKS CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022

	Project Authorization	Actual		Total To Date
	Prior Years	Current Year		
Revenues:				
Investment earnings	\$ -	\$ 45,656	\$ -	\$ 45,656
Expenditures:				
Water projects:				
Engineering	200,000	35,335	23,125	58,460
Construction	2,333,210	1,355,617	-	1,355,617
Maintenance supplies	-	400,000	-	400,000
Total expenditures	<u>2,533,210</u>	<u>1,790,952</u>	<u>23,125</u>	<u>1,814,077</u>
Revenues over (under) expenditures	(2,533,210)	(1,745,296)	(23,125)	(1,768,421)
Other Financing Sources (Uses) :				
Transfer (to) from Water Fund	<u>2,533,210</u>	<u>4,138,000</u>	-	<u>4,138,000</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 2,392,704</u>	<u>\$ (23,125)</u>	<u>\$ 2,369,579</u>



CUSTODIAL FUNDS

(Fiduciary Fund Types)

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.

Tax Collector Fund – accounts for ad valorem property taxes that are billed and collected by the County for a municipality within the County.

Jail Inmate Pay Fund – accounts for monies held for prisoners at the Caldwell County Jail.



CALDWELL COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF FIDUCIARY NET POSITION

CUSTODIAL FUNDS

JUNE 30, 2022

	<u>Tax Collector Fund</u>	<u>Jail Inmate Pay Fund</u>	<u>Total Custodial Funds</u>
Assets:			
Cash and cash equivalents	\$ 1,884	\$ 45,175	\$ 47,059
Taxes receivable for other governments, net	<u>31,699</u>	<u>-</u>	<u>31,699</u>
Total assets	<u>33,583</u>	<u>45,175</u>	<u>78,758</u>
Liabilities:			
Due to other governments	<u>912</u>	<u>-</u>	<u>912</u>
Net Position:			
Restricted for:			
Individuals, organizations, and other governments	<u>\$ 32,671</u>	<u>\$ 45,175</u>	<u>\$ 77,846</u>

CALDWELL COUNTY, NORTH CAROLINA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Tax Collector Fund</u>	<u>Jail Inmate Pay Fund</u>	<u>Total Custodial Funds</u>
Additions:			
Ad valorem taxes for other governments	\$ 2,345,541	\$ -	\$ 2,345,541
Collections on behalf of inmates	<u>-</u>	<u>313,282</u>	<u>313,282</u>
Total additions	<u>2,345,541</u>	<u>313,282</u>	<u>2,658,823</u>
Deductions:			
Payments on behalf of inmates	-	310,421	310,421
Tax distributions to other governments	<u>2,345,221</u>	<u>-</u>	<u>2,345,221</u>
Total deductions	<u>2,345,221</u>	<u>310,421</u>	<u>2,655,642</u>
Net increase (decrease) in fiduciary net position	320	2,861	3,181
Net position - beginning	<u>32,351</u>	<u>42,314</u>	<u>74,665</u>
Net position - ending	<u>\$ 32,671</u>	<u>\$ 45,175</u>	<u>\$ 77,846</u>

OTHER SCHEDULES

This section contains additional information on property taxes.

- **Schedule of Ad Valorem Taxes Receivable**
- **Analysis of Current Tax Levy**



CALDWELL COUNTY, NORTH CAROLINA

GENERAL FUND
 SCHEDULE OF AD VALOREM TAXES RECEIVABLE
 JUNE 30, 2022

<u>Fiscal Year</u>	<u>Uncollected Balance July 1, 2021</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Uncollected Balance June 30, 2022</u>
2021-2022	\$ -	\$ 52,795,056	\$ 51,642,320	\$ 1,152,736
2020-2021	1,168,184	-	444,529	723,655
2019-2020	757,974	-	211,928	546,046
2018-2019	638,991	-	157,639	481,352
2017-2018	485,993	-	125,569	360,424
2016-2017	396,732	-	98,428	298,304
2015-2016	311,851	-	71,340	240,511
2014-2015	241,417	-	53,608	187,809
2013-2014	218,651	-	44,210	174,441
2012-2013	193,434	-	44,090	149,344
2011-2012	166,003	-	166,003	-
Total	<u>\$ 4,579,230</u>	<u>\$ 52,795,056</u>	<u>\$ 53,059,664</u>	4,314,622
Allowance for doubtful receivables				<u>(2,605,285)</u>
Ad valorem taxes receivable - net				<u>\$ 1,709,337</u>
Reconciliation with Revenues:				
Ad valorem taxes				\$ 52,817,029
Reconciling items:				
Interest collected				(475,006)
Discounts and adjustments allowed				604,640
Miscellaneous adjustments				(27,827)
Amount written off for tax year 2011-2012, per Statute of Limitations				<u>140,828</u>
Total collections and credits				<u>\$ 53,059,664</u>

CALDWELL COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE 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	\$ 8,076,545,384	\$ 0.6300	\$ 50,882,236	\$ 45,916,883	\$ 4,965,353
Total	<u>8,076,545,384</u>		<u>50,882,236</u>	<u>45,916,883</u>	<u>4,965,353</u>
Discoveries:					
Current year taxes	294,196,298		1,853,437	1,853,437	-
Prior year taxes	<u>9,425,876</u>		<u>59,383</u>	<u>59,383</u>	-
Total	<u>303,622,174</u>		<u>1,912,820</u>	<u>1,912,820</u>	-
Total property valuation	<u>\$ 8,380,167,558</u>				
Net Levy			52,795,056	47,829,703	4,965,353
Uncollected tax at June 30, 2022			<u>1,152,736</u>	<u>1,152,736</u>	-
Current Year's Taxes Collected			<u>\$ 51,642,320</u>	<u>\$ 46,676,967</u>	<u>\$ 4,965,353</u>
Current Levy Collection Percentage			<u>97.82%</u>	<u>97.59%</u>	<u>100.00%</u>

CALDWELL COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
FOR THE YEAR ENDED JUNE 30, 2022

Secondary Market Disclosures:

Assessed Valuation:

Assessment ratio (1)	<u>100%</u>
Real property	\$ 7,311,177,074
Personal property	788,151,194
Public service companies	<u>280,839,290</u>
Total assessed valuation	<u>\$ 8,380,167,558</u>
Tax rate per \$100 (2)	<u>\$ 0.6300</u>
Levy (includes discoveries, releases, and abatements) (3)	<u>\$ 52,795,056</u>

In addition to the County-wide rate, the County levies taxes on behalf of several fire districts and the Rescue Squad Association:

Fire districts	<u>\$ 4,710,117</u>
Total	<u>\$ 4,710,117</u>

(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.

CALDWELL COUNTY, NORTH CAROLINA**EMERGENCY TELEPHONE SYSTEM FUND UNSPENT BALANCE****PSAP RECONCILIATION****JUNE 30, 2022**

Amounts reported on the Emergency Telephone System Fund budget to actual (Schedule D-6) are different from the PSAP revenue-expenditure report because:

Ending fund balance, reported on budget to actual (Schedule D-6)	\$ 771,111
Allowable 911 expenditures previously reported in the General Fund (interfund transfer to be recorded in the Emergency Telephone System Fund in the subsequent year):	<u> -</u>
Ending balance, PSAP revenue-expenditure report	<u><u>\$ 771,111</u></u>

STATISTICAL SECTION
(unaudited)

The information contained in this section includes tables showing trends and is provided for supplementary analysis only.



STATISTICAL SECTION

This part of Caldwell 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 the County's overall financial health.

