

CABARRUS COUNTY

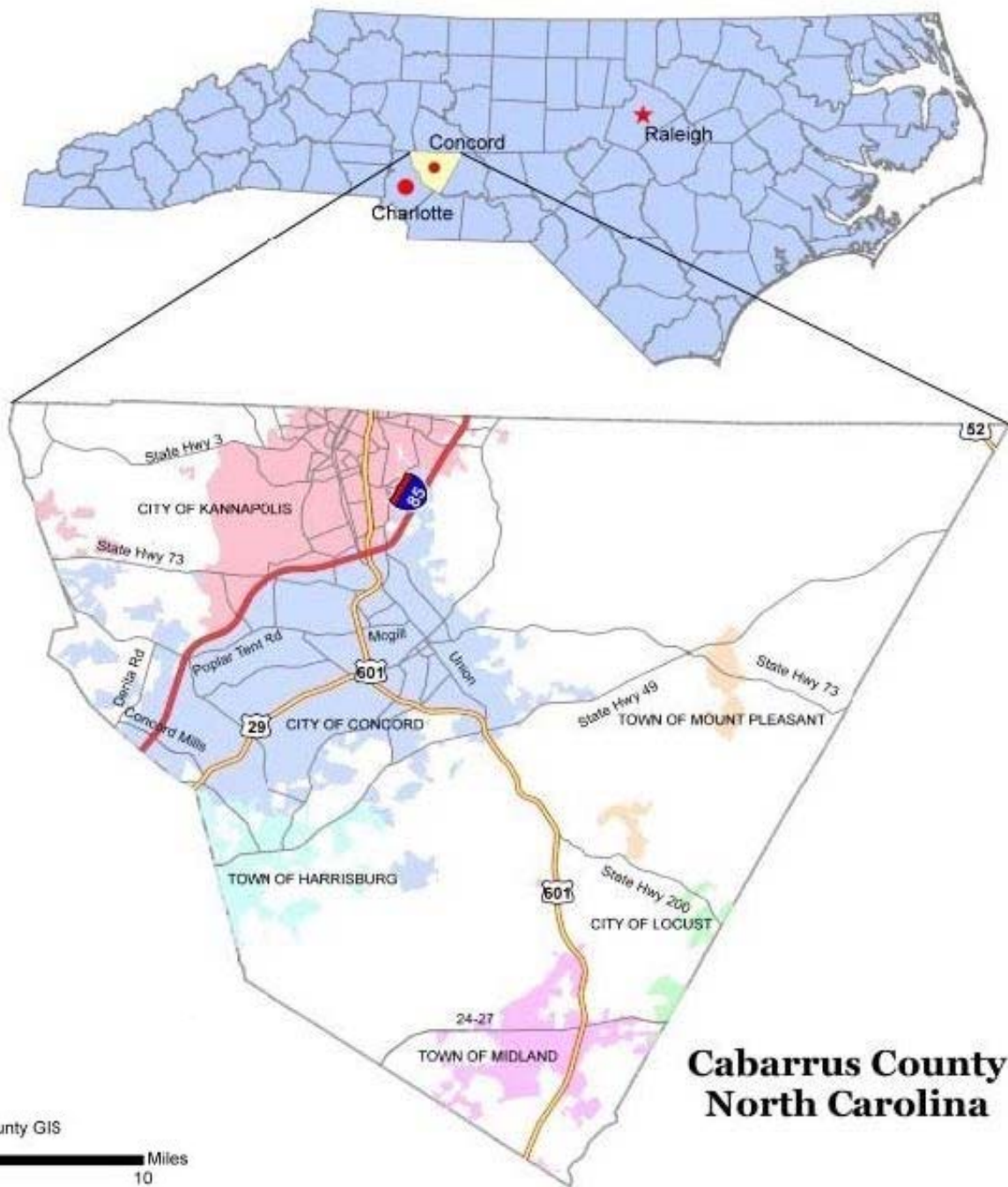
NORTH CAROLINA



CABARRUS COUNTY
America Thrives Here

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022



Cabarrus County North Carolina



Prepared by Cabarrus County GIS

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Cabarrus County

North Carolina

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022

PREPARED BY THE CABARRUS COUNTY FINANCE DEPARTMENT

James M. Howden, Finance Director





Cabarrus County, North Carolina

Table of Contents

Introductory Section

Letter of Transmittal	1
GFOA Certificate of Achievement for Excellence in Financial Reporting	6
Organizational Chart	7
List of Principal Officials	8

Financial Section

Independent Auditor's Report.....	9
-----------------------------------	---

Management's Discussion and Analysis	13
--	----

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position

Exhibit 1	26
-----------------	----

Statement of Activities

Exhibit 2	28
-----------------	----

Fund Financial Statements:

Balance Sheet – Governmental Funds

Exhibit 3	29
-----------------	----

Reconciliation of Balance Sheet to the Statement of Net Position

Exhibit 3A.....	31
-----------------	----

Statement of Revenues, Expenditures, and Changes in

Fund Balances – Governmental Funds

Exhibit 4	32
-----------------	----

Reconciliation of the Statement of Revenues, Expenditures, and Changes

In Fund Balances of Governmental Funds to the Statement of Activities

Exhibit 4A.....	34
-----------------	----

Statement of Revenues, Expenditures, and Changes in

Fund Balances – Budget and Actual – General Fund

Exhibit 5	35
-----------------	----

Statement of Net Position – Proprietary Funds

Exhibit 6	37
-----------------	----

Cabarrus County, North Carolina
Table of Contents

Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	
Exhibit 7	39
Statement of Cash Flows – Proprietary Funds	
Exhibit 8	41
Statement of Fiduciary Net Position – Fiduciary Funds	
Exhibit 9	43
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	
Exhibit 10	44
Notes to the Financial Statements	45
Required Supplemental Financial Data:	
Schedule of Changes in the Net OPEB Liability and Related Ratios	
Exhibit 11	111
Schedule of County Contributions - OPEB	
Exhibit 12	112
Schedule of Investment Returns – OPEB	
Exhibit 13	113
Schedule of County's Proportionate Share of Net Pension Liability (ASSET) - (LGERS)	
Exhibit 14	114
Schedule of County Contributions (LGERS)	
Exhibit 15	115
Schedule of County's Proportionate Share of Net Pension Asset (ROD)	
Exhibit 16	116
Schedule of County Contributions (ROD)	
Exhibit 17	117
Schedule of Changes in Total Pension Liability LEO Special Separation Allowance	
Exhibit 18	118
Schedule of Total Pension Liability as a Percentage of Covered-Employee Payroll LEO Special Separation Allowance	
Exhibit 19	119
Other Supplemental Information:	
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	
Schedule 1.....	120

Cabarrus County, North Carolina

Table of Contents

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds Schedule 2.....	122
Special Revenue Funds:	
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Emergency Telephone System Special Revenue Fund Schedule 3.....	124
Community Development Block Grant Special Revenue Fund Schedule 4.....	125
Cabarrus Arena and Events Center Special Revenue Fund Schedule 5.....	126
Fire Districts' Special Revenue Fund Schedule 6.....	128
Sheriff's Department Special Revenue Fund Schedule 7.....	129
Department of Aging Special Revenue Fund Schedule 8.....	130
Social Services Payee Fund Schedule 9.....	131
Intergovernmental Fund Schedule 10.....	132
Opioid Settlement Fund Capital Projects Fund Schedule 11.....	133
Capital Projects Funds:	
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Public School Building Capital Projects Fund Schedule 12.....	134
Construction and Renovations Capital Projects Fund Schedule 13.....	135
School Construction Capital Projects Fund Schedule 14.....	136

Cabarrus County, North Carolina

Table of Contents

Limited Obligation Bonds 2017	
Schedule 15.....	137
Limited Obligation Bonds 2018	
Schedule 16.....	139
School Capital Projects Fund	
Schedule 17.....	140
Small Projects Capital Projects Fund	
Schedule 18.....	141
Cannon Memorial Library Capital Projects Fund	
Schedule 19.....	143
Custodial Funds:	
Combining Statement of Fiduciary Net Position – Custodial Funds	
Schedule 20.....	144
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds	
Schedule 21.....	145
Combining Statement of Fiduciary Net Position – OPEB Trust Fund	
Schedule 22.....	146
Combining Statement of Changes Fiduciary Net Position – OPEB Trust Fund	
Schedule 23.....	147
Internal Service Funds:	
Combining Statement of Net Position – Internal Services Funds	
Schedule 24.....	148
Combining Statement of Changes Revenues, Expenses, and Changes in	
Fund Balances – Internal Service Funds	
Schedule 25.....	149
Schedule of Revenues and Expenditures – Financial Plan and Actual (Non-GAAP Basis):	
Self-Insured Hospitalization & Workers' Compensation Internal Services Fund	
Schedule 26	150
Schedule of Revenues and Expenditures – Financial Plan and Actual (Non-GAAP Basis):	
Self-Insured Medical and Dental Internal Services Fund	
Schedule 27	152
Combining Statement of Cash Flows	
Schedule 28	153

Cabarrus County, North Carolina

Table of Contents

Other Schedules:

Schedule of Ad Valorem Taxes Receivable	
Schedule 29	154
Analysis of Current Tax Levy	
Schedule 30	155
Ten Largest Taxpayers	
Schedule 31	157

Schedules of Revenues, Expenditures, and Changes in Fund

Balances – Budget and Actual:

General Fund	
Schedule 32.....	158
Community Investment Fund	
Schedule 33.....	170
County Capital Projects Fund	
Schedule 34.....	172
CARES Act Relief Fund	
Schedule 35.....	174

Schedule of Revenues and Expenditures – Budget and Actual (Non-GAAP Basis):

Landfill Fund	
Schedule 36.....	175

Statistical Section (unaudited)

Government-wide Information:

Net Position by Component	
TABLE 1.....	177
Changes in Net Position	
TABLE 2.....	178

Fund Information:

Fund Balances, Governmental Funds	
TABLE 3.....	180
Changes in Fund Balances, Governmental Funds	
TABLE 4.....	181

Cabarrus County, North Carolina

Table of Contents

Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years	
TABLE 5.....	182
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	
TABLE 6.....	183
Principal Property Taxpayers – Current Year and Nine Years Ago	
TABLE 7.....	184
Property Tax Levies and Collections	
TABLE 8.....	185
Ratio of Net General Obligation Bonded Debt to Outstanding - Last Ten Fiscal Years	
TABLE 9.....	186
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	
TABLE 10	187
Direct and Overlapping Governmental Activities Debt	
TABLE 11	188
Legal Debt Margin Information – Last Ten Fiscal Years	
TABLE 12	189
Demographic and Economic Statistics - Last Ten Fiscal Years	
TABLE 13	190
Principal Employers – Current Year and Nine Years Ago	
TABLE 14	191
Full-time Equivalent County Government Employees by Function – Last Ten Fiscal Years	
TABLE 15	192
Operating Indicators by Functional Area Fiscal Years – Last Ten Fiscal Years	
TABLE 16	193
Capital Asset Statistics by Function/Program – Last Ten Fiscal Years	
TABLE 17	194

Compliance Section

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	195
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act.	197

Cabarrus County, North Carolina
Table of Contents

Report on Compliance for Each Major State Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act.....	200
Schedule of Findings, Responses, and Questioned Costs	203
Schedule of Prior Year Audit Findings	206
Schedule of Expenditures of Federal and State Awards	207



INTRODUCTORY SECTION





Finance Department

November 28, 2022

To the Board of Commissioners and the Citizens of Cabarrus County, North Carolina:

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

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

The licensed certified public accountants of Martin Starnes & Associates, CPA's, P.A., audited the County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year that 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 the County's financial statements for the fiscal year ended June 30, 2022 are fairly presented in all material respects with GAAP.** This report presents the independent auditor's report as the first component of the financial section.

The independent audit of the financial statements of the County was part of a broader, federally - and state-mandated Single Audit designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. The County issues the Single Audit report separately from the ACFR. Results of the Single Audit can be found in the compliance section of this report. GAAP requires 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 complements MD&A and should be read in conjunction with it. This report presents the MD&A immediately following the report of the independent auditors.

Profile of Cabarrus County

The County, incorporated in 1792, is in the Piedmont section of the State of North Carolina and bordered on the north by Rowan and Iredell counties, on the east by Stanly County, on the south by Union County and on the west by Mecklenburg County; it comprises approximately 230,400 acres. There are six municipalities in the County, the largest of which is the City of Concord, the County seat. Concord is approximately 124 miles from the City of Raleigh, North Carolina and 18 miles northeast of the City of Charlotte, North Carolina. The second largest municipality is the City of Kannapolis. The Towns of Mount Pleasant, Harrisburg, Midland, and Locust are smaller municipalities in the County. The North Carolina State Demographer estimates the County had a County population of 227,065 as of July 2021. The and personal property located within its boundaries.

The County has operated under the Board of government since 1976. The five-member Board of authority including adopting ordinances, appointing to the board, tax administrator and county attorney. Every partisan basis to serve four-year terms.



Commissioners-County Manager form of Commissioners has policy-making and legislative committees, and hiring the county manager, clerk two years citizens elect commissioners on a

The County Manager serves as the chief executive and is responsible for carrying out the policies and legislative priorities of the governing board, overseeing day-to-day operations and appointing the heads of the various departments.

Local Economy

The County is one of 11 counties located in the Charlotte-Concord-Gastonia, NCSC Metropolitan Statistical Area (the "Charlotte MSA"). According to the U.S. Census Bureau, as of July 1, 2020, the Charlotte MSA was the 22nd largest MSA in the United States with nearly 2.7 million residents. The following table lists the five largest non-public sector employers in the county as of June 30, 2022:

Company	Employees
Atrium Health	5,156
Cabarrus County Schools	4,396
Cabarrus County Government	1,261
Amazon	1,225
Wal-Mart	1,176

The County's rapid growth, largely attributable to the County's position in the Charlotte MSA, has continued over the past year. One of the largest industrial/manufacturing parcels in the state of North Carolina, The Grounds at Concord at more than 2,100 acres, saw the county's two largest economic development announcements in its history announced during the year. In July 2021, Red Bull, Rauch, and Ball, committed to creating more than 600 jobs to operate a beverage manufacturing, filling, and distribution campus with a capital investment of more than \$1 billion. In January 2022, Eli Lilly and Company, one of the world's largest pharmaceutical companies, announced plans to invest \$1 billion in a manufacturing campus that will generate nearly 600 jobs with an average wage of \$70,000. Even with these two projects, The Grounds still has acreage available for further development.

Outside of The Grounds, Kroger Co., America's largest grocery retailer, announced it will offer more American delivery through the addition of a new customer fulfillment center with an investment of \$139 million and creation of nearly 700 jobs.

The revitalization of downtown Kannapolis, approximately 50 acres and eight blocks of buildings, also continued over the past year. In December 2021, the City of Kannapolis, Temerity Capital Partners, and the Lansing Melbourne Group announced the new Stadium Lofts project with an investment of \$8.5 million. The site will include Towel City Tavern, a full-service barbecue restaurant and tavern in a seven-story mixed-use building. In August, 2021, Lansing Melbourne Group broke ground on the 200 Main mixed-use project that will include approximately 90,000 square feet with an investment of \$21 million.

During the fiscal year, the County announced over \$2 billion of new investment and well over 2,000 jobs during the fiscal year. The Cabarrus Economic Development Corporation (EDC) received more than 160 new requests for information related to potential economic development projects throughout the year.

The unemployment rate for Cabarrus County in June 2022 was 3.7% compared to 4.4% a year ago in June of 2021.

Long-term financial planning

As part of the annual budget development process, the county develops a Five-Year Financial Plan - a forecast of revenues and expenditures for a five-year period beginning with the proposed budget for the upcoming fiscal year. The purpose of the Five-Year Financial Plan is to ensure the County can meet commitments, obligations, and anticipated needs in a fiscally sound manner. The basis for the forecast is the then-current fiscal year. Forecasts for subsequent years rely on previous year expenditures and revenues as a starting point. Increases and decreases are itemized.

In addition, the County re-examines and adopts a Capital Improvement Plan (CIP) each year. The CIP is a five-year plan for capital projects that details estimated costs, project descriptions and funding sources. The CIP generally addresses capital projects with a value greater than \$100,000 (and greater than \$500,000 for Cabarrus County Schools) and a useful life longer than one year. The County acknowledges pay-as-you-go financing as a significant capital financing source but recognizes that debt issuance is sometimes the most appropriate financing structure for a capital project. Current and planned debt obligations factor into the County's long term financial planning.

The County has identified economic development, future capital needs of the County, our public schools, and our community college as significant issues to address as we strive to enhance the viability of our county and its resident.

Relevant Financial Policies

In accordance with state statutes, appropriated fund balance in any fund will not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts. The County maintains an undesignated fund balance of 15 percent (15%) to meet cash flow needs, which exceeds the eight percent (8%) recommended by the North Carolina local Government Commission (LGC).

Board policy permits the use of fund balance to avoid cash-flow interruptions, generate interest income, and assist in maintaining an investment-grade bond rating. The County does not use fund balance for recurring, operational expenses unless required to overcome revenue shortfalls related to significant downturns in the economy. Additional assigned fund balance totaling \$5,000,000 is set aside to sustain operations during unanticipated emergencies and disasters.

Upon the completion of the annual audit of the County finances, any undesignated fund balance above 15% transfers to the Community Investment Fund (CIF) to reduce reliance on debt financing; or to the Self-Funded Hospitalization Fund, the Self-Funded Liability Fund or the Self-Funded Workers' Compensation Fund as required to maintain the integrity of those funds.

If unassigned fund balance at the end of the current fiscal year is less than the approved fund balance level, the County must replenish the deficiency within three fiscal years.

Major initiatives

The county made progress on numerous initiatives over the past year including:

- Continued construction of the County's new courthouse that will transform downtown Concord.
- Collaborated with the municipalities to produce a series of short videos to inform Cabarrus County residents how to "recycle right" and reduce recycling contamination.
- Awarded over \$31million in American Rescue Plan Act subawards to nonprofits and community organizations to provide services such as food assistance, housing, mental health and physical healthcare, childcare and early learning.
- Successfully deployed new Online Credit Card payment system, myCabCo, for real-time online tax payments.
- Engaged in a public-private partnership with Rowan-Cabarrus Community College and All-Saints Episcopal Church to open Lockhart Child Development Center to provide affordable, quality childcare services to local families.
- Continued to monitor and address the opioid crisis through public safety, mental health and medical services.
- Purchased several parcels of land around the county for future library, senior center and park locations and began designing those facilities.
- Secured a CARES NC grant in partnership with Kannapolis City Schools to provide mobile hotspots for students with no home internet connection to increase chances for success in a digital learning environment.
- Continued to exceed the State Standards for 911 calls being dispatched within 10 seconds or less, with the county's 911 Communications department being in the 99 percentile.
- Minimized Covid-19 exposure in the detention center compared to other NC county detention centers due to the installation of negative pressure pods which allow the center to open a "quarantine" pod for new admissions.
- Received Urban Area Security Initiative (UASI) funding for bomb team equipment as well as hazardous materials response equipment for Cabarrus County and can be used for the surrounding regions.
- Increased participation in Stepping Up Program, a national initiative designed to reduce the numbers of adults with mental health, substance use and co-occurring disorders in jail. Program acceptance rate increased 55% and over 500 residents have been provided services by the program since 2018.

Awards

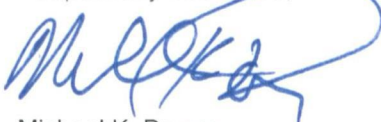
The county was fortunate to receive the following awards and recognition over the past year:

- **Certificate of Excellence in Financial Reporting** - the Government Finance Officers Association of the United States and Canada (GFOA) awarded to the County for its ACFR for the fiscal year ended June 30, 2021. This was the 37th consecutive year the County received this prestigious award.
- **Distinguished Budget Presentation Award** - the GFOA awarded to the county for its annual budget document for the fiscal year ended June 30, 2021. This was the 23rd year the County received this prestigious award.
- **Triple Crown Winner** – the GFOA's Triple Crown designation recognized the county for receiving GFOA's Certificate of Achievement for Excellence in Financial Reporting, Popular Annual Financial Reporting Award, and Distinguished Budget Presentation Award for a fiscal year. The county is on of 317 governments that received the Triple Crown. This was the second year the County received this award.

Acknowledgements

In closing, we extend our sincere appreciation to the Finance Department staff and Martin Starnes & Associates, CPA's, P.A. Producing this report would not have been possible without their dedicated assistance. To the Board of Commissioners, thank you for your continued support for maintaining the highest standards of professionalism in the management of the County's finances.

Respectfully submitted,



Michael K. Downs
County Manager



James M. Howden
Finance Director





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Cabarrus County
North Carolina**

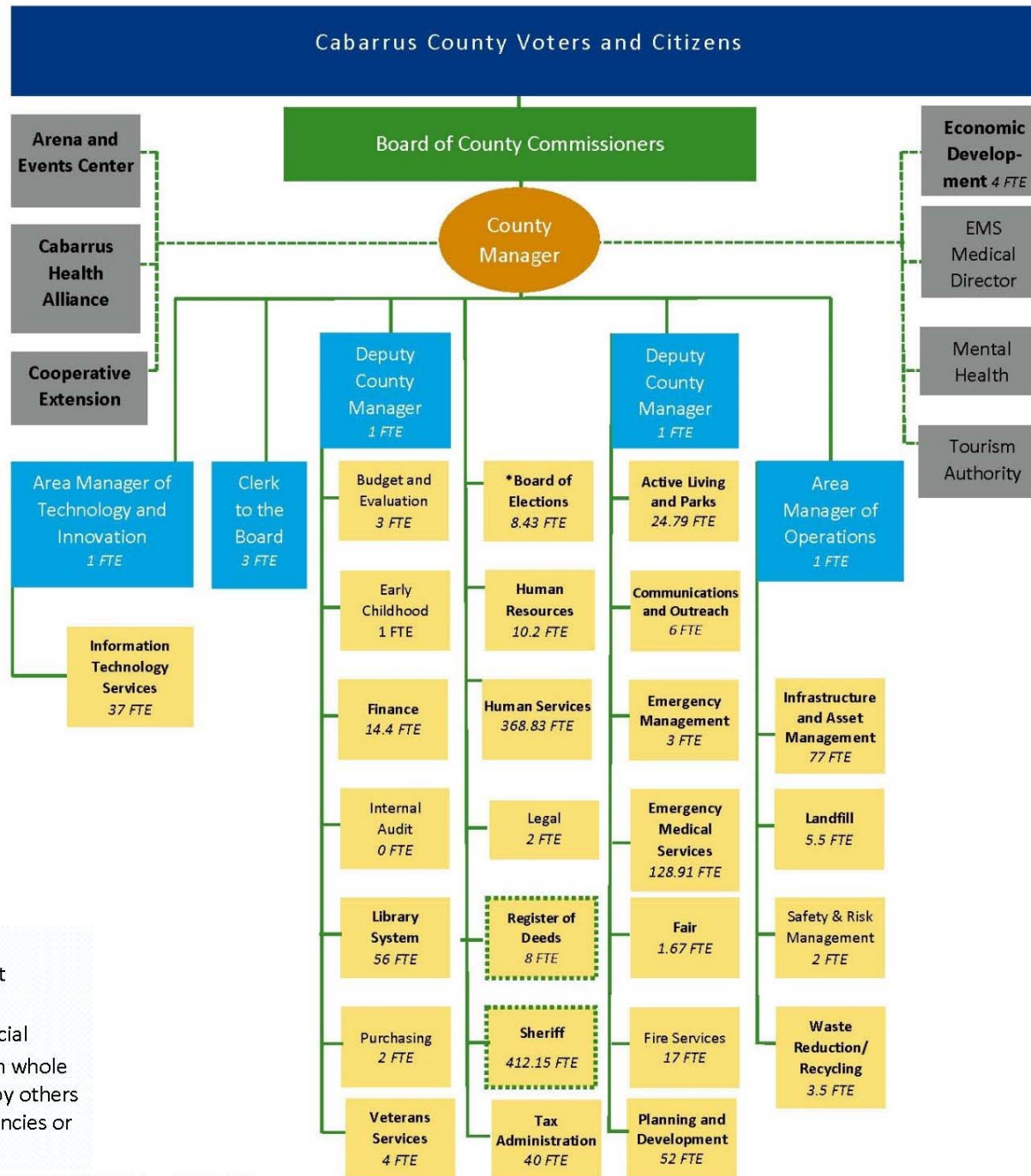
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrell

Executive Director/CEO

CABARRUS COUNTY ORGANIZATION CHART



Legend

- Bold Font** Department Name
- Elected Official
- * Appointed in whole or in part by others
- - - Outside agencies or Entities

Cabarrus County, North Carolina
List of Principal Officials
June 30, 2022

Board of County Commissioners

Chairman Stephen M. Morris
Vice-Chair F. Blake Kiger
Commissioner Diane R. Honeycutt
Commissioner Lynn W. Shue
Commissioner Barbara C. Strang