Financial Trends – These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. The following schedules fall in this category:

- Net Position by Component – *table 1*
- Changes in Net Position – *table 2*
- Fund Balances of Governmental Funds – *table 3*
- Changes in Fund Balance of Governmental Funds – *table 4*

Revenue Capacity – These schedules present information to help the reader assess the factors affecting the County's ability to generate its property taxes. The following schedules fall in this category:

- Assessed Value of Taxable Property – *table 5*
- Property Tax Rates - Direct and Overlapping – *table 6*
- Principal Property Taxpayers – *table 7*
- Property Tax Levies and Collections – *table 8*

Debt Capacity – These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. The following schedules fall in this category:

- Ratios of Outstanding Debt by Type – *table 9*
- Ratios of General Bonded Debt Outstanding – *table 10*
- Direct and Overlapping Governmental Activities Debt – *table 11*
- Legal Debt Margin Information – *table 12*

Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments. The following schedules fall in this category:

- Demographic and Economic Statistics – *table 13*
- Principal Employers – *table 14*

Operating Information – These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs. The following schedules fall in this category:

- Full-Time Equivalent County Employees by Function – *table 15*
- Operating Indicators by Function – *table 16*
- Capital Asset Statistics by Function – *table 17*
- Miscellaneous Information – *table 18*

Net Position by Component
For the Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
Governmental Activities					
Net investment in capital assets	\$ 16,244,931	\$ 30,783,723	\$ 18,060,668	\$ 20,245,509	\$ 21,196,659
Restricted	5,962,605	5,861,894	7,168,909	6,179,122	6,454,777
Unrestricted	2,972,940	(13,203,563)	(15,528,468)	(15,970,780)	(13,606,813)
Total governmental activities net position	\$ 25,180,476	\$ 23,442,054	\$ 9,701,109	\$ 10,453,851	\$ 14,044,623
Business-Type Activities					
Net investment in capital assets	\$ 6,542,043	\$ 6,135,073	\$ 5,928,124	\$ 5,631,176	\$ 5,396,787
Restricted	-	-	-	-	-
Unrestricted	5,391,897	5,870,662	6,484,095	6,706,120	7,246,103
Total business-type activities net position	\$ 11,933,940	\$ 12,005,735	\$ 12,412,219	\$ 12,337,296	\$ 12,642,890
Primary Government					
Net investment in capital assets	\$ 22,786,974	\$ 36,918,796	\$ 23,988,792	\$ 25,876,685	\$ 26,593,446
Restricted	5,962,605	5,861,894	7,168,909	6,179,122	6,454,777
Unrestricted	8,364,837	(7,332,901)	(9,044,373)	(9,264,660)	(6,360,710)
Total primary government net position	\$ 37,114,416	\$ 35,447,789	\$ 22,113,328	\$ 22,791,147	\$ 26,687,513

Net Position by Component
For the Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2018	2019	2020	2021	2022
Governmental Activities					
Net investment in capital assets	\$ 21,014,795	\$ 17,318,673	\$ 20,519,489	\$ 20,657,600	\$ 22,645,701
Restricted	6,278,616	6,665,914	6,301,202	8,130,159	10,000,083
Unrestricted	(11,598,214)	(9,209,633)	(16,497,159)	(16,467,232)	(6,118,756)
Total governmental activities net position	\$ 15,695,197	\$ 14,774,954	\$ 10,323,532	\$ 12,320,527	\$ 26,527,028
Business-Type Activities					
Net investment in capital assets	\$ 5,406,248	\$ 5,830,768	\$ 6,120,914	\$ 5,952,843	\$ 5,624,575
Restricted	-	-	-	-	-
Unrestricted	7,726,382	7,332,075	7,240,379	8,051,074	9,102,122
Total business-type activities net position	\$ 13,132,630	\$ 13,162,843	\$ 13,361,293	\$ 14,003,917	\$ 14,726,697
Primary Government					
Net investment in capital assets	\$ 26,421,043	\$ 23,149,441	\$ 26,640,403	\$ 26,610,443	\$ 28,270,276
Restricted	6,278,616	6,665,914	6,301,202	8,130,159	10,000,083
Unrestricted	(3,871,832)	(1,877,558)	(9,256,780)	(8,416,158)	2,983,366
Total primary government net position	\$ 28,827,827	\$ 27,937,797	\$ 23,684,825	\$ 26,324,444	\$ 41,253,725

CALDWELL COUNTY, NORTH CAROLINA

Changes in Net Position, Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
Expenses					
Governmental Activities:					
General Government	\$ 5,937,620	\$ 6,305,830	\$ 6,211,896	\$ 6,845,366	\$ 6,431,654
Public Safety	17,203,962	19,957,279	19,274,686	20,638,553	21,653,096
Environmental Protection	468,991	330,695	368,373	509,242	550,780
Economic and Physical Development	3,769,854	5,354,305	6,951,531	7,639,737	6,452,959
Human Services	22,368,529	21,721,385	21,860,299	22,248,546	22,610,724
Cultural and Recreational	1,384,266	1,413,792	1,366,651	1,441,711	1,487,024
Education	20,522,469	22,337,357	31,447,698	21,413,329	20,636,632
Interest	966,760	1,121,084	1,829,765	1,117,397	1,124,600
Total governmental activities expenses	<u>72,622,451</u>	<u>78,541,727</u>	<u>89,310,898</u>	<u>81,853,881</u>	<u>80,947,469</u>
Business-Type Activities:					
Water	2,798,480	3,354,087	3,072,617	3,623,573	3,273,223
Total business-type activities expenses	<u>2,798,480</u>	<u>3,354,087</u>	<u>3,072,617</u>	<u>3,623,573</u>	<u>3,273,223</u>
Total Primary Government Expenses	<u>\$ 75,420,931</u>	<u>\$ 81,895,814</u>	<u>\$ 92,383,515</u>	<u>\$ 85,477,454</u>	<u>\$ 84,220,692</u>
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Government	\$ 1,879,735	\$ 2,213,386	\$ 2,350,903	\$ 2,219,976	\$ 2,396,343
Public Safety	4,198,842	4,319,569	4,155,880	4,294,169	3,819,540
Environmental Protection	858,482	926,598	964,897	883,338	1,049,356
Economic and Physical Development	18,829	24,809	30,287	63,890	23,050
Human Services	715,138	198,949	158,856	189,690	204,388
Cultural and Recreational	29,951	29,777	28,804	26,813	18,464
Other Grants and Contributions:					
General Government	-	-	-	-	-
Public Safety	1,293,563	1,344,280	1,392,403	2,238,320	1,488,320
Environmental Protection	-	-	-	-	-
Economic and Physical Development	-	-	-	-	-
Human Services	14,768,143	14,534,714	14,658,535	16,072,575	15,799,464
Cultural and Recreational	280,495	252,531	248,640	234,056	274,389
Education	-	-	-	-	-
Capital Grants and Contributions:					
General Government	-	-	-	-	-
Public Safety	-	-	395,275	-	-
Education	998,602	1,453,620	144,191	396,930	1,005,124
Economic and Physical Development	(99,395)	95,594	-	1,014,715	135,791
Cultural and Recreational	-	-	-	-	-
Environmental Protection	-	-	-	-	-
Human Services	-	-	-	-	-
Total governmental activities program revenues	<u>24,942,385</u>	<u>25,393,827</u>	<u>24,528,671</u>	<u>27,634,472</u>	<u>26,214,229</u>
Business-Type Activities:					
Charges for Services:					
Water	3,461,305	3,423,028	3,532,780	3,545,293	3,571,972
Other Grants and Contributions	-	-	-	-	-
Total business-type activities program revenues	<u>3,461,305</u>	<u>3,423,028</u>	<u>3,532,780</u>	<u>3,545,293</u>	<u>3,571,972</u>
Total Primary Government Program Revenues	<u>28,403,690</u>	<u>28,816,855</u>	<u>28,061,451</u>	<u>31,179,765</u>	<u>29,786,201</u>