Other Elected Officials

Sheriff Van W. Shaw
Register of Deeds M. Wayne Nixon

County Manager Michael K. Downs
Deputy County Manager Rodney D. Harris
Area Manager of Operations Kyle D. Bilafer

Clerk to the Board Lauren E. Linker

County Department Directors

Budget Director Rashmikanth Khatri
Cooperative Extension Tracy M. LeCompte
Elections Carol L. Soles
Emergency Management Steven M. Langer
Emergency Medical Services James W. Lentz
Fair Kathleen P. Sharpe
Finance Director James M. Howden
Infrastructure and Asset Management Michael A. Miller
Human Resources Lundee L. Covington
Human Services Karen B. Calhoun
Information Technology Services Todd M. Shanley
Libraries Emery M. Ortiz
Parks Londa A. Strong
Planning and Development Kelly F. Sifford
Solid Waste Management Kevin P. Grant
Tax Administration M. David Thrift
Transportation Robert W. Bushey
Veterans' Service Tony R. Miller



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
Cabarrus County
Concord, North Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Cabarrus County, North Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Cabarrus County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Cabarrus County, North Carolina, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Public Health Authority of Cabarrus County (Cabarrus Health Alliance). Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Cabarrus Health Alliance, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As discussed in Note 7 to the financial statements, in 2022 the County adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Cabarrus County's basic financial statements. The combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards 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 and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2022 on our consideration of Cabarrus 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 Cabarrus 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 Cabarrus County's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 28, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS



Cabarrus County Management's Discussion and Analysis

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

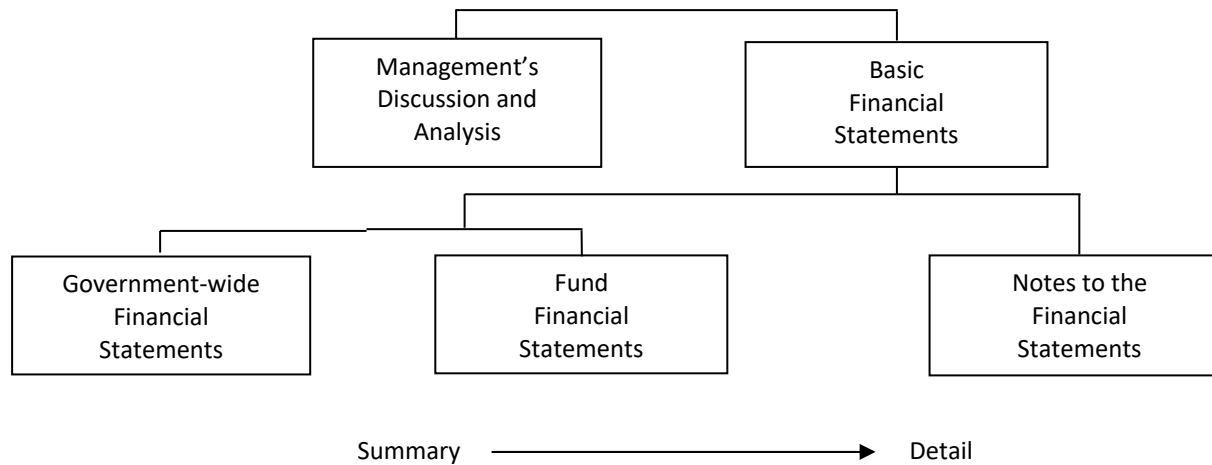
Financial Highlights

- On the government-wide Statement of Net Position, the assets and deferred outflows of resources of the County exceeded its liabilities, and deferred inflows of resources at the close of the fiscal year 2022 by \$53.5 million (*net position*). The County's net position is impacted considerably by the debt the County has issued on behalf of the School Systems and Community College to fund school capital outlay. Under North Carolina law, the County is responsible for providing capital funding for schools. The County has chosen to meet its legal obligation by issuing general obligation and installment purchase debt. The County funds the capital assets; however, the Schools Systems and Community College utilize them. Since the County, as the issuing government acquires no capital assets, the County has incurred a liability without a corresponding increase in assets. At the end of the fiscal year, the outstanding balance of school-related debt was \$264.1 million.
- The County's total net position increased by \$70.5 million, due to an increase in governmental activities of \$70.3 million and an increase in business-type activities of \$.2 million (Exhibit 1).
- As of the close of the 2022 fiscal year, the County's governmental funds reported combined ending fund balances of \$212.5 million after a net increase in fund balance of \$42.3 million. Approximately 51.9% of this total amount, or \$110.3 million, is restricted or non-spendable.
- At the end of the 2022 fiscal year, unassigned fund balance for the General Fund was \$72.6 million, or 19.8%, of total General Fund expenditures and transfers out for the fiscal year.
- Cabarrus County's total debt increased by \$28.6 million, or 1.6%, during the current fiscal year. Due to normal debt service payments, COPS and LOBS debt decreased by \$28.9 million, General Obligation Bond debt decreased by \$7.3 million, capital leases by \$113,170 and installment financing by \$176,043. A draw direct borrowing finance agreement was established this fiscal year, the current liability is \$13.2 million.
- Cabarrus County has installment bond ratings of AA / Aa2 / AA and general obligation bond ratings of AA+ / Aa1 / AA+.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Cabarrus County's basic financial statements. The County's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that is designed to enhance the reader's understanding of the financial condition of Cabarrus County.

Required Components of Annual Financial Report (Figure 1)



Basic Financial Statements

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

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

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's General Fund, non-major governmental funds, and internal service funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

Following the notes is the required supplemental information. This section contains funding information about the County's pension plans and other post-employment benefits.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the County's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. The only business-type activity fund is the landfill operations. The only component unit the County has is the Cabarrus Health Alliance. Cabarrus Health Alliance was incorporated under the Hospital Authority Act to provide public health care to the citizens and residents of the County. The Chairperson of the Board of Commissioners for Cabarrus County appoints the members of the Board of the Health Alliance.

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

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Cabarrus County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the NC General Statutes or the County's Budget Ordinance. All of the funds of Cabarrus County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a current financial resource focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

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

Proprietary Funds – Cabarrus County has two kinds of proprietary funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Cabarrus County uses an enterprise fund to account for landfill operations. This fund is the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities. *Internal Service Funds* are used to account for operations that provide services to other departments on a cost-reimbursement basis. Cabarrus County uses an internal service fund to account for self-insured hospitalization/dental and workers' compensation/property liability activities.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Cabarrus County has three fiduciary funds. Two are custodial funds and one Pension Trust Fund.

Notes to the Financial Statements – The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the County's non-major governmental funds and internal service funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statement.

Following the notes is the required supplemental information. This section contains funding information about the County's pension plans and other post-employment benefits.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The County's assets and deferred outflows of resources exceeded its liabilities, and deferred inflows of resources by \$53.5 million as of June 30, 2022. The County's net position increased by \$70.5 million in the same period. Net position is reported in three categories: net investment in capital assets, restricted and unrestricted.

One of the largest portions of net position reflects its Net Investment in Capital Assets (e.g., land, buildings, vehicles, equipment, and other machinery used in providing services to residents). These assets are not available for future spending. Although the County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. The amount reported as net investment in capital assets decreased from \$173.4 million in the prior year to \$156.4 million at June 30, 2022. The decrease is mainly attributable to an increase in new debt offset by the courthouse and other Construction in Progress projects.

The second reported category of net position is restricted net position. This category represents resources that are subject to specific external legal restrictions that limit the County's ability to access and use these funds beyond the purpose for which they were provided. Restricted net position totaled \$110.5 million at June 30, 2022, a \$12.7 million decrease from prior year. This decrease is primarily due to a deduction in the stabilization by state statute which represents the County's receivables and outstanding encumbrances. The County's Capital Project fund included \$58.6 million in encumbrances for the courthouse and other County projects that the County will use the draw direct borrowing finance agreement to pay. The County does not draw the funds until the invoices are paid.

The third category of the County's net position is reported as unrestricted. The balance is to be used to meet the government's ongoing obligation to citizens and creditors. At June 30, 2022, the County reported an unrestricted net position deficit of \$219.0 million. This amount is impacted by the portion of the County's outstanding debt incurred for the Cabarrus County and Kannapolis City School Systems and Rowan-Cabarrus Community College. Even though the debt was issued to finance school capital outlay, the Governmental Accounting Standards Board has determined that it is not capital debt of the County since it does not finance assets that are owned by the County. At June 30, 2022, \$264.1 million of the outstanding debt on the County's financial statements was related to assets included on the Schools Systems' and community college's financial statements. If this debt was not reported as a reduction of net position, the balance of unrestricted net position would be a surplus of \$45.1 million.

Net position does not present the County's position regarding spending, this amount is presented in the governmental fund's statements.

Cabarrus County's Net Position

Figure 2

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 306,562,046	\$ 229,963,113	\$ 7,328,426	\$ 7,253,030	\$ 313,890,472	\$ 237,216,143
Capital assets	303,560,586	237,169,103	2,284,446	2,129,154	305,845,032	239,298,257
Total assets	<u>610,122,632</u>	<u>467,132,216</u>	<u>9,612,872</u>	<u>9,382,184</u>	<u>619,735,504</u>	<u>476,514,400</u>
Deferred outflows of resources	<u>39,852,050</u>	<u>40,478,087</u>	<u>97,405</u>	<u>92,635</u>	<u>39,949,455</u>	<u>40,570,722</u>
Long-term liabilities outstanding	485,245,303	471,648,101	3,778,766	3,944,560	489,024,069	475,592,661
Other liabilities	81,574,534	45,866,943	190,222	82,854	81,764,756	45,949,797
Total liabilities	<u>566,819,837</u>	<u>517,515,044</u>	<u>3,968,988</u>	<u>4,027,414</u>	<u>570,788,825</u>	<u>521,542,458</u>
Deferred inflows of resources	<u>35,239,848</u>	<u>12,445,938</u>	<u>128,731</u>	<u>42,357</u>	<u>35,368,579</u>	<u>12,488,295</u>
Net Position						
Net investment in capital assets	156,428,797	171,326,199	2,284,446	2,129,154	158,713,243	173,455,353
Restricted	110,468,295	122,196,070	-	-	110,468,295	122,196,070
Unrestricted	(218,982,095)	(315,872,948)	3,328,112	3,275,892	(215,653,983)	(312,597,056)
Total net position	<u>\$ 47,914,997</u>	<u>\$ (22,350,679)</u>	<u>\$ 5,612,558</u>	<u>\$ 5,405,046</u>	<u>\$ 53,527,555</u>	<u>\$ (16,945,633)</u>

Several particular aspects of the County's financial operations positively influenced the total unrestricted governmental net position:

- Continued diligence in the collection of property taxes by maintaining a collection percentage above 98.0 percent
- Continued low cost of debt due to the County's high bond rating and the prevailing interest rate environment.
- Management's proactive stance on monitoring spending across County departments to ensure compliance with the budget.
- Conservative budget practices which resulted in over collection of sales tax and property tax.
- The main area of under budget expenses were in the area of County salary and fringe which were \$5.0 million under budget, due to unfilled positions and turnover.