CALDWELL COUNTY, NORTH CAROLINA

Changes in Net Position, Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2018	2019	2020	2021	2022
Expenses					
Governmental Activities:					
General Government	\$ 6,514,507	\$ 7,506,731	\$ 7,831,317	\$ 8,765,643	\$ 10,340,208
Public Safety	21,793,763	24,761,507	27,510,078	29,941,422	29,873,118
Environmental Protection	578,401	523,614	598,699	662,124	540,786
Economic and Physical Development	7,030,709	7,455,800	11,056,030	10,985,907	10,567,697
Human Services	18,548,252	18,787,491	20,177,661	20,523,436	23,002,090
Cultural and Recreational	1,550,598	1,228,472	1,516,791	1,557,071	1,565,776
Education	22,611,641	24,345,296	27,823,687	30,325,802	26,384,013
Interest	813,953	895,464	1,178,248	1,623,120	634,089
Total governmental activities expenses	79,441,824	85,504,375	97,692,511	104,384,525	102,907,777
Business-Type Activities:					
Water	3,080,206	3,634,169	3,671,249	3,158,910	3,329,905
Total business-type activities expenses	3,080,206	3,634,169	3,671,249	3,158,910	3,329,905
Total Primary Government Expenses	\$ 82,522,030	\$ 89,138,544	\$ 101,363,760	\$ 107,543,435	\$ 106,237,682
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Government	\$ 2,004,610	\$ 2,197,028	\$ 1,924,681	\$ 2,783,033	\$ 14,110,510
Public Safety	3,397,084	3,441,255	3,346,058	3,507,142	3,851,152
Environmental Protection	1,098,694	1,238,594	1,213,112	1,334,979	1,372,541
Economic and Physical Development	32,479	34,135	50,049	50,726	87,684
Human Services	179,399	208,025	218,117	306,744	698,663
Cultural and Recreational	19,911	36,616	24,554	7,534	16,766
Other Grants and Contributions:					
General Government	-	-	-	-	-
Public Safety	1,862,926	1,779,751	2,006,307	1,904,558	2,977,833
Environmental Protection	-	-	-	-	-
Economic and Physical Development	-	-	-	-	-
Human Services	11,310,939	11,656,203	10,822,231	13,440,083	14,590,992
Cultural and Recreational	262,222	257,324	231,234	220,029	263,999
Education	-	-	-	-	-
Capital Grants and Contributions:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Education	2,591,790	815,486	4,313,738	9,204,235	10,842
Economic and Physical Development	34,568	-	676,722	2,505,247	1,482,028
Cultural and Recreational	-	-	-	-	-
Environmental Protection	-	-	-	-	0
Human Services	-	-	-	-	-
Total governmental activities program revenues	22,794,622	21,664,417	24,826,803	35,264,310	39,463,010
Business-Type Activities:					
Charges for Services:					
Water	3,630,964	3,672,609	3,765,637	3,801,534	4,052,685
Other Grants and Contributions	-	-	-	-	-
Total business-type activities program revenues	3,630,964	3,672,609	3,765,637	3,801,534	4,052,685
Total Primary Government Program Revenues	26,425,586	25,337,026	28,592,440	39,065,844	43,515,695

CALDWELL COUNTY, NORTH CAROLINA

Changes in Net Position, Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
Net (Expense)/Revenue					
Governmental activities	(47,680,066)	(53,147,900)	(64,782,227)	(54,219,409)	(54,733,240)
Business-type activities	662,825	68,941	460,163	(78,280)	298,749
Total primary government net expense	<u>(47,017,241)</u>	<u>(53,078,959)</u>	<u>(64,322,064)</u>	<u>(54,297,689)</u>	<u>(54,434,491)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes	38,830,489	41,145,366	42,083,076	43,443,559	46,145,791
Local Option Sales Tax	9,371,153	9,841,286	10,399,692	10,545,869	11,288,798
Other Taxes and License	1,048,889	1,089,813	1,124,511	969,058	1,291,439
Intergovernmental	-	-	-	-	-
Investment Earnings	43,883	17,401	10,675	13,665	30,559
Miscellaneous	-	-	-	-	-
Gain (Loss) on sale of capital assets	2,801,006	-	-	-	-
Transfers	134,700	-	-	-	-
Total Governmental Activities	<u>52,230,120</u>	<u>52,093,866</u>	<u>53,617,954</u>	<u>54,972,151</u>	<u>58,756,587</u>
Business-Type Activities:					
Investment Earnings	6,671	2,874	2,003	3,357	6,845
Miscellaneous	-	-	-	-	-
Gain (Loss) on sale of capital assets	-	-	-	-	-
Transfers	(134,700)	-	-	-	-
Total Business-Type Activities	<u>(128,029)</u>	<u>2,874</u>	<u>2,003</u>	<u>3,357</u>	<u>6,845</u>
Total Primary Government General Revenues and Other Change in Net Position	<u>52,102,091</u>	<u>52,096,740</u>	<u>53,619,957</u>	<u>54,975,508</u>	<u>58,763,432</u>
Change in Net Position					
Governmental activities	4,550,054	(1,054,034)	(11,164,273)	752,742	4,023,347
Business-type activities	534,796	71,815	462,166	(74,923)	305,594
Total Primary Government, June 30	<u>\$ 5,084,850</u>	<u>\$ (982,219)</u>	<u>\$ (10,702,107)</u>	<u>\$ 677,819</u>	<u>\$ 4,328,941</u>

CALDWELL COUNTY, NORTH CAROLINA

Changes in Net Position, Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2018	2019	2020	2021	2022
Net (Expense)/Revenue					
Governmental activities	(56,647,202)	(63,839,958)	(72,865,708)	(69,120,215)	(63,444,767)
Business-type activities	550,758	38,440	94,388	642,624	722,780
Total primary government net expense	<u>(56,096,444)</u>	<u>(63,801,518)</u>	<u>(72,771,320)</u>	<u>(68,477,591)</u>	<u>(62,721,987)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes	46,573,903	48,916,444	53,117,812	53,594,991	58,098,919
Local Option Sales Tax	11,444,115	12,197,179	13,088,515	15,295,264	16,415,762
Other Taxes and License	1,089,152	1,335,621	1,665,238	2,192,503	3,139,352
Intergovernmental	-	-	-	-	-
Investment Earnings	55,941	370,471	542,721	(10,963)	-
Miscellaneous	-	-	-	-	8,077
Gain (Loss) on sale of capital assets	-	-	-	-	-
Transfers	15,725	100,000	-	-	-
Total Governmental Activities	<u>59,178,836</u>	<u>62,919,715</u>	<u>68,414,286</u>	<u>71,071,795</u>	<u>77,662,110</u>
Business-Type Activities:					
Investment Earnings	16,620	91,773	104,062	-	-
Miscellaneous	-	-	-	-	-
Gain (Loss) on sale of capital assets	-	-	-	-	-
Transfers	(15,725)	(100,000)	-	-	-
Total Business-Type Activities	<u>895</u>	<u>(8,227)</u>	<u>104,062</u>	<u>-</u>	<u>-</u>
Total Primary Government General Revenues and Other Change in Net Position	<u>59,179,731</u>	<u>62,911,488</u>	<u>68,518,348</u>	<u>71,071,795</u>	<u>77,662,110</u>
Change in Net Position					
Governmental activities	2,531,634	(920,243)	(4,451,422)	1,951,580	14,217,343
Business-type activities	551,653	30,213	198,450	642,624	722,780
Total Primary Government, June 30	<u>\$ 3,083,287</u>	<u>\$ (890,030)</u>	<u>\$ (4,252,972)</u>	<u>\$ 2,594,204</u>	<u>\$ 14,940,123</u>