Cabarrus County's Changes in Net Position

Figure 3

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	\$ 28,573,284	\$ 27,273,923	\$ 908,296	\$ 934,000	\$ 29,481,580	\$ 28,207,923
Operating grants and contributions	55,114,802	34,429,999	-	-	55,114,802	34,429,999
Capital grants and contributions	5,514,430	2,300,000	-	-	5,514,430	2,300,000
General revenues:						
Property taxes	229,030,987	221,375,407	-	-	229,030,987	221,375,407
Local option sales tax	72,616,470	62,507,935	-	-	72,616,470	62,507,935
ABC revenues	227,863	220,443	-	-	227,863	220,443
Other taxes and licenses	1,194,229	810,546	493,499	425,883	1,687,728	1,236,429
Investment earnings	(1,762,381)	259,485	8,374	16,040	(1,754,007)	275,525
Miscellaneous	1,399,291	312,545	116	-	1,399,407	312,545
Total revenues	<u>391,908,975</u>	<u>349,490,283</u>	<u>1,410,285</u>	<u>1,375,923</u>	<u>393,319,260</u>	<u>350,866,206</u>
Expenses:						
General government	42,088,592	33,792,440	-	-	42,088,592	33,792,440
Public safety	75,020,454	69,942,162	-	-	75,020,454	69,942,162
Economic and physical development	4,797,206	6,495,321	-	-	4,797,206	6,495,321
Environmental protection	122,163	879,312	-	-	122,163	879,312
Human services	55,574,511	45,911,170	-	-	55,574,511	45,911,170
Education	121,259,242	127,347,465	-	-	121,259,242	127,347,465
Cultural and recreation	9,956,155	9,484,202	-	-	9,956,155	9,484,202
Interest on long-term debt	12,271,921	13,264,142	-	-	12,271,921	13,264,142
Landfill	-	-	1,755,828	1,060,521	1,755,828	1,060,521
Total expenses	<u>321,090,244</u>	<u>307,116,214</u>	<u>1,755,828</u>	<u>1,060,521</u>	<u>322,846,072</u>	<u>308,176,735</u>
Change in net position before transfers	70,818,731	42,374,069	(345,543)	315,402	70,473,188	42,689,471
Transfers	(553,055)	-	553,055	-	-	-
Change in net position	<u>70,265,676</u>	<u>42,374,069</u>	<u>207,512</u>	<u>315,402</u>	<u>70,473,188</u>	<u>42,689,471</u>
Net position, beginning	(22,350,679)	(64,884,563)	5,405,046	5,089,644	(16,945,633)	(59,794,919)
Restatement	-	159,815	-	-	-	159,815
Net position, beginning, restated	<u>(22,350,679)</u>	<u>(64,724,748)</u>	<u>5,405,046</u>	<u>5,089,644</u>	<u>(16,945,633)</u>	<u>(59,635,104)</u>
Net position ending	<u>\$ 47,914,997</u>	<u>\$ (22,350,679)</u>	<u>\$ 5,612,558</u>	<u>\$ 5,405,046</u>	<u>\$ 53,527,555</u>	<u>\$ (16,945,633)</u>

Governmental Activities

For the fiscal year ended June 30, 2022, governmental activities increased the County's net position by \$70.3 million, and business-type activities increased net position by \$.2 million. As indicated on the previous page, the majority of the County's expenses were related to education (\$121.3 million, 38.0 percent), public safety (\$75.0 million, 23.5 percent) and human services (\$55.6 million, 17.4 percent).

Business-type Activities

The County's business-type activity, the Landfill, experienced a \$207,512, 3.8 percent increase in net position. Tipping fees decreased again in fiscal year 2022 by \$103,117 after the spike in revenues two fiscal years ago. Recycling revenues increased by \$57,637.

Total expenses increased \$695,307 from fiscal year 2021 due to engineering cost associated with the landfill expansion. There was also an increase in tire recycling cost.

Financial Analysis of the County's Funds

As noted earlier, Cabarrus County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The County's major funds, as defined by GAAP for the fiscal year ended June 30, 2022, were the *General Fund*, the *County Capital Project Fund*, and the *Cares Act Relief Fund*.

Governmental Funds. The focus of Cabarrus County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Cabarrus County's financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Cabarrus County. The County's total fund balance was \$177.8 million of which \$128.4 million was available for commitments, assignments, and appropriations. The governing body of Cabarrus County has determined that the County should maintain an available fund balance of 15% of General Fund expenditures in case of unforeseen needs or opportunities and to meet the cash flow needs of the County.

The County currently has an available fund balance of 40.2% of General Fund expenditures, while total fund balance represents 48.6% of that same amount. Of the \$147.1 million available fund balance, the County has restricted \$49.1 million (27.6%), committed \$49.5 million (27.9%) and assigned \$6.3 million (3.5%) for specific projects and obligations. Following the fund balance policy, \$49.2 million (27.7%) of the available fund balance has been set aside for working capital. This leaves \$23.4 million (13.2%) of fund balance remaining for appropriation, commitment, or assignment.

General Fund balance at June 30, 2022, increased \$55.4 million from the prior year. This net increase was primarily due to three factors:

- Ad valorem property taxes exceeded budgeted expectations by \$9.6 million (4.5 percent)
- Local option sales taxes exceeded budgeted expectations by \$11.6 million (18.9 percent)
- Operational efficiencies resulted in 10.2 percent of unspent budgeted expenditures

Major and Non-Major Funds. The *County Capital Projects Fund* (Major Fund) was created in FY2020 for the account tracking of County capital improvement projects. A Limited Obligation Bond draw program was established in February 2020 to finance a portion of the projects. Actual draws for fiscal year 2022 between LOBS 2022A and LOBS 2022B was \$47.7 million. Some of the major projects under construction are the Courthouse, EMS Headquarters, and Library/Senior Center. *General Fund, Construction and Renovation* (Non-Major Fund) and *Capital Reserve Fund* (Non-Major Fund) funding are also being used to fund the projects. During fiscal year 2022 \$55.2 million was spent towards the construction of these projects.

The *Cares Act Relief Fund* (Major Fund) was created in FY 2020 to record the funding received from the federal government to cover COVID-19 expenditures for the public health emergency. \$25.1 million was recognized as revenue and expended during the fiscal year ending June 30, 2022.

The *School Capital Projects Fund* (Non-Major Fund) was created in FY2020 for the account tracking of School capital improvement projects. A Limited Obligation Bond draw program was established in February 2020 to finance a portion of the projects. Actual draws for fiscal year 2022 was \$16.3 million. Some of the major projects under construction are a new Middle School and land for a future High School. *General Fund, School Construction Fund* (Non-Major Fund) and *Capital Reserve Fund* (Non-Major Fund) funding are also being used to fund the projects. During fiscal year 2022 \$15.5 million was spent towards the construction of these projects.

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust budgetary estimates; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund's budget amounted to an increase of \$29.0 Million. The majority of this increase is related to transfers out to fund various County and School Capital Projects.

At year-end, *actual* General Fund revenues and transfers exceeded the *final amended budget* numbers by 17.7 million (5.8%). Actual General Fund expenditures and transfers out were less than *final budgetary* figures by \$25.8 million (10.2%).

Proprietary Funds. Cabarrus County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. The Landfill Fund is the County's sole Enterprise fund. The Net position of the Landfill Fund increased by \$207,512 during the fiscal year ended June 30, 2022.

Capital Asset and Debt Administration

Capital assets. Cabarrus County's investment in capital assets for its governmental and business-type activities as of June 30, 2022, totals \$301.1 million (net of accumulated depreciation). These assets include buildings, building improvements, land, land improvements, reservoir, equipment, furniture and fixtures, vehicles, and construction in progress.

Major capital asset transactions during the year include:

- Purchased two vehicles for Building Maintenance, four for Infrastructure and Asset Management, eleven for Construction Standards, one for Animal Control, four ambulances and four vehicles for Emergency Medical Services, four for ground maintenance, five for human services, two for active living and parks, twenty-nine for Sheriff's Department and one Caterpillar Excavator for Landfill.
- Three land purchases – 11.75 acres at Milestone, parcels adjacent to Milestone Building and property on Cabarrus Avenue.
- Various Construction projects in progress at the end of the year were the new Court House, Public Safety Training Center, Government Center parking resurface, Jain Housing water heater replacement, Mount Pleasant Library project, new EMS Headquarters, new animal shelter, Frank Liske Park softball facilities, stormwater project, and Park Barn improvements, and Milestone Building renovations.

Cabarrus County's Capital Assets
(net of accumulated depreciation)

Figure 4

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 26,334,716	\$ 22,554,842	\$ 490,447	\$ 490,447	\$ 26,825,163	\$ 23,045,289
Land improvements	5,068,190	5,616,962	916,490	836,753	5,984,680	6,453,715
Buildings	123,865,504	121,916,108	754,265	785,679	124,619,769	122,701,787
Building improvements	16,132,317	14,496,425	-	-	16,132,317	14,496,425
Equipment	2,408,583	2,779,580	46,101	16,275	2,454,684	2,795,855
Furniture and fixtures	72,897	116,765	-	-	72,897	116,765
Vehicles	6,280,132	5,376,947	77,143	-	6,357,275	5,376,947
Reservoir	21,177,827	21,199,593	-	-	21,177,827	21,199,593
Construction in progress	97,464,350	43,111,881	-	-	97,464,350	43,111,881
Total	<u>\$ 298,804,516</u>	<u>\$ 237,169,103</u>	<u>\$ 2,284,446</u>	<u>\$ 2,129,154</u>	<u>\$ 301,088,962</u>	<u>\$ 239,298,257</u>

Additional information on the County's capital assets can be found in Note 2 section A (6) of the Basic Financial Statements.

Long-term Debt. As of June 30, 2022, Cabarrus County had total debt outstanding of \$489,024,069 which includes General Obligation Bonds that are backed by the full faith and credit of the County and other debt that is covered by pledged collateral and is subject to appropriation.

Cabarrus County's Outstanding Debt
All Debt Funding Sources
Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 29,479,041	\$ 36,745,541	\$ -	\$ -	\$ 29,479,041	\$ 36,745,541
Certificates of participation/ Limited obligation bonds	377,498,997	341,351,782	-	-	377,498,997	341,351,782
Capital lease obligations	4,911,157	334,435	-	-	4,911,157	334,435
Installment financing	2,438,718	2,389,979	-	-	2,438,718	2,389,979
Accrued landfill closure and postclosure care costs	-	-	3,565,878	3,646,223	3,565,878	3,646,223
Compensated absences	5,783,336	5,229,482	15,787	21,430	5,799,123	5,250,912
Net pension liability (LGERS)	12,744,949	29,456,310	48,616	112,361	12,793,565	29,568,671
Net pension liability (LEOSSA)	13,462,604	13,003,554	-	-	13,462,604	13,003,554
Total OPEB Liability	38,926,501	43,137,018	148,485	164,546	39,074,986	43,301,564
Total	\$ 485,245,303	\$ 471,648,101	\$ 3,778,766	\$ 3,944,560	\$ 489,024,069	\$ 475,592,661

Cabarrus County's total long-term obligations increased by \$13,431,408 (3.0%) during the past fiscal year. During FY2022, general obligation bonds decreased due to the refunding and new issuance of limited obligation bonds and draw program. Limited obligation bonds and the draw program increased \$36,147,215 (10.6%). There was an overall decrease in net in pension and OPEB liability of \$20,542,634 (23.9%).

As mentioned in the financial highlights section of this document, Cabarrus County maintained for the 12th consecutive year an Aa1 rating from Moody's and an AA+ rating from Fitch. For the 13th consecutive year, a rating of AA+ from Standard and Poor's has been maintained. These bond ratings are a clear indication of the sound financial condition of Cabarrus County.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to eight percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Cabarrus County is \$1,986,624,684 as of June 30, 2022. Additional information regarding Cabarrus County's long-term obligations can be found in the Notes to the Financial Statements.

Economic Factors and Next Year's Budgets and Rates

Cabarrus County is a part of the Charlotte Metropolitan Statistical Area (MSA), which continues to experience economic growth.

The following key indicators reflect the economic condition of the County:

- Unemployment for the County was 3.7% for June 2022, compared to 4.4% at June 2021. Comparable rates for the State of North Carolina were 3.4% and 4.6% respectively. The unemployment rate decrease can be attributable to recovering from COVID-19 pandemic lockdowns, the American Rescue Plan that supported small businesses and work-search rules set in place for new benefit filers.
- Population growth experienced an increase to approximately 231,278.
- A large diverse tax base with only 6.54% of assessed value attributed to the top ten taxpayers in the County.

These factors, as well as others, were considered when management prepared the County's budget ordinances for the 2023 fiscal year.

Budget Highlights for the Upcoming Fiscal Year Ending June 30, 2023

Governmental Activities: The FY23 budget maintained the property tax rate of 74 cents per \$100 of assessed valuation for a total budget of \$425,266,688, which is an increase of 8.21% over the FY2022 adopted budget. There were two primary revenue sources for the County, property taxes and sales taxes. Property taxes are expected to see a growth of approximately 6.45%. For sales tax revenues a growth of 8.51%.

The County directed new funding toward the following:

Personnel: The Most Important Commodity

To ensure we provide competitive compensation compared to other jurisdictions, the FY23 budget increases public safety salaries between 5 and 15 percent for 287 positions, including Deputy Sheriff, Senior Deputy Sheriff, Telecommunicators, Fire Captain and more. These adjustments are a result of the recently completed market study that compared our public safety pay rates to comparable cities and counties throughout North Carolina.

In addition, the budget also includes funds for a 1% cost-of-living adjustment for all employees and merit pay increases of up to 4% based on their individual performance. Competitive pay enables us to attract and retain high-quality employees to allow us to serve the community better.

The budget funds an additional 39 positions to address the County's rapid growth and increased workloads across County departments strengthening essential County services.