CALDWELL COUNTY, NORTH CAROLINA

Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
General Fund					
Non-spendable	\$ 51,253	\$ 59,193	\$ 78,107	\$ 64,293	\$ 116,396
Restricted	4,597,110	4,437,430	4,934,175	4,571,255	5,035,904
Committed	-	-	-	-	-
Assigned	4,832,465	6,719,990	7,554,536	5,293,708	5,349,474
Unassigned	6,946,418	5,403,379	3,021,352	3,498,350	3,391,976
Total General Fund	\$ 16,427,246	\$ 16,619,992	\$ 15,588,170	\$ 13,427,606	\$ 13,893,750
All Other Governmental Funds					
Restricted in Special Revenue Fund	\$ 1,365,272	\$ 703,132	\$ 488,292	\$ 661,631	\$ 326,430
Restricted in Capital Project Fund	223	13,840,506	3,563,177	946,236	1,092,443
Committed in Capital Project Fund	3,767,538	3,102,875	1,902,498	965,658	962,975
Committed in Special Revenue Fund	2,677,056	-	-	-	-
Assigned Special Revenue Fund	33,666	3,117,800	3,527,221	3,958,397	4,783,399
Unassigned in Capital Project Fund	-	-	(828,751)	-	-
Unassigned in Special Revenue Fund	(15)	(17,528)	(11,933)	(92)	(59)
Total all other governmental funds	\$ 7,843,740	\$ 20,746,785	\$ 8,640,504	\$ 6,531,830	\$ 7,165,188

The totals for the fiscal year ended June 30, 2014 and June 30, 2019 were inflated due to the county borrowing and holding but not yet expending funds for a new middle school

CALDWELL COUNTY, NORTH CAROLINA

Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2018	2019	2020	2021	2022
General Fund					
Non-spendable	\$ 65,935	\$ 70,027	\$ 80,038	\$ 86,353	\$ 72,094
Retricted	5,110,904	4,717,626	5,038,628	5,927,325	7,474,788
Committed	-	-	-	-	-
Assigned	5,221,742	6,402,933	8,079,840	4,399,248	4,856,352
Unassigned	3,492,253	2,901,867	-	4,655,127	12,892,593
Total General Fund	\$ 13,890,834	\$ 14,092,453	\$ 13,198,506	\$ 15,068,053	\$ 25,295,827
All Other Governmental Funds					
Retricted in Special Revenue Fund	\$ 429,001	\$ 1,527,477	\$ 626,859	\$ 1,952,769	\$ 2,189,833
Restricted in Capital Project Fund	1,106,097	14,389,485	8,805,918	182,389	193,275
Committed in Capital Project Fund	2,118,551	1,874,217	1,742,283	8,456,267	8,439,343
Committed in Special Revenue Fund	-	-	-	-	-
Assigned Special Revenue Fund	4,438,549	4,455,646	4,330,483	4,032,610	3,437,000
Unassigned in Capital Project Fund	-	(1,210,848)	-	-	-
Unassigned in Special Revenue Fund	(419)	(25,742)	(1,458)	-	(17,477)
Total all other governmental funds	\$ 8,091,779	\$ 21,010,235	\$ 15,504,085	\$ 14,624,035	\$ 14,241,974

CALDWELL COUNTY, NORTH CAROLINA

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
Revenues					
Ad Valorem Taxes	\$ 39,022,556	\$ 41,619,214	\$ 42,571,130	\$ 43,648,495	\$ 46,110,069
Local Options Sales Taxes	8,134,653	8,507,179	9,522,192	9,598,869	10,417,798
Other Taxes	368,196	406,041	428,432	448,698	442,271
Inter-governmental	19,553,041	20,309,332	19,373,274	22,064,303	21,002,980
Permits & Fees	892,712	979,459	931,087	988,384	909,252
Sales and Services	6,137,928	5,850,886	5,645,211	5,726,191	5,436,642
Investment Earnings	43,883	17,401	10,675	13,665	30,559
Miscellaneous	322,125	325,850	201,836	295,520	503,351
Total Revenues	\$ 74,475,094	\$ 78,015,362	\$ 78,683,837	\$ 82,784,125	\$ 84,852,922
Expenditures					
General Government	\$ 5,832,168	\$ 6,075,394	\$ 6,002,597	\$ 6,877,314	\$ 6,273,085
Public Safety	16,365,114	17,851,907	17,853,941	20,978,370	20,278,212
Environmental Protection	484,047	344,473	402,536	537,042	569,454
Economic & Physical Development	3,767,605	5,454,012	6,964,432	7,618,898	6,447,532
Human Services	22,004,519	21,289,154	22,239,953	22,714,866	22,819,988
Cultural & Recreational	1,300,335	1,330,819	1,347,740	1,378,635	1,395,475
Education	20,522,469	22,337,357	31,447,698	21,413,329	20,636,632
Capital Projects	-	-	-	-	-
Capital Outlay	-	-	2,229,692	2,916,456	1,842,524
Debt Service					
Principal	4,129,494	3,689,354	3,319,456	4,394,126	4,408,808
Interest	966,760	1,093,326	1,306,878	1,208,520	1,201,437
Total Expenditures	\$ 75,372,511	\$ 79,465,796	\$ 93,114,923	\$ 90,037,556	\$ 85,873,147
Excess of revenues over (under) expenditures	\$ (897,417)	\$ (1,450,434)	\$ (14,431,086)	\$ (7,253,431)	\$ (1,020,225)
Other Financing Sources (Uses)					
Bond Proceeds	-	-	-	-	-
Payment to Bond Holders (refinancing)	-	-	-	-	-
Bond Premium	-	-	-	-	-
Installment purchase financing issued	-	14,500,000	1,247,810	-	12,639,000
Payment on Installment purchases (refinancing)	-	-	-	-	(12,428,000)
Lease liability issued	-	-	-	-	-
Sales of Capital Assets	2,824,007	46,225	45,173	67,737	66,203
Transfers in	384,430	-	632,893	1,278,468	313,371
Transfers out	(249,640)	-	(632,893)	(1,278,468)	(313,371)
Total other financing sources (uses)	2,958,797	14,546,225	1,292,983	67,737	277,203
Net change in fund balances	\$ 2,061,380	\$ 13,095,791	\$ (13,138,103)	\$ (7,185,694)	\$ (743,022)
Debt Service as a percentage of governmental expenditures	6.88%	6.02%	5.09%	6.43%	6.68%

CALDWELL COUNTY, NORTH CAROLINA

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2018	2019	2020	2021	2022
Revenues					
Ad Valorem Taxes	\$ 46,575,273	\$ 49,201,039	\$ 53,398,738	\$ 53,794,397	\$ 58,166,033
Local Options Sales Taxes	10,834,115	11,577,179	12,488,515	14,688,264	15,811,762
Other Taxes	520,956	552,603	645,097	767,225	931,209
Inter-governmental	17,630,702	16,367,207	19,942,394	29,477,894	33,044,432
Permits & Fees	979,574	1,051,454	1,129,771	1,326,786	1,361,076
Sales and Services	5,288,156	5,263,584	5,094,698	5,200,062	6,040,622
Investment Earnings	55,941	370,471	542,721	(10,963)	8,077
Miscellaneous	198,837	348,877	246,202	836,434	1,112,312
Total Revenues	\$ 82,083,554	\$ 84,732,414	\$ 93,488,136	\$ 106,080,099	\$ 116,475,523
Expenditures					
General Government	\$ 6,661,990	\$ 7,606,776	\$ 7,555,281	\$ 8,374,792	\$ 10,480,446
Public Safety	21,463,205	23,521,007	26,775,204	27,511,488	32,453,397
Environmental Protection	634,799	568,219	592,607	689,990	702,370
Economic & Physical Development	7,026,565	7,469,748	11,032,936	10,960,106	10,936,592
Human Services	18,077,155	18,940,939	18,840,700	19,084,072	22,186,151
Cultural & Recreational	1,462,763	1,351,342	1,627,550	1,461,381	1,465,052
Education	22,611,641	24,345,296	27,823,687	30,325,802	26,384,013
Capital Projects					
Capital Outlay	2,057,591	2,627,889	1,504,835	1,309,438	1350578
Debt Service					
Principal	4,378,276	3,953,657	4,447,624	4,448,342	6,007,821
Interest	818,662	820,564	1,210,021	1,767,956	680,051
Total Expenditures	\$ 85,192,647	\$ 91,205,437	\$ 101,410,445	\$ 105,933,367	\$ 112,646,471
Excess of revenues over (under) expenditures	\$ (3,109,093)	\$ (6,473,023)	\$ (7,922,309)	\$ 146,732	\$ 3,829,052
Other Financing Sources (Uses)					
Bond Proceeds	-	-	-	-	-
Payment to Bond Holders (refinancing)	-	-	-	24,476,000	-
Bond Premium	-	-	-	-	-
Installment purchase financing issued	1,940,415	16,802,000	1,470,000	515,000	4,450,000
Payment on Installment purchases (refinancing)	-	-	-	(24,578,910)	-
Lease liability issued	-	-	-	-	975,363
Sales of Capital Assets	34,732	63,209	52,242	385,260	602,140
Transfers in	1,516,573	1,635,476	1,703,983	1,970,000	13,948,156
Transfers out	(1,516,573)	(1,535,476)	(1,703,983)	(1,970,000)	(13,948,156)
Total other financing sources (uses)	1,975,147	16,965,209	1,522,242	797,350	6,027,503
Net change in fund balances	\$ (1,133,946)	\$ 10,492,186	\$ (6,400,067)	\$ 944,082	\$ 9,856,555
Debt Service as a percentage of governmental expenditures	6.25%	5.47%	5.83%	6.13%	6.27%

CALDWELL COUNTY, NORTH CAROLINA

Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property			Personal Property	Total	Total Direct Tax Rate
	Residential Property	Commercial Property	Other			
2013	\$ 3,414,325,936	\$ 920,237,105	\$ 167,839,261	\$ 1,172,319,060	\$ 5,674,721,362	0.6299
2014	3,659,115,363	947,655,902	162,932,838	1,537,951,255	6,307,655,358	0.6000
2015	3,657,284,205	996,743,902	172,991,129	1,606,514,532	6,433,533,768	0.6000
2016	3,689,922,794	1,030,356,302	192,102,157	1,709,561,514	6,621,942,767	0.6000
2017	3,687,722,501	1,155,096,002	193,828,780	1,644,220,879	6,680,868,162	0.6300
2018	3,702,907,198	1,145,810,002	215,587,323	1,733,348,971	6,797,653,494	0.6300
2019	3,721,285,395	1,143,940,019	225,805,053	1,936,786,983	7,027,817,450	0.6300
2020	3,739,571,424	1,157,572,319	239,013,042	2,517,082,643	7,653,239,428	0.6300
2021	3,769,484,125	1,160,196,102	250,000,000	2,583,307,489	7,762,987,716	0.6300
2022	4,346,674,945	1,260,957,751	280,839,291	2,491,695,571	8,380,167,558	0.6300



CALDWELL COUNTY, NORTH CAROLINA

**North Carolina
Property Tax Rates
Direct and Overlapping Governments
(Per \$100 of Assessed Value)
Last Ten Fiscal Years**

	Taxes Payable in the Fiscal Year Ended June 30,				
	2022	2021	2020	2019	2018
COUNTY DIRECT RATE					
County-Wide Rate *	\$ 0.6300	\$ 0.6300	\$ 0.6300	\$ 0.6300	\$ 0.6300
CITY					
City of Lenoir	0.5700	0.5800	0.5800	0.5800	0.5800
City of Hickory	0.6275	0.5875	0.5875	0.5875	0.5665
SPECIAL DISTRICTS					
Lenoir Special District	0.2000	0.2500	0.2500	0.2500	0.2500
TOWNS					
Hudson	0.4300	0.4300	0.4300	0.4300	0.4300
Granite Falls	0.4485	0.4485	0.4485	0.4485	0.4485
Rhodhiss	0.5500	0.5500	0.5500	0.5500	0.5500
Blowing Rock	0.3700	0.3900	0.3900	0.3900	0.3700
Sawmills	0.2000	0.2000	0.2000	0.2000	0.2000
Rutherford College	0.1200	0.1200	0.1200	0.1200	n/a
VILLAGES					
Cedar Rock	0.2000	0.2000	0.1500	0.1500	0.1500
RESCUE SERVICES	-	-	-	-	-
FIRE DISTRICTS	0.0495	0.0395	0.0395	0.0395	0.0395
		to	to	to	to
	0.1580	0.1580	0.1580	0.1580	0.1385

* The county-wide direct property tax rate is shown above, there are no component rates.

CALDWELL COUNTY, NORTH CAROLINA

**North Carolina
Property Tax Rates
Direct and Overlapping Governments
(Per \$100 of Assessed Value)
Last Ten Fiscal Years**

	Taxes Payable in the Fiscal Year Ended June 30,				
	2017	2016	2015	2014	2013
COUNTY DIRECT RATE					
County-Wide Rate *	\$ 0.6300	\$ 0.6000	\$ 0.6000	\$ 0.6000	\$ 0.6299
CITY					
City of Lenoir	0.5800	0.5800	0.5800	0.5600	0.5600
City of Hickory	0.5665	0.5665	0.5665	0.5000	0.5000
SPECIAL DISTRICTS					
Lenoir Special District	0.2500	0.2500	0.2500	0.2500	0.2500
TOWNS					
Hudson	0.4300	0.3900	0.3900	0.3900	0.3700
Granite Falls	0.4485	0.4400	0.4400	0.4400	0.4400
Rhodhiss	0.5500	0.5500	0.5500	0.5500	0.5500
Blowing Rock	0.3700	0.3300	0.3100	0.2800	0.2800
Sawmills	0.2000	0.2000	0.2000	0.2000	0.2000
Rutherford College	n/a	n/a	n/a	n/a	n/a
VILLAGES					
Cedar Rock	0.1500	0.1500	0.1500	0.1500	0.1500
RESCUE SERVICES					
	0.0085	0.0085	0.0085	0.0085	0.0085
FIRE DISTRICTS					
	0.0395	0.0310	0.0310	0.0310	0.0310
	to	to	to	to	to
	0.1385	0.1300	0.1300	0.1300	0.1300

* The county-wide direct property tax rate is shown above, there are no component rates.

CALDWELL COUNTY, NORTH CAROLINA

Principal Property Taxpayers,
Current Year and Ten Years Ago

<u>Taxpayer</u>	<u>Fiscal Year Ended June 30, 2022</u>			<u>Fiscal Year Ended June 30, 2012</u>		
	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Assessed Value</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Assessed Value</u>
Google	\$ 952,281,816	1	11.36%	\$ 103,752,854	2	1.35%
Tapaha Dynamics LLC	403,808,000	2	4.82%	87,614,300	3	1.48%
MDI/Merchant Distributors	208,523,667	3	2.49%	111,698,441	1	2.06%
Duke Energy	118,078,075	4	1.41%	54,275,361	4	0.97%
Blue Ridge Electric Membership/Energies	72,925,092	5	0.87%	47,626,678	5	0.77%
Exela	54,230,139	6	0.65%			
Walmart	38,339,068	7	0.46%	32,031,624	6	0.60%
Sealed Air Corporation	29,206,452	8	0.35%			
Bernhardt Industries	28,119,203	9	0.34%	28,869,421	7	0.54%
Greer Laboratories Inc	23,430,431	10	0.28%			
Neptco				22,772,789	8	0.32%
Kincaid Furniture				19,500,308	9	
Broyhill Industries				17,334,601	10	0.49%