Additional funding of \$921,006 for the Cabarrus Health Alliance will allow the hiring of two (2) additional On-site Wastewater staff members to address substantial wait times for septic and well permits; two (2) Food and Lodging staff members to complete required inspections; and a school nurse for Roberta Road Middle School. This funding also covers inflationary costs for personnel.

Education: Key to a Thriving Community

We cannot overstate the importance of making strategic investments in our education partners: Cabarrus County Schools (CCS), Kannapolis City Schools (KCS) and Rowan-Cabarrus Community College (Rowan-Cabarrus).

As always, part of the investment helps attract and retain top educators.

The FY23 budget includes for Cabarrus County Schools (CCS) funding equivalent to 1% of the County-paid local supplement for certified staff. In addition to the supplement, the CCS budget includes additional funding to cover the rising costs of locally paid staff and technology; expenses for the new Roberta Road Middle School and Cabarrus Health Sciences Institute; and an additional \$561,000 to improve facilities and grounds maintenance. The CCS budget totals \$73.6 million, an increase of 3.6%. This budget also includes a 0.5% increase in the County-paid local supplement for certified staff employed by Kannapolis City Schools (KCS). The KCS budget totals \$8.9 million, an increase of 3.1%.

The County is required to provide equal per-pupil funding for residents choosing to attend a charter school. Charter school enrollment continues to rise, with an estimate of nearly 3,000 students. That's a 21% increase over the past three years. This results in total per-pupil funding of \$6.3 million for Charter Schools, an increase of 14.4%.

Rowan-Cabarrus serves nearly 19,000 students each year through 55 degrees, 36 diplomas and 101 certificate programs. The college plays a vital role in workforce and economic development within the County and region. Additional funding for utilities, personnel, and a new Building Automation Technician—co-funded by Rowan County—are included in the budget. This results in total funding of \$3.95 million, an increase of 5.3%.

Capital Projects: Funding for Preservation and Growth

The FY23 budget includes

- **\$38.2 million** from the General Fund to the Community Investment Fund (CIF) for current and future debt payments.
- **\$22.1 million** from the County's pay-as-you-go (PAYGO) program. PAYGO is the use of cash rather than debt to pay for needed capital projects. The County will not issue new debt in FY23, which is consistent with our every-other-year cycle. PAYGO will fund a significant number of essential projects, including:
 - **\$11.6 million** for various projects at County facilities. Examples include utility and RV lot improvements at the Cabarrus Arena and Events Center; paving the overflow parking lot at the Concord Senior Center, Concord; and tennis court renovations at Frank Liske Park.
 - **\$4.2 million** for Cabarrus County Schools to fund their Top 20 deferred maintenance projects. Project examples include multiple fire alarm system replacements, roof replacements and playground replacements. These projects would have a positive impact on 15 schools across the district.
 - **\$2.5 million** for Cabarrus County Schools to replace the roof at W.M. Irvin Elementary School and Harris Road Middle School. With these two projects, the County will have funded seven (7) complete roof replacements in the last two years.
 - **\$2.3 million** for Rowan-Cabarrus Community College to renovate Building 2000 for law enforcement, EMT/paramedic, and certified nursing assistant programs. Completion of this project will free up needed space on the 7th floor of the Sheriff's Administrative Building for their use.

- **\$2 million** to program and design a new public safety training facility adjacent to Frank Liske Park in Concord. The facility will assist local emergency medical services, fire departments, and law enforcement in meeting their training requirements. This project will be in partnership with Concord, Harrisburg, Kannapolis, and the volunteer fire departments. The County's share of construction costs for the project will be included in the FY24 budget.

- **\$1.5 million** for Kannapolis City Schools to fund various deferred maintenance projects including flooring replacements, security cameras and paving repairs.

While continued capital investments are necessary, it is important to set aside additional funding needed for the operation of the new facilities. The additional expenses will receive funding with current resources. Two years ago, the County used this budgeting method for the courthouse renovation/expansion project. Funds were budgeted for additional staffing and operating expenses, even though the facility would not open until 2023. Since then, these funds paid for one-time capital projects, allowing us to prevent facilities from unnecessary deterioration. With this budget, the funds shift fully to staffing and operating the new courthouse. Consistent with this approach, the budget sets aside \$3.2 million to cover a portion of the future operating expenses for the Library and Senior Center at Afton Ridge and the new behavioral health facilities in Kannapolis. These funds will become available for one-time capital projects until the facilities open.

Business-type Activities: The Landfill budget increased by \$87,309 or 4.2% from the FY2022 adopted budget. The increase is associated with normal increases in costs and services.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Department, Cabarrus County, 65 Church Street S, Concord, NC 28025. You can also call 704-920-2104 or visit our website at www.cabarruscounty.us.



BASIC FINANCIAL STATEMENTS



CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2022

Exhibit 1
Page 1 of 2

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 95,550,585	\$ 7,196,158	\$ 102,746,743	\$ 7,961,363
Investments	139,920,133	-	139,920,133	-
Receivables (net of allowance for uncollectibles):				
Accounts receivable	1,645,253	-	1,645,253	4,559,198
Customers	1,955,347	17,599	1,972,946	726,426
Interest	466,893	-	466,893	-
Property taxes	1,645,929	-	1,645,929	-
Leases	406,850	-	406,850	-
Due from other governments	24,456,207	114,669	24,570,876	172,662
Inventories	249,123	-	249,123	-
Prepaid items	26,018	-	26,018	-
Restricted cash and cash equivalents	39,719,681	-	39,719,681	433,264
Net Register of Deeds				
Supplemental retirement asset	520,027	-	520,027	-
Notes receivable	-	-	-	400,000
Capital assets:				
Land and construction in progress	123,799,066	490,447	124,289,513	748,536
Other capital assets, net of depreciation	175,005,450	1,793,999	176,799,449	-
Right to use leased assets, net of amortization	4,756,070	-	4,756,070	556,846
Total assets	610,122,632	9,612,872	619,735,504	15,558,295
DEFERRED OUTFLOWS OF RESOURCES	39,852,050	97,405	39,949,455	5,053,121
LIABILITIES				
Accounts payable and other current liabilities	19,903,031	190,222	20,093,253	1,162,467
Liabilities to be paid from restricted assets	-	-	-	433,264
Advance from grantor	54,159,127	-	54,159,127	-
Unearned revenue	413,100	-	413,100	-
Accrued interest payable	2,865,186	-	2,865,186	1,501
Retainage payable	4,234,090	-	4,234,090	-
Long-term liabilities:				
Due within one year	50,315,774	91,840	50,407,614	1,199,030
Due in more than one year	434,929,529	3,686,926	438,616,455	5,363,622
Total long-term liabilities	485,245,303	3,778,766	489,024,069	6,562,652
Total liabilities	566,819,837	3,968,988	570,788,825	8,159,884

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2022

Exhibit 1
Page 2 of 2

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
DEFERRED INFLOWS OF RESOURCES	35,239,848	128,731	35,368,579	4,200,110
NET POSITION				
Net investment in capital assets	156,428,797	2,284,446	158,713,243	748,536
Restricted for :				
Stabilization by state statute	89,107,678	-	89,107,678	3,136,129
Register of Deeds	375,178	-	375,178	-
Emergency Telephone 911	1,140,561	-	1,140,561	-
Public Safety	8,670,442	-	8,670,442	-
Community Development programs	46,845	-	46,845	-
Soil & Water programs	109,775	-	109,775	-
Social Services grants	97,007	-	97,007	-
School debt	10,113,912	-	10,113,912	-
Cultural & recreation	7,348	-	7,348	-
Health Services	280,472	-	280,472	-
Register of Deeds Pension Plan	519,077	-	519,077	-
Unrestricted	(218,982,095)	3,328,112	(215,653,983)	4,366,757
Total net position	\$ 47,914,997	\$ 5,612,558	\$ 53,527,555	\$ 8,251,422

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

EXHIBIT 2

Function/Program Activities	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental Activities:								
General government	\$ 42,088,592	\$ 6,038,781	\$ 15,680,687	\$ -	\$ (20,369,124)	\$ -	\$ (20,369,124)	
Public safety	75,020,454	18,374,612	1,445,842	-	(55,200,000)	-	(55,200,000)	
Economic and physical development	4,797,206	429,493	390,972	-	(3,976,741)	-	(3,976,741)	
Environmental protection	122,163	-	-	-	(122,163)	-	(122,163)	
Human services	55,574,511	1,203,123	36,543,413	-	(17,827,975)	-	(17,827,975)	
Education	121,259,242	1,725,446	726,977	5,514,430	(113,292,389)	-	(113,292,389)	
Culture and recreation	9,956,155	801,829	326,911	-	(8,827,415)	-	(8,827,415)	
Interest on long-term debt	12,271,921			-	(12,271,921)	-	(12,271,921)	
Total governmental activities	321,090,244	28,573,284	55,114,802	5,514,430	(231,887,728)	-	(231,887,728)	
Business-Type Activities:								
Solid Waste	1,755,828	908,296	-	-	-	(847,532)	(847,532)	
Total business-type activities	1,755,828	908,296	-	-	-	(847,532)	(847,532)	
Total primary government	\$ 322,846,072	\$ 29,481,580	\$ 55,114,802	\$ 5,514,430	(231,887,728)	(847,532)	(232,735,260)	
Component Unit:								
Cabarrus Health Alliance	\$ 28,601,445	\$ 9,513,438	\$ 20,060,871	\$ -	-	-	-	\$ 972,864
General Revenues:								
Property taxes					229,030,987	-	229,030,987	-
Local option sales tax					72,616,470	-	72,616,470	-
ABC revenues					227,863	-	227,863	-
Other taxes and licenses					1,194,229	493,499	1,687,728	-
Investment earnings					(1,762,381)	8,374	(1,754,007)	15,223
Miscellaneous					1,399,291	116	1,399,407	42,542
Total general revenues, excluding transfers					302,706,459	501,989	303,208,448	57,765
Transfers					(553,055)	553,055	-	-
Total general revenues and transfers					302,153,404	1,055,044	303,208,448	57,765
Change in net position					70,265,676	207,512	70,473,188	1,030,629
Net position, beginning,					(22,350,679)	5,405,046	(16,945,633)	7,220,793
Net position, ending					\$ 47,914,997	\$ 5,612,558	\$ 53,527,555	\$ 8,251,422

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

EXHIBIT 3
PAGE 1 OF 3

	General	Major County Capital Projects	CARES Act Relief	Non-Major Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 10,774,671	\$ 55,073,767	\$ -	\$ 17,852,740	\$ 83,701,178
Investments	139,920,133	-	-	-	139,920,133
Restricted cash	10,160,607	-	29,094,233	464,841	39,719,681
Receivables (net of allowance for uncollectible)					
Accounts receivable	1,610,929	1,726	-	32,598	1,645,253
Customers	1,955,347	-	-	-	1,955,347
Property taxes	1,645,929	-	-	-	1,645,929
Interest	270,243	-	-	-	270,243
Lease	406,850	-	-	-	406,850
Due from other governments	24,317,791	-	-	116,512	24,434,303
Prepaid items	9,175	-	-	13,220	22,395
Inventories	249,123	-	-	-	249,123
Total assets	<u>\$ 191,320,798</u>	<u>\$ 55,075,493</u>	<u>\$ 29,094,233</u>	<u>\$ 18,479,911</u>	<u>\$ 293,970,435</u>
LIABILITIES , DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ 8,924,681	\$ 6,267,116	\$ 295,860	\$ 2,596,935	\$ 18,084,592
Advance from grantor	160,754	25,200,000	28,798,373	-	54,159,127
Unearned revenue	-	-	-	413,100	413,100
Contract retainages	-	3,119,720	-	1,114,370	4,234,090
Total liabilities	<u>9,085,435</u>	<u>34,586,836</u>	<u>29,094,233</u>	<u>4,124,405</u>	<u>76,890,909</u>
DEFERRED INFLOWS OF RESOURCES	<u>4,481,678</u>	<u>-</u>	<u>-</u>	<u>113,452</u>	<u>4,595,130</u>
FUND BALANCES					
Nonspendable:					
Inventories	249,123	-	-	-	249,123
Prepaid items	9,175	-	-	13,220	22,395
Leases	562	-	-	-	562
Restricted:					
Stabilization by state statute	30,356,382	58,603,913	-	149,110	89,109,405
Register of Deeds Automation & Enhancement	-	-	-	375,178	375,178