* Source: Caldwell County Tax Records

CALDWELL COUNTY, NORTH CAROLINA

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2022	\$ 52,795,056	\$ 51,642,320	97.82%	\$ -	\$ 51,642,320	97.82%
2021	47,738,639	47,014,984	98.48%	444,529	47,459,514	99.42%
2020	47,534,219	46,988,173	97.34%	211,928	47,200,102	99.30%
2019	43,636,259	43,154,906	96.61%	157,639	43,312,545	99.26%
2018	42,353,529	41,993,105	96.16%	125,569	42,118,675	99.45%
2017	41,713,164	41,414,860	96.25%	98,428	41,513,289	99.52%
2016	39,432,627	39,192,116	96.16%	71,340	39,263,456	99.57%
2015	38,370,555	38,182,745	95.99%	53,608	38,236,353	99.65%
2014	37,687,753	37,513,313	94.73%	44,210	37,557,523	99.65%
2013	35,552,685	35,403,340	96.20%	44,088	35,447,427	99.70%

CALDWELL COUNTY, NORTH CAROLINA

Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Installment Purchases	Capital Leases	Water Bonds	General Obligation Bonds	Installment Purchases	Capital Leases			
2013	\$ 2,445,000	\$ -	\$ 33,335,074	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,780,074	2.31%	430.48
2014	1,385,000	-	45,815,967	-	-	-	-	-	47,200,967	2.97%	567.89
2015	825,000	-	43,771,174	-	-	-	-	-	44,596,174	2.77%	536.55
2016	500,000	-	39,236,947	998,248	-	-	-	-	40,735,195	2.53%	490.09
2017	185,000	-	35,788,397	748,686	-	-	-	-	36,722,083	2.13%	441.81
2018	-	-	33,075,223	499,124	-	-	-	-	33,574,347	1.27%	403.94
2019	-	-	46,050,780	249,562	-	-	-	-	46,300,342	1.67%	557.05
2020	-	-	43,970,245	-	-	-	-	-	43,970,245	1.51%	529.02
2021	-	-	39,933,993	-	-	-	-	-	39,933,993	1.32%	480.46
2022	-	-	38,770,068	-	-	-	-	-	38,770,068	1.22%	466.45

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

CALDWELL COUNTY, NORTH CAROLINA

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year Ended June 30</u>	<u>General Bonded Debt Outstanding</u>	<u>Percentage of Personal Income</u>	<u>Percentage of Actual Value of Taxable Property</u>	<u>Per Capita</u>	<u>Population</u>
2013	\$ 2,445,000	0.16%	0.04%	29.42	83,117
2014	1,385,000	0.09%	0.02%	16.66	83,117
2015	825,000	0.05%	0.01%	9.93	83,117
2016	500,000	0.03%	0.01%	6.06	82,445
2017	185,000	0.01%	0.00%	2.25	82,292
2018	-	n/a	n/a	n/a	81,623
2019	-	n/a	n/a	n/a	81,981
2020	-	n/a	n/a	n/a	82,247
2021	-	n/a	n/a	n/a	82,482
2022	-	n/a	n/a	n/a	81,884

CALDWELL COUNTY, NORTH CAROLINA

Direct and Overlapping Governmental Activities Debt
As of June 30, 2022

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Direct			
Caldwell County	\$ 38,770,068	100.00%	\$ 38,770,068
Total Direct Debt	<u>\$ 38,770,068</u>		<u>\$ 38,770,068</u>
Underlying			
City of Lenoir	\$ 842,948	100.00%	\$ 842,948
Overlapping			
City of Hickory	<u>105,572,588</u>	1.93%	<u>2,037,551</u>
Total Underlying and Overlapping Debt	<u>\$ 106,415,536</u>		<u>\$ 2,880,499</u>
Grand Total	<u>\$ 145,185,604</u>		<u>\$ 41,650,567</u>



CALDWELL COUNTY, NORTH CAROLINA

Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
Assessed Value of Property	\$ 5,674,721,362	\$ 6,307,655,358	\$ 6,433,533,768	\$ 6,621,942,767	\$ 6,680,868,162
Debt Limit 8% of Assessed Value (statutory limitation)	453,977,709	504,612,429	514,682,701	529,755,421	534,469,453
Amount of Debt Applicable to Limit	-	-	-	-	-
General Obligation Bonds & Installment Purchases	35,780,074	47,200,967	44,596,174	40,735,195	36,537,387
Legal Debt Margin	\$ 407,464,516	\$ 407,386,989	\$ 470,086,527	\$ 489,020,226	\$ 497,932,066
Total net debt applicable to the limit as a percentage of debt limit	8.07%	10.26%	8.66%	7.69%	6.84%

CALDWELL COUNTY, NORTH CAROLINA

Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2018	2019	2020	2021	2022
Assessed Value of Property	\$ 6,797,653,494	\$ 7,012,817,450	\$ 7,653,239,428	\$ 7,762,987,716	\$ 8,380,167,558
Debt Limit 8% of Assessed Value (statutory limitation)	543,812,280	561,025,396	612,259,154	621,039,017	670,413,405
Amount of Debt Applicable to Limit	-	-	-	-	-
General Obligation Bonds & Installment Purchases	34,099,526	46,947,869	43,970,245	39,933,993	38,770,068
Legal Debt Margin	\$ 509,712,754	\$ 514,077,527	\$ 568,288,909	\$ 581,105,024	\$ 631,643,337
Total net debt applicable to the limit as a percentage of debt limit	6.84%	8.37%	7.18%	6.43%	5.78%

CALDWELL COUNTY, NORTH CAROLINA

Demographic and Economic Statistics

Year	Population	Personal Income	Per Capita Personal Income	Median Age	Public School Enrollment	Private School Enrollment	Unemployment Rate
2013	83,117	\$ 1,549,300,880	\$ 18,640	42	12,333	400	10.00%
2014	82,590	1,587,544,980	19,222	42	12,072	421	7.40%
2015	82,321	1,609,540,192	19,552	44	12,060	400	7.10%
2016	82,445	1,611,964,640	19,552	43	11,918	400	6.30%
2017	82,292	1,725,827,824	20,972	43	11,569	400	4.20%
2018	81,623	2,653,400,484	32,508	44	12,187	205	4.00%
2019	81,981	2,772,178,515	33,815	44	11,236	164	3.80%
2020	82,247	2,909,405,378	35,374	44	11,255	158	8.20%
2021	82,482	3,019,583,538	36,609	45	10,745	296	5.10%
2022	81,884	3,184,796,296	38,894	45	10,539	300	7.90%

** Source: North Carolina Department of Commerce

CALDWELL COUNTY, NORTH CAROLINA

Principal Employers
Current Year and Ten Years Ago

Employer	2022			2012		
	Employees	Rank	Total County Employment	Employees	Rank	Total County Employment
Caldwell County Schools	1000+	1	34,667	1000+	1	
Merchants Distributors Inc	1000+	2		1000+	2	
Bernhardt Furniture Co Inc	1000+	3		500-999	3	
NC Health / Caldwell Memorial Hospital	1000+	4		500-999	4	
Wal-Mart Associates Inc	500-999	5		500-999	6	
Caldwell County	500-999	6		500-999	7	
Caldwell Community Coll & Tech Inst	500-999	7		500-999	5	
Exela	500-999	8				
Fairfield Chair Company	250-499	9				
Skill Creations	250-499	10				
Broyhill Furniture Industries Inc				500-999	8	
Universal Mental Health Services				250-499	9	
Kincaid Furniture				250-499	10	

** Source: North Carolina Department of Commerce

CALDWELL COUNTY, NORTH CAROLINA

Full-Time Equivalent County Government Employees by Function

Function/Program	Fiscal Year Ended June 30,				
	2022	2021	2020	2019	2018
Public Safety	227	227	222	226	225
Health and Human Services	218	218	226	222	220
Environmental Protection	5	7	4	4	4
Economic Development	3	3	3	3	3
General Government	97	85	99	82	83
Cultural and Recreational	21	18	16	19	19
Enterprise Fund	13	13	12	13	13
Total	584	571	582	569	567

** All data presented on table 15 comes from records maintained by staff of Caldwell County.

CALDWELL COUNTY, NORTH CAROLINA

Full-Time Equivalent County Government Employees by Function

Function/Program	Fiscal Year Ended June 30,				
	2017	2016	2015	2014	2013
Public Safety	221	217	207	197	198
Health and Human Services	223	225	221	218	216
Environmental Protection	4	4	2	2	1
Economic Development	3	3	3	3	3
General Government	78	76	79	79	77
Cultural and Recreational	17	19	20	19	19
Enterprise Fund	14	13	13	12	12
Total	560	557	545	530	526

*** All data presented on table 15 comes from records maintained by staff of Caldwell County.*

CALDWELL COUNTY, NORTH CAROLINA

Operating Indicators by Function
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Public Safety					
Average Daily Population at Jail	131	111	157	174	168
Number of Arrests by Sheriff Department	2,792	2,709	2,875	2,814	3,316
Responses by Sheriff Department	36,186	41,582	39,064	39,064	44,145
Health and Human Services					
<u>Department of Social Services</u>					
Adult Medicaid applications completed	2,064	1,867	1,824	1,411	1,470
Family Medicaid applications completed	2,609	3,526	3,024	2,919	3,484
New Children enrolled in Medicaid	1,384	1,914	845	978	593
Special Assistance applications completed	59	65	63	93	78
Food Stamps applications taken	2,970	2,419	5,257	4,193	5,059
Food Stamps applications approved	2,335	1,794	4,637	3,921	5,123
Food Stamps applications denied	804	765	809	787	647
Child Support orders	298	223	179	249	376
Medicaid Transportation requests	19,056	n/a	20,210	22,427	18,903
Average children receiving Child Care Subsidy each month	589	768	780	759	703
Emergency Assistance applications taken	n/a	n/a	2,737	n/a	3,562
Emergency Assistance applications approved	n/a	n/a	2,395	n/a	3,530
Work First applications completed	18	32	21	42	39
Adult Protective Services referrals	428	390	400	537	717
Reported cases of Physical or Sexual Abuse to Children	10	10	19	24	39
New cases of children placed in Foster Care	73	73	65	97	84
Finalized Adoptions	36	48	49	41	64
Clients seen at reception desk	18,111	13,776	31,893	29,064	32,786
Telephone calls received by switch board	58,788	54,922	60,616	57,861	90,565
Total Number of CPS Reports Investigated	829	813	842	744	1,057
<u>Economic Impact of Social Services Administered Programs</u>					
Medicaid	126,151,808	154,198,796	122,263,231	116,437,663	109,814,040
Food Stamps	42,732,491	33,522,711	17,485,639	17,088,842	20,987,778
Work First	124,469	128,703	146,828	155,580	163,094
Rest Home	746,872	829,476	1,004,826	1,087,510	1,111,753
Energy & Crisis	1,762,820	954,579	705,283	752,264	723,218
Foster Care and Adoption	5,528,273	5,279,101	5,475,696	5,792,063	5,590,066
Child Daycare	2,494,348	3,379,607	3,368,788	3,329,635	2,996,704
Child Support	5,233,178	5,599,852	5,434,865	5,646,128	5,165,874
Total	\$ 184,774,259	\$ 203,892,825	\$ 155,885,156	\$ 150,289,685	\$ 146,552,527
<u>Health Department</u>					
Rabies vaccinations given by animal control	1,381	730	807	1,254	1,283
Animals adopted out from the animal shelter	275	137	184	425	326
Dollars paid out by the WIC program	\$ 1,568,797	\$ 1,370,593	\$ 1,502,018	\$ 1,373,811	\$ 1,350,455
Immunization rate for two year old children	1	85%	85%	84%	87%
Number of children seen by dentist	1,177	1,545	2,046	2,694	2,580
Adult and child immunizations	n/a	n/a	2,286	n/a	n/a
Primary clinic visits	1,377	1,346	1,942	2,331	2,974
Nutrition contacts for WIC	24,728	n/a	22,428	19,470	17,123
Inspections carried out by Environmental Health	2,206	705	2,140	2,525	2,784
Maternity care encounters	283	229	2,069	2,138	1,768
Local TV programs for health education	4	15	19	12	18
Environmental Protection					
Solid Waste Investigations	160	119	129	102	139
Solid Waste Fines Issued	7	-	-	-	-

CALDWELL COUNTY, NORTH CAROLINA

Operating Indicators by Function
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Public Safety					
Average Daily Population at Jail	172	197	247	246	198
Number of Arrests by Sheriff Department	3,440	2,867	3,514	3,508	3,473
Responses by Sheriff Department	43,507	44,507	42,950	41,244	41,384
Health and Human Services					
<u>Department of Social Services</u>					
Adult Medicaid applications completed	1,381	1,470	1,683	2,490	2,430
Family Medicaid applications completed	701	3,484	3,790	5,728	6,417
New Children enrolled in Medicaid	n/a	n/a	n/a	2,952	4,053
Special Assistance applications completed	95	78	48	117	146
Food Stamps applications taken	4,800	5,059	5,478	4,061	4,900
Food Stamps applications approved	4,614	5,123	5,296	4,976	3,832
Food Stamps applications denied	761	647	1,513	990	1,009
Child Support orders	304	376	304	417	404
Medicaid Transportation requests	20,402	18,903	18,758	16,137	16,554
Average children receiving Child Care Subsidy each month	763	703	674	712	740
Emergency Assistance applications taken	3,349	3,562	3,504	3,841	4,832
Emergency Assistance applications approved	3,286	3,530	3,452	3,803	4,754
Work First applications completed	42	39	28	39	83
Adult Protective Services referrals	744	717	592	630	707
Reported cases of Physical or Sexual Abuse to Children	27	39	70	58	50
New cases of children placed in Foster Care	81	84	92	124	136
Finalized Adoptions	50	64	46	57	39
Clients seen at reception desk	30,647	32,786	41,760	49,303	49,787
Telephone calls received by switch board	52,916	90,565	73,723	89,011	100,547
Total Number of CPS Reports Investigated	1,134	1,057	1,117	1,020	1,000
<u>Economic Impact of Social Services Administered Programs</u>					
Medicaid	116,437,663	109,814,040	n/a	107,070,682	106,270,617
Food Stamps	17,088,842	20,987,778	21,289,069	20,793,667	21,117,486
Work First	155,580	163,094	123,334	144,606	209,246
Rest Home	1,087,510	1,111,753	1,187,968	1,289,393	1,418,374
Energy & Crisis	752,264	723,218	797,677	706,333	809,228
Foster Care and Adoption	5,792,063	5,590,066	5,827,764	5,305,442	5,136,449
Child Daycare	3,329,635	2,996,704	2,850,529	2,925,670	2,987,568
Child Support	5,646,128	5,165,874	5,796,790	5,831,040	6,191,419
Total	\$ 150,289,685	\$ 146,552,527	\$ 37,873,131	\$ 144,066,833	\$ 144,140,387
<u>Health Department</u>					
Rabies vaccinations given by animal control	1,290	1,199	1,350	923	832
Animals adopted out from the animal shelter	246	240	285	227	215
Dollars paid out by the WIC program	\$ 1,283,237	\$ 1,299,752	\$ 1,518,926	\$ 1,641,404	1,681,599
Immunization rate for two year old children	87%	88%	90%	94%	89%
Number of children seen by dentist	1,673	2,120	2,506	2,377	2,414
Adult and child immunizations	n/a	n/a	n/a	2,762	1,465
Primary clinic visits	9,107	9,279	9,195	8,647	9,125
Nutrition contacts for WIC	7,851	8,045	8,124	8,215	8,576
Inspections carried out by Environmental Health	2,728	1,873	1,722	1,377	1,144
Maternity care encounters	1,936	2,040	2,254	2,465	2,306
Local TV programs for health education	27	14	12	14	12
Environmental Protection					
Solid Waste Investigations	151	101	152	70	49
Solid Waste Fines Issued	-	-	-	-	-