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

EXHIBIT 3
PAGE 2 OF 3

	General	Major County Capital Projects	CARES Act Relief	Non-Major Other Governmental Funds	Total Governmental Funds
FUND BALANCES (continued)					
Restricted (continued):					
General government	98,435	-	-	-	98,435
Emergency Telephone 911	-	-	-	1,140,561	1,140,561
Public Safety	8,470,432	-	-	200,010	8,670,442
Community Development programs	-	-	-	46,845	46,845
Soil & Water programs	-	-	-	109,775	109,775
Social Services grants	97,007	-	-	-	97,007
School debt & construction	10,062,171	-	-	-	10,062,171
Cabarrus Arena & Events Center	-	-	-	51,741	51,741
Culture & recreation	7,348	-	-	-	7,348
Health Services	-	-	-	280,472	280,472
Committed:					
Capital Investment Fund	40,749,913	-	-	-	40,749,913
General government	1,714,853	-	-	-	1,714,853
Public safety	1,685,211	-	-	2,087,178	3,772,389
Economic & physical development	5,391,821	-	-	-	5,391,821
Human services	-	-	-	149,066	149,066
Education	-	-	-	7,381,209	7,381,209
Culture & recreation	-	-	-	300,000	300,000
Assigned:					
General government	5,754,560	-	-	-	5,754,560
Public safety	352,588	-	-	-	352,588
Economic & physical development	3,425	-	-	-	3,425
Human services	144,900	-	-	2,019,537	2,164,437
Culture & recreation	3,009	-	-	-	3,009
Unassigned	72,602,770	(38,115,256)	-	(61,848)	34,425,666
Total fund balances	177,753,685	20,488,657	-	14,242,054	212,484,396
Total liabilities, deferred inflows of resources, and fund balances	\$ 191,320,798	\$ 55,075,493	\$ 29,094,233	\$ 18,479,911	\$ 293,970,435

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
JUNE 30, 2022

EXHIBIT 3A
PAGE 3 OF 3

Total fund balances-total governmental funds		\$ 212,484,396
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Government capital assets	407,664,038	
Less accumulated depreciation	<u>(108,859,522)</u>	298,804,516
Right to use leased assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Government capital assets	5,881,913	
Less accumulated depreciation	<u>(1,125,843)</u>	4,756,070
Charges related to advance refunding bond issue		9,942,172
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.		
Deferred inflows of resources for taxes and ambulance receivables		3,601,276
Premium on debt issuance		<u>(27,908,384)</u>
Sales tax receivable for lease		21,904
Contributions and other costs to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position.		
Pension		19,663,654
Register of Deeds Supplemental Retirement		80,406
Benefit payments and pension administration costs for LEOSSA		4,293,985
Contributions and administration costs for OPEB are deferred outflows of resources		<u>5,871,832</u>
Internal service funds are used by management to charge the costs of self-insured hospitalization dental, Workers Compensation, and Liability Insurance to individual departments.		10,034,591
Pension related deferred inflows		(18,726,641)
OPEB related deferred inflows		<u>(15,519,350)</u>
Long-term liabilities, including bonds payable and other postemployment benefits, are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and other debt payable	(381,508,372)	
Accrued interest	(2,668,536)	
Lease Liability	(4,911,157)	
Compensated absences	(5,783,338)	
Net LEO Pension liability	(13,462,604)	
Net LGERS liability	(12,744,949)	
Net Register of Deeds Supplemental Retirement asset	520,027	
Net OPEB liability	<u>(38,926,501)</u>	<u>(459,485,430)</u>
Net position of governmental activities		<u>\$ 47,914,997</u>

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

EXHIBIT 4
PAGE 1 OF 3

	Major			Non-Major	
	General	County Capital Projects	CARES Act Relief	Other Governmental Funds	Total Governmental Funds
REVENUES					
Ad valorem taxes	\$ 222,604,848	\$ -	\$ -	\$ 7,176,829	\$ 229,781,677
Other taxes and licenses	73,810,699	-	-	-	73,810,699
Intergovernmental revenues	30,534,904	-	25,137,041	6,786,307	62,458,252
Permits and fees	10,813,501	-	-	-	10,813,501
Sales and services	13,745,027	-	-	2,075,484	15,820,511
Investment earnings	(1,816,363)	44,205	-	7,414	(1,764,744)
Donations	-	-	-	10,426	10,426
Miscellaneous	1,379,547	-	-	8,184	1,387,731
Total revenues	351,072,163	44,205	25,137,041	16,064,644	392,318,053
EXPENDITURES					
Current:					
General government	33,466,098	2,677,828	5,838,230	151,642	42,133,798
Public safety	50,842,327	666,265	10,000,000	6,904,628	68,413,220
Economic & physical development	4,592,526	-	-	97,820	4,690,346
Environmental protection	19,234	-	-	405	19,639
Human services	49,942,601	-	9,298,811	262,153	59,503,565
Culture and recreation	7,434,354	162,923	-	917,533	8,514,810
Education	90,671,859	-	-	30,587,383	121,259,242
Capital outlay	-	66,787,630	-	-	66,787,630
Debt service:					
Principal retirement	35,146,950	-	-	29,502	35,176,452
Interest and fees	11,989,010	-	-	262	11,989,272
Total expenditures	284,104,959	70,294,646	25,137,041	38,951,328	418,487,974
Excess (deficiency) of revenues over (under) expenditures	66,967,204	(70,250,441)	-	(22,886,684)	(26,169,921)

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

EXHIBIT 4
PAGE 2 OF 3

	Major			Non-Major	
	General	County Capital Projects	CARES Act Relief	Other Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)					
Debt proceeds	106,620,724	47,686,187	-	16,317,242	170,624,153
Payment to escrow agent	(105,672,677)	-	-	-	(105,672,677)
Lease liabilities issued	5,881,913	-	-	-	5,881,913
Transfers in	63,328,185	6,612,649	-	16,894,995	86,835,829
Transfers out	(81,767,784)	-	-	(7,472,421)	(89,240,205)
Total other financing sources (uses)	(11,609,639)	54,298,836	-	25,739,816	68,429,013
Net change in fund balances	55,357,565	(15,951,605)	-	2,853,132	42,259,092
Fund balance, July 1	122,396,120	36,440,262	-	11,388,922	170,225,304
Fund balance, June 30	<u>\$ 177,753,685</u>	<u>\$ 20,488,657</u>	<u>\$ -</u>	<u>\$ 14,242,054</u>	<u>\$ 212,484,396</u>

A legally budgeted Capital Investment Fund is consolidated into the General Fund for reporting purposes.

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

EXHIBIT 4A
PAGE 3 OF 3

Net change in fund balances-total governmental funds		\$ 42,259,092
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and depreciated over their estimated useful lives.		
Expenditures for capital assets	70,928,558	
Less current year depreciation	(8,856,214)	62,072,344
Right to use leased asset capital outlay expenditures which were capitalized	5,881,913	
Amortization expense for intangible assets	(1,125,843)	4,756,070
Changes in contributions and other costs to the pension plan		3,154,236
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Ambulance	330,827	
Property tax	(750,690)	(419,863)
Disposal of capital assets, net book value	(427,043)	(427,043)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This amount is the net effect of these differences in the treatment of:		
Debt proceeds	(170,624,153)	
New long-term debt issued	(5,881,913)	
Amortization of current year debt premium	2,150,762	
Principal payments	35,176,451	
Disbursement for refunding	105,672,677	
Deferred charge on refunding	(1,405,337)	(34,911,513)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences	(553,854)	
Law Enforcement Officers Pension Liability	(1,152,085)	
Local Government Employees Retirement System	(1,443,397)	
Register of Deeds Supplemental Retirement	1	
Other Postemployment Benefit Liability	(2,152,556)	
Accrued interest	298,699	(5,003,192)
Internal service funds are used by management to charge the cost of self-insured hospitalization dental, workers compensation, and liability systems to individual departments.		(1,214,455)
Changes in net position of governmental activities		\$ 70,265,676

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL****GENERAL FUND****FOR THE FISCAL YEAR ENDED JUNE 30, 2022****EXHIBIT 5****PAGE 1 OF 2**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Ad valorem taxes	\$ 213,023,933	\$ 213,023,933	\$ 222,604,848	\$ 9,580,915
Other taxes and licenses	39,310,492	39,310,492	46,362,082	7,051,590
Intergovernmental revenues	21,726,474	28,789,369	29,807,926	1,018,557
Permits and fees	9,630,442	9,630,442	10,813,501	1,183,059
Sales and services	13,104,565	13,136,825	13,745,027	608,202
Investment earnings	100,000	100,000	(1,865,628)	(1,965,628)
Miscellaneous	265,580	1,108,668	1,379,547	270,879
Total revenues	297,161,486	305,099,729	322,847,303	17,747,574
EXPENDITURES				
Current:				
General government	38,207,459	43,275,840	33,001,072	10,274,768
Public safety	58,004,918	56,473,109	50,842,327	5,630,782
Economic & physical development	6,332,370	6,670,355	4,592,526	2,077,829
Environmental protection	-	19,234	19,234	-
Human services	46,772,047	51,281,414	44,525,714	6,755,700
Education	89,041,903	89,500,788	89,451,859	48,929
Culture and recreation	6,992,025	8,492,008	7,434,354	1,057,654
Total expenditures	245,350,722	255,712,748	229,867,086	25,845,662
Excess (deficiency) of revenues over (under) expenditures	51,810,764	49,386,981	92,980,217	43,593,236
OTHER FINANCING SOURCES (USES)				
Transfers in	-	398,197	398,197	-
Transfers out	(51,810,764)	(70,450,120)	(70,450,120)	-
Fund balance appropriated	-	20,664,942	-	(20,664,942)
Total other financing sources (uses)	(51,810,764)	(49,386,981)	(70,051,923)	(20,664,942)

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL****GENERAL FUND****FOR THE FISCAL YEAR ENDED JUNE 30, 2022****EXHIBIT 5****PAGE 2 OF 2**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Net change in fund balance	\$ -	\$ -	22,928,294	\$ 22,928,294
Fund balance, July 1			103,914,871	
Fund balance, June 30			126,843,165	
A legally budgeted Community Investment Fund is consolidated into the General Fund for reporting purposes:				
Other taxes and licenses			27,448,617	
Intergovernmental revenues			726,978	
Investment earnings			49,265	
Expenditures			(55,567,873)	
Issuance of debt			96,825,000	
Premium on debt			9,795,724	
Transfer in - General Fund			55,867,085	
Transfer in - Other Funds			7,062,903	
Lease liabilities issued			5,881,913	
Transfer out			(11,317,664)	
Payment to escrow agent			(105,672,677)	
Fund balance, June 30			157,942,436	
Fund balance, July 1			18,481,249	
A legally budgeted principal debt service payment was made to a sinking fund held by a trustee in the County's name				
			1,330,000	
Fund Balance, Ending (Exhibit 4)			\$ 177,753,685	

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

EXHIBIT 6
PAGE 1 OF 2

	Business-type Activities Landfill Enterprise Fund	Governmental Activities Internal Service Funds
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 7,196,158	\$ 11,849,407
Receivables (net):		
Customers	17,599	-
Due from other governments	114,669	-
Prepaid expenses	-	3,623
Total current assets	7,328,426	11,853,030
Noncurrent assets:		
Land	490,447	-
Land improvements	2,376,141	-
Buildings & improvements	1,256,544	-
Vehicles and equipment	2,305,615	29,664
Less: Accumulated depreciation	(4,144,301)	(25,709)
Total noncurrent assets (net)	2,284,446	3,955
Total assets	9,612,872	11,856,985
DEFERRED OUTFLOWS OF RESOURCES		
Contributions to pension plan in fiscal year	75,007	-
OPEB deferrals	22,398	-
Total deferred outflows of resources	97,405	-
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	190,222	129,154
Landfill closure post closure costs	80,000	-
Compensated absences	11,840	-
Total current liabilities	282,062	129,154

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

EXHIBIT 6
PAGE 2 OF 2

	Business-type Activities Landfill Enterprise Fund	Governmental Activities Internal Service Funds
LIABILITIES (continued)		
Noncurrent liabilities:		
Net pension liability	48,616	-
Claims payable	-	1,689,285
Landfill closure post closure costs	3,485,878	-
Compensated absences	3,947	-
Total OPEB liability	148,485	-
Total noncurrent liabilities	<u>3,686,926</u>	<u>1,689,285</u>
 Total liabilities	 <u>3,968,988</u>	 <u>1,818,439</u>
 DEFERRED INFLOWS OF RESOURCES		
Pension deferrals	69,533	-
OPEB deferrals	<u>59,198</u>	<u>-</u>
Total deferred inflows of resources	<u>128,731</u>	<u>-</u>
 NET POSITION		
Net investment in capital assets	2,284,446	3,955
Unrestricted	<u>3,328,112</u>	<u>10,034,591</u>
 Total net position	 <u>\$ 5,612,558</u>	 <u>\$ 10,038,546</u>

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

EXHIBIT 7
PAGE 1 OF 2

	Business-type Activities Landfill Enterprise Fund	Governmental Activities Internal Service Funds
Operating revenues:		
Charges for sales and services:		
Tipping fees	\$ 655,101	\$ -
Items for sale	87,974	-
Waste disposal fees	107,584	-
Recycling revenues	57,637	-
Insurance premiums refunds	-	16,568,894
Program fees	-	31,276
Total operating revenues	<u>908,296</u>	<u>16,600,170</u>
Operating expenses:		
Salaries and benefits	749,023	-
Operations	864,374	19,673,339
Depreciation	142,431	-
Total operating expenses	<u>1,755,828</u>	<u>19,673,339</u>
Operating income (loss)	<u>(847,532)</u>	<u>(3,073,169)</u>
Nonoperating revenues:		
Landfill disposal tax	31,021	-
Landfill state tax distribution	52,363	-
Solid waste franchise fee	30,000	-
Tire disposal fees	380,115	-
Investment earnings	8,374	-
Miscellaneous revenue	116	11,347
Total nonoperating revenues	<u>501,989</u>	<u>11,347</u>

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

EXHIBIT 7
PAGE 2 OF 2

	Business-type Activities Landfill Enterprise Fund	Governmental Activities Internal Service Funds
Nonoperating expense - loss on disposal		
Income (loss) before contributions	(345,543)	(3,061,822)
Transfers:		
Transfer in - General Fund	553,055	2,000,000
Transfer out - General Fund	-	(148,680)
Change in net position	207,512	(1,210,502)
Total net position, July 1	5,405,046	11,249,048
Total net position, June 30	<u>\$ 5,612,558</u>	<u>\$ 10,038,546</u>

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

EXHIBIT 8
PAGE 1 OF 2

	Business-type Activities Landfill Enterprise Fund	Governmental Activities Internal Service Funds
Cash flows from operating activities:		
Cash received from customers	\$ 885,781	\$ 5,835
Cash received from departments	-	16,825,291
Cash paid to employees	(740,426)	-
Cash paid to suppliers for goods and services	(849,795)	(19,787,486)
Net cash provided for operating activities	(704,440)	(2,956,360)
Cash flows from non-capital and related financing activities:		
Transfer in	553,055	2,000,000
Transfer out	-	(148,680)
Non-capital grants and other subsidies	501,989	-
Net cash provided (used) by non-capital financing activities	1,055,044	1,851,320
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(297,723)	-
Net cash (used) by capital and related financing activities	(297,723)	-
Cash flows from investing activities:		
Interest received on investments	3,617	17,472
Net cash provided by investing activities	3,617	17,472
Net increase in cash and cash equivalents	56,498	(1,087,568)
Cash and cash equivalents, July 1	7,139,660	12,936,975
Cash and cash equivalents, June 30	\$ 7,196,158	\$ 11,849,407

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

EXHIBIT 8
PAGE 2 OF 2

	Business-type Activities Landfill Enterprise Fund	Governmental Activities Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ (847,532)	\$ (3,073,169)
Depreciation expense	142,431	5,933
Pension expense	57,332	-
Accounts receivable and prepaid expenses	-	230,957
Customers receivable	(5,772)	-
Due from other governments	(16,743)	-
Increase in pension liability	(63,745)	-
Accrued salaries and compensated absences payable	(5,643)	(120,081)
Accounts payable	107,366	-
Deferred inflows of resources (OPEB)	7,149	-
Landfill closure post-closure care cost	(80,345)	-
OPEB Liability	(16,061)	-
Deferred inflows of resources (OPEB)	17,123	-
Total adjustments	143,092	116,809
Net cash provided by operating activities	\$ (704,440)	\$ (2,956,360)

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

EXHIBIT 9

	Custodial Funds	OPEB Trust Fund
ASSETS		
Cash and cash equivalents	\$ 1,587,486	\$ 2,002,678
Accounts receivable	1,030,338	-
Total assets	2,617,824	2,002,678
NET POSITION		
Restricted for:		
Individuals, organizations, and other governments	2,617,824	2,002,678
Total fiduciary net position	<u>\$ 2,617,824</u>	<u>\$ 2,002,678</u>

The notes to the financial statements are an integral part of this statement.

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

EXHIBIT 10

	Custodial Funds	OPEB Trust Fund
ADDITIONS		
Employer contributions	\$ -	\$ 2,000,000
Investment income	-	2,678
Ad valorem taxes collected for other governments	118,611,082	-
Collections on behalf of inmates	869,622	-
Total additions	<u>119,480,704</u>	<u>2,002,678</u>
DEDUCTIONS		
Tax distributions to other governments	118,919,284	-
Payments on behalf of inmates	769,528	-
Total deductions	<u>119,688,812</u>	<u>-</u>
Net increase (decrease) in fiduciary net position	(208,108)	2,002,678
Net position - beginning	<u>2,825,932</u>	<u>-</u>
Net position - ending	<u>\$ 2,617,824</u>	<u>\$ 2,002,678</u>

The notes to the financial statements are an integral part of this statement.



NOTES TO THE FINANCIAL STATEMENTS



CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements and the following accounting policies of Cabarrus County, North Carolina (the "County") and its component units conform to accounting principles generally accepted in the United States of America as applicable to local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. 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 one hundred counties established in North Carolina under North Carolina General Statute 153A-10. As required by accounting principles generally accepted in the United States of America, these financial statements present the County and its component units, legally separate entities, for which the County is financially accountable. The Cabarrus Development Corporation, blended component unit, and the Cabarrus County Industrial Facility and Pollution Control Financing Authority, a discretely presented component unit, described below, have no financial transactions or account balances; therefore, they do not appear in the financial statements. The Cabarrus County Development Corporation was organized and shall be operated exclusively for the purpose of providing debt financing for the County, to fulfill various statutory obligations involving but not limited to, purchase and sale, construction and/or lease of real estate improvements, facilities, and equipment. The Cabarrus County Industrial Facility and Pollution Control Financing Authority exist to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented on the basic financial statements. The Public Health Authority of Cabarrus County, a discretely presented component unit described below, is reported in a separate column in the County's financial statements in order to emphasize that it is legally separate from the County.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Cabarrus Development Corporation	Blended	The Development Corporation is governed by a three-member Board of Directors who are established through the bylaws of the Articles of Incorporation. The Corporation exists to provide debt financing to the County.	None issued
Cabarrus County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven-member Board of Commissioners that is appointed by the County Commissioners. The County can remove any commissioner of the Authority with or without cause.	None issued
Public Health Authority of Cabarrus County d.b.a. Cabarrus Health Alliance	Discrete	Cabarrus Health Alliance (the "Alliance" was incorporated under the hospital authority act to provide public health care to the citizens and residents of the County. On April 20 th , 1998, the Cabarrus County Board by resolution authorized the transfer of powers, duties, and responsibilities to the Alliance for communicable disease control, environmental protection, and maintenance of vital records. The members of the Board of Alliance are appointed by the Chairperson of the Board of Commissioners for Cabarrus County. The County provides funding to the Alliance. The County funded the Alliance with 9,284,122 or 31.06% of its total revenues for the fiscal year ended June 30, 2022. A financial benefit or burden relationship exists between the Alliance and the County.	Cabarrus Health Alliance 300 Mooresville Road Kannapolis, NC 28081

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government's (the County's) and its component unit's net position. 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, although 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 and blended component units. 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 non-major 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. This fund accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Community Investment Fund is a legally budgeted fund under North Carolina General Statutes; however, for statement presentation, in accordance with GASB 54, it is consolidated in the General Fund.

County Capital Projects – constructs, renovates, and equips capital projects for the County through the use of debt and non-debt sources.

CARES Act Relief – This fund accounts for funding received from the federal government to cover COVID-19 expenditures for public health emergency.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

The County reports the following major proprietary fund:

Landfill Fund. This fund accounts for the operations that are financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

The County reports the following fund types:

Internal Service Fund. This fund accounts for operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The County has two internal service funds, the Medical and Dental Fund and the Property Liability and Workers' Compensation Fund.

Custodial Funds. These 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 Undistributed Taxes Fund and the Jail Commissary Fund. The Undistributed Taxes Fund is used to accumulate collected property taxes before they are distributed to local municipalities. The Jail Commissary Fund is used to account for an inmate's money deposited with the County when an inmate is housed at the County Detention Center. The money can be used by the inmate to purchase commissary items. Any unused monies are returned to the inmate upon their release.

Trust Funds. This fund is used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans or other postemployment benefit plans. The Other Postemployment Benefits Trust Fund accounts for the County's contributions for healthcare coverage provided to qualified retirees.

Special Revenue Funds. These funds account for revenue sources that are legally restricted or committed to expenditures for specific purposes (not including expendable trusts or major capital projects). As a result of the settlement of the OPIOID litigation and the Memorandum of Agreement between the State of North Carolina and local governments, Cabarrus County created one new special revenue fund. The County maintains the following non-major special revenue funds:

Emergency Telephone System – accounts for the receipt and disbursement of funds for the Cabarrus County Emergency 911 system.

Community Development Block Grant – accounts for the receipt and disbursement of grant funds from the Community Development Block Grant.

Cabarrus Arena and Events Center – accounts for the operations of the County owned Arena and Events Center and the annual Cabarrus County Fair.

Fire Districts – accounts for the receipt and disbursement of property taxes collected by Cabarrus County and then remitted to each fire department for the purpose of providing fire protection to a specific tax area.

Sheriff's Department – collects and appropriates federal and state funds received specifically for the Cabarrus County Sheriff's Department.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Department of Aging – collects and appropriates contributions and private donations received specifically for the Cabarrus County Department of Aging’s Senior Citizen programs and projects.

Social Services Fund - used to account for money deposited with the County through the social services department under a program which manages the financial affairs of persons unable or incapable of managing them on their own.

Intergovernmental Fund - used to accumulate fines and forfeitures before distributed to the local schools, and accounts for the accumulation of Register of Deeds fees that the County is required to remit to the State of North Carolina.

OPIOID – accounts for the receipt and expenditure of OPIOID Settlement Funds.

Capital Projects Funds. These funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The County maintains the following non-major capital projects funds:

Public School Building – collects state public school funds and lottery proceeds and disbursing the funds for smaller non-debt school capital projects.

Construction and Renovation – constructs, renovates, and equips larger capital projects for the County using debt and non-debt sources.

School Construction – accounts for planning, design, construction and/or renovation of schools using non-debt general or capital reserve funds.

Limited Obligation Bonds (LOBS) 2017 – This fund accounts for planning, design, construction and/or renovation of school and other capital projects that are funded by debt issued in 2017.

Limited Obligation Bonds (LOBS) 2018 – This fund accounts for planning, design, construction and/or renovation of school and other capital projects that are funded by debt issued in 2018.

School Capital Projects – This fund accounts for planning, design, construction and/or renovation of schools using debt and non-debt sources.

Small Projects – collects and appropriates General Fund revenues and federal and state grant funds received specifically for use by the appropriate Cabarrus County Department who has received the funds.

Cannon Memorial Library – collects and appropriates contributions and private donations received specifically for the Cabarrus County libraries to purchase books or to use on library programs and projects.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Measurement Focus – 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 fund and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide, proprietary fund 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 the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, 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 eligibility requirements have been satisfied.

In the Undistributed Tax Fund, a fiduciary custodial fund, ad valorem taxes related to various municipalities, for which the County bills and collects are recorded as a receivable in the period that the taxes are levied. An allowance for uncollectible accounts is also recorded.

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 enterprise funds are charges to customers for sales and services. 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 60 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. On June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, state law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013, and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes 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 are both restricted and unrestricted net positions 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.

C. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Community Investment Fund, the Cabarrus Arena and Events Center Special Revenue Fund, the Landfill Fund, the Social Services Payee Special Revenue Fund, the Intergovernmental Special Revenue Fund, the Fire Districts Special Revenue Fund, and the Emergency Telephone Special Revenue Fund, all annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the remaining special revenue funds and the capital projects funds. The County operates under a financial plan for the Medical and Dental and Property Liability and Workers' Compensation Internal Service Funds. The financial plans are adopted by the governing board at the time the County's budget ordinance was approved, as required by the General Statutes. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the function level for all annually budgeted funds and at the project level for the multi-year funds.

1. The County Manager may not distribute funds appropriated to a private entity until the County and the private entity enter into a written contract or agreement specifying the following:
 - The purposes for which the private entity may use the funds, which shall comply with the requirements of G.S. 153A-449(a) and N.C. Const. Art. V, Sec.
 - Requirements for accounting for the management and expenditure of County funds.
 - Any other fiscal or programmatic control deemed appropriate by the County Manager to ensure the lawful and appropriate spending and management of the County funds.
2. The County Manager, or his designee, may transfer moneys from one appropriation to another within the same fund. The County Manager must report such transfers to the Board of Commissioners at its next regular meeting and record such notice in the minutes.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

3. The Board of Commissioners must approve the use of any contingency appropriation within any fund except for the County Manager may authorize expenditures from contingency appropriations to fund an increase in charter school student enrollment. Expenditures from contingency appropriations authorized by the County Manager must be reported to the board at its next regular meeting and recorded in the minutes.
4. The County Manager, Budget Director, or designee may create debt-financing amendments from estimated projections upon approval by the Board of Commissioners of the debt financing and adjust as needed upon closing.
5. The County Manager or designee may enter into and execute change orders or amendments to construction contracts in amounts less than \$90,000 when the appropriate annual budget or capital project ordinance contains sufficient appropriated but unencumbered funds.
6. The County Manager or designee may execute contracts not required to be bid or which G.S. 143-131 allows an informal bid so long as the annual budget or appropriate capital project ordinance contains sufficient appropriated but unencumbered funds for such purposes.
7. The County Manager or designee may execute contracts with outside agencies to properly document budgeted appropriations to such agencies where G.S. 153A-248(b), 259, 449 and any similar statutes require such contracts.
8. The County Manager or designee may reject formal bids when deemed appropriate and in the best interest of Cabarrus County pursuant to G.S. 143-129(a).
9. The appropriations for Cabarrus County Schools and Kannapolis City Schools are allocated by category. Cabarrus County Schools and Kannapolis City Schools must obtain the approval of the Board of Commissioners for any amendment that would increase or decrease the amount of County appropriations allocated by category by more than ten percent.

In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the financial statements represent the final authorized amounts as of June 30, 2022.

Expenditures may not legally exceed budgeted appropriations at the functional level for all annually budgeted funds, financial plans, and multi-year funds. During the year, several supplementary appropriations were necessary. The net effect of the budget amendments from the adopted budget to the final amended budget was immaterial. The budget ordinance must be adopted by July 1 of the fiscal year, or the governing board must adopt an interim budget that covers the time until the annual ordinance can be adopted.

As required by General Statute (G.S.) 159-26(d), the County maintains encumbrance accounts, which are considered to be "budgetary accounts". Encumbrances represent commitments related to unperformed contracts and purchase orders for goods or services. Encumbrances are recognized during the year.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

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

1. Deposits and Investments

All deposits of the County and its component units are made in board-designated official depositories and are secured as required by G.S. 159-31. The County and its component units may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County and its component unit 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 and its component units 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).

General Statute 159-30.1 allows the County to establish and fund an irrevocable trust for the purpose of paying post-employment benefits (OPEB) for which the County is liable. The County Other Postemployment Benefit (OPEB) Trust is managed by the staff of the Department of the State Treasurer and operated in accordance with state laws and regulations. The Trust is not registered with the SEC. G.S. 159-30(g) allows the County to make contributions to the Trust. The State Treasurer in his discretion may invest the proceeds in equities of certain publicly held companies and long or short-term fixed income investments as detailed in G.S. 147-69.2(b) (1-6) and (8). Funds submitted are held on the State Treasurer's Short-Term Investment Fund (STIF). Allowable STIF investments are detailed in G.S. 147-69.1.

The County's and its component unit's investments with a maturity of more than one year at acquisition, and non-money market investments, are carried at fair value as determined by quoted market prices.

- The NC Capital Management Trust Government Portfolio, a SEC-registered 2a-7 money market mutual fund, is measured at fair value. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost. Non-participating interest earning investment contracts are reported at cost.
- Ownership of the STIF is determined on a fair marker valuation basis as of fiscal year-end in accordance with the STIF operating procedures. STIF investments are valued by the custodian using Level 2 inputs which in this case involves inputs-other than quoted prices-included with Level 1 that are either directly or indirectly observable for the asset or liability. The STIF is valued at \$1 per share. The STIF portfolio is unrated and has a weighted average maturity at June 30, 2022, of 1.3 years. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund.

2. Cash and Cash Equivalent

A centralized cash account is maintained and may be used by all funds except the Public-School Building Fund and the OPEB Trust Fund. Interest is allocated quarterly to the owning funds based on the average cash balances outstanding during the quarter. Public School Building Fund cash is held by the Department of State Treasurer, State of North Carolina, in a separate account upon which manual checks may be issued and/or drawdowns of funds may be made.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

The County, as well as the Cabarrus Health Alliance, pools monies from several funds to facilitate disbursement and investment and to maximize investment income. The County considers all demand deposits and investments with a maturity date of 90 days or less, at the time of purchase to be cash and cash equivalents.

3. Restricted Assets

Amounts on hand at year end for debt payments held in escrow by agent, Cares Relief Funding (ERAP and ARP), unexpended OPIOID settlement proceeds and the Cabarrus Arena Marketing funds, are re classified as restricted cash and cash equivalents on the Statement of Net Position and the Governmental Balance Sheet. The amounts are considered restricted because their use is expressly prohibited except for the original purpose of which the funds were received.

Governmental Activities		
General Fund	Debt payments held in escrow by agent	\$ 10,160,607
Cares Act Relief	Unspent ARP relief funds	26,616,212
Cares Act Relief	Unspent ERAP funds	2,478,021
OPIOID Settlement Funds	Unspent settlement proceeds	413,100
Cabarrus Arena and Events Center Fund	Unspent escrow	51,741
Total Restricted Cash		<u>\$ 39,719,681</u>

Cash and cash equivalents in the OPEB Trust Fund are considered restricted because it can only be used to pay other postemployment benefit obligations.

4. Ad Valorem Taxes Receivable

In accordance with G.S. 105-347 and G.S. 159-13(a), ad valorem taxes on property other than motor vehicles are levied on July 1, the beginning of the fiscal year, and are due on September 1; however, penalties and interest does not accrue until the following January 6. The taxes are based on the assessed values as of January 1, 2021. The legal lien date is January 1.

The County is permitted by North Carolina general statutes to levy taxes up to \$1.50 per \$100 assessed valuation for general governmental services. This limitation does not apply to debt service, court, and jail facilities, funding deficits, conducting elections, kindergarten to post-secondary public education, social services, or joint ventures with other political subdivisions in providing these functions, services, or activities. The County's tax rate for the 2021-2022 fiscal year was \$0.74 per \$100 valuation.

5. Lease Receivable

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

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

6. Allowances for Doubtful Accounts

Ad valorem taxes for the County and various municipalities for which the County bills, and Emergency Management Services 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.

Based on the County's collection history for Landfill accounts and the aging report as of June 30, 2022, the County expects the total accounts receivable for the Landfill to be collected. The County does not consider accounts uncollectible unless greater than three years. Therefore, an allowance for doubtful accounts has not been recorded for the Landfill. Of the total accounts receivable at June 30, 2022, two credit customers had a balance greater than 30 days past due. These accounts are expected to be paid in full.

7. Inventories and Prepaid items

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies and vehicle repair parts. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased. The Cabarrus Health Alliance maintains no inventory.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and expensed as the items are used.

8. Capital Assets

Capital assets are defined by the government as assets with an initial, minimum individual cost of \$5,000 and an estimated useful life more than one year. Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets received prior to June 15, 2015, are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2015, are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. The costs of normal maintenance and repair that do not add to the value of the assets or materially extend assets lives are not capitalized.

The County holds title to certain Cabarrus County and Kannapolis City Board of Education properties, which have not been included in capital assets. The properties have been deeded to the County to permit Certificates of Participation and installment financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Boards of Education give the Boards of Education full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Boards of Education once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Cabarrus County and Kannapolis City Boards of Education.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	40
Land improvements	15
Furniture and equipment	7
Reservoir	999
Vehicles and motorized equipment	7

Capital assets of the Cabarrus Health Alliance are depreciated over their useful live on a straight-line basis as follows:

<u>Assets</u>	<u>Years</u>
Office equipment	5
Computer equipment	5
Vehicles	5
Leasehold improvements	15

9. Right to use assets

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

10. 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 three items that meet this criterion – charges on debt refunding, 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 this criterion for this category – prepaid taxes, property tax receivable, ambulance receivable, other pension and OPEB related deferrals and lease receivable.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

11. 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 on the 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.

12. Compensated Absences

All permanent and probationary County and Cabarrus Health Alliance employees who are scheduled to work at least 1,000 hours during the calendar year receive vacation and sick leave benefits. The County's vacation policy allows for an unlimited accumulation of earned leave during the calendar year with a maximum of 240 hours (252 hours for 12-hour law enforcement personnel and 318 hours for fire fighter personnel) being carried over to January 1. Vacation exceeding 240 hours (252 hours for 12-hour law enforcement personnel and 318 hours for fire fighter personnel) is converted into sick leave after January 1st. Vacation leave is fully vested when earned. The County budgets and funds the current portion of accumulated vacation leave during each fiscal year. Vacation leave is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The County's and Cabarrus Health Alliance's sick leave policies also allow for unlimited accumulation of earned leave. Sick leave benefits do not vest but any unused leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. As there is not an obligation to pay sick leave until it is taken, no liability is recorded for these non-vested benefits.

13. OPIOID Settlement Funds

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

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 \$413,100 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. As of June 30, 2022, the County had not determined a spending strategy and funds are budgeted in an unallocated account.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

14. Reimbursements for Pandemic-related Expenditures

In Fiscal Year 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. Cabarrus County was awarded \$42,043,458 of fiscal recovery funds to be paid in two equal installments. The first installment of \$21,021,729 was received May 2021. The second installment \$21,027,729 was received June 2022. County staff and Board of Commissioners elected to support public health, mental health services, small businesses, non-profits and disproportionately impacted populations and communities and spending \$15,427,246 this includes the \$10 million standard allowance for lost revenue and used for payroll and covered benefits expenses for public safety employees.

15. Net Position/Fund Balances

a. Net Position

Net position in government-wide and proprietary financial statements is 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, or laws and regulations of other governments or imposed by law through state statute.

b. 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:

1. 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 ending inventories, which are not spendable resources.

Prepaid Items – portion of fund balance that is not an available resource because it represents the amount of payment of items that will be expensed in future fiscal years.

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

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

2. 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 nonspendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet. For the fiscal year ended June 30, 2022, \$4,157,419 was related to the General Fund and \$58,602,187 was for County Capital Projects Fund.

Restricted for Register of Deeds – portion of fund balance that is restricted by revenue source to pay for automation enhancement improvements in the Register of Deeds' office.

Restricted for General Government - portion of fund balance restricted by revenue source to be used for general government debt service payments and construction.

Restricted for Emergency Telephone – portion of fund balance restricted for expenditures to enhance the state's 911 system.

Restricted for Public Safety - portion of fund balance restricted by revenue source for unspent Federal Forfeiture Funds, Emergency Management Operations, State Criminal Alien Assistance Program, Animal Shelter Donations and support of the administration and activities of the inspection department

Restricted for Community Development Programs – portion of fund balance restricted by revenue source for community development low-income housing projects.

Restricted for Soil & Water Programs – portion of fund balance restricted by revenue source for unspent Conservation Grant proceeds used for Soil and Water Land conservation projects.

Restricted for Social Services – portion of fund balance restricted by revenue source for unspent for various grants.

Restricted for School Debt and Construction – portion of fund balance restricted by revenue source to be used for school debt service payments and construction.

Restricted for Cabarrus Arena & Events Center – portion of fund balance restricted by revenue source for use as an at-risk fund for the Cabarrus Arena and Events Center operations.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Restricted for Culture and Recreation – portion of fund balance restricted for Cannon Grant.

Restricted for Health Services – portion of fund balance restricted for funds received for Social Services Payees’.

Restricted net position on Exhibit 1 varies from restricted fund balance on Exhibit 3 as of June 30, 2022, by the amount of unspent debt proceeds of \$98,435 and Register of Deeds’ Pension Plan of \$519,077 for a net difference of \$420,642.

3. 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 Board of Commissioners is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Committed for Capital Investment Fund – portion of fund balance budgeted by the governing board to pay for future capital projects.

Committed for General Government – portion of fund balance budgeted by the governing board for support services to County Departments.

Committed for Public Safety – portion of fund balance committed by the governing board by revenue source to pay for law enforcement and other emergency services.

Committed for Economic & Physical Development – portion of fund balance committed by the governing board for economic development expenditures