CALDWELL COUNTY, NORTH CAROLINA

Operating Indicators by Function
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Economic Development					
<u>Building Permits Issued</u>					
New non-residential permits	102	79	75	79	88
Non-residential additions	215	167	157	122	113
New residential permits	248	184	147	150	115
Residential additions	<u>215</u>	<u>167</u>	<u>187</u>	<u>139</u>	<u>169</u>
Total Issued	<u>780</u>	<u>597</u>	<u>566</u>	<u>490</u>	<u>485</u>
Economic Development Incentive Payments	\$ 7,867,013	\$ 8,596,084	\$ 9,050,599	\$ 5,913,458	\$ 5,373,148
<u>Major Subdivisions Approved</u>					
Preliminary	1	1	2	-	-
Final	-	-	-	3	3
Rezoning requests	1	4	5	n/a	1
Variance requests	-	1	-	-	-
Planning violation investigations	52	119	139	214	209
Planning violation complaints	44	119	139	215	209
Street signs installed (E911)	48	26	41	20	44
Cultural and Recreational					
Library branches	3	3	3	3	3
Full time staff	20	19.00	18.00	18.00	n/a
Part time staff	8	7.00	10.00	10.00	n/a
Total number of print items	95,922	107,215	121,470	122,549	122,931
Total number of electronic materials	257,092	265,691	180,999	168,281	84,342
Registered Borrowers	18,993	37,569	35,818	34,795	32,905
Total circulation	225,918	126,960	232,390	299,353	274,273
Number of visits to libraries	163,544	58,989	199,274	347,724	316,532
Reference questions answered	14,820	4,290	48,409	74,776	62,456
Number of uses of public computers	13,775	1,190	31,270	45,665	49,322
Study room attendance	-	-	801	693	n/a
Library programs hosted	334	342	620	667	546
Library program attendance	8,603	36,145	9,640	12,957	16,962

** All data presented on table 16 comes from records maintained by staff of Caldwell County.

CALDWELL COUNTY, NORTH CAROLINA

Operating Indicators by Function
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Economic Development					
<u>Building Permits Issued</u>					
New non-residential permits	54	90	77	65	76
Non-residential additions	71	90	61	60	88
New residential permits	99	90	117	98	74
Residential additions	<u>152</u>	<u>150</u>	<u>155</u>	<u>138</u>	<u>145</u>
Total Issued	<u>376</u>	<u>420</u>	<u>410</u>	<u>361</u>	<u>383</u>
Economic Development Incentive Payments	\$ 4,273,959	\$ 5,437,696	\$ 5,437,696	\$ 3,932,145	\$ 2,495,915
<u>Major Subdivisions Approved</u>					
Preliminary	2	1	1	-	-
Final	-	1	-	-	-
Rezoning requests	2	-	-	3	1
Variance requests	-	9	1	-	-
Planning violation investigations	n/a	n/a	18	17	21
Planning violation complaints	n/a	n/a	18	17	21
Street signs installed (E911)	54	84	55	65	91
Cultural and Recreational					
Library branches	3	3	3	3	3
Full time staff	n/a	n/a	n/a	n/a	n/a
Part time staff	n/a	n/a	n/a	n/a	n/a
Total number of print items	131,818	125,744	128,154	142,376	133,987
Total number of electronic materials	118,265	n/a	n/a	n/a	n/a
Registered Borrowers	30,907	40,082	37,911	39,537	36,917
Total circulation	277,787	265,294	287,732	318,608	331,252
Number of visits to libraries	307,405	297,928	206,366	226,191	283,828
Reference questions answered	59,956	50,856	53,820	29,146	50,038
Number of uses of public computers	41,243	43,223	50,586	55,250	59,341
Study room attendance	n/a	n/a	n/a	n/a	n/a
Library programs hosted	570	n/a	n/a	n/a	n/a
Library program attendance	11,244	n/a	n/a	n/a	n/a

** All data presented on table 16 comes from records maintained by staff of Caldwell County.

CALDWELL COUNTY, NORTH CAROLINA

Capital Asset Statistics by Function
Last Ten Fiscal Years

Function/Program	2022	2021	2020	2019	2018
Public Safety					
Jail capacity	185	185	185	185	185
Jail square feet	34,600	34,600	34,600	34,600	34,600
Number of ambulances	14	13	13	13	13
Number of squad cars	102	103	99	99	99
Health and Human Services					
Square footage available to Health Department	45,660	45,660	45,660	45,660	45,660
Square footage available to DSS	70,736	70,736	70,736	70,736	70,736
Environmental Protection					
Number of convenience sites in County	9	9	9	9	9
General Government					
Square footage in County office building	32,550	32,550	32,550	32,550	32,550
Cultural and Recreational					
Number of libraries in County	3	3	3	3	3
Square footage used by libraries	37,000	37,000	34,661	34,661	57,741
Number of parks in County	4	4	4	4	4

** All data presented on table 17 comes from records maintained by staff of Caldwell County.

CALDWELL COUNTY, NORTH CAROLINA

Capital Asset Statistics by Function
Last Ten Fiscal Years

Function/Program	2017	2016	2015	2014	2013
Public Safety					
Jail capacity	185	185	185	185	185
Jail square feet	34,600	34,600	34,600	34,600	34,600
Number of ambulances	13	13	13	13	14
Number of squad cars	90	91	90	90	75
Health and Human Services					
Square footage available to Health Department	45,660	45,660	45,660	45,660	45,660
Square footage available to DSS	70,736	70,736	70,736	70,736	70,736
Environmental Protection					
Number of convenience sites in County	9	9	9	9	9
General Government					
Square footage in County office building	32,550	32,550	32,550	32,550	32,550
Cultural and Recreational					
Number of libraries in County	3	3	3	3	3
Square footage used by libraries	57,741	57,741	57,741	57,741	57,741
Number of parks in County	4	4	4	4	4

** All data presented on table 17 comes from records maintained by staff of Caldwell County.

CALDWELL COUNTY, NORTH CAROLINA

Miscellaneous Information June 30, 2022

Date of Incorporation	1,841
Form of Government	Commission - Manager
Number of Employees	
Full-Time Permanent	584
Other	
Area in square miles	110
Number of Government Facilities and Services:	
Miles of Street	589 paved 108 unpaved
Fire Protection (a)	
Number of Stations	14
Number of Firefighters	499
Number of Responses	7,361
Law Enforcement (b)	
Number of Stations	1
Number of Officers	83
Cultural and Recreational	
Parks	13
Acres Covered by Parks	379
Acres Covered by National Forest	45,603
Number of Libraries	3
Number of Volumes	95,922
Number of Electronic Materials	257,092
Facilities and Services Not Included in the Reporting Entity	
Hospitals	
Number of Hospitals	1
Number of Patient Beds	120
Education (K-12)	
Number of Schools	24
Number of Classrooms	1,020
Number of Teachers	724
Number of Students	10,600
Higher Education (Caldwell Community College)	
Number of Locations	1
Number of Students	3,617

(a) Includes municipal and volunteer fire departments

(b) Includes Caldwell County and Towns of Lenoir, Granite Falls, Hudson and Rhodhiss

* All data presented on this page comes from records maintained by staff of Caldwell County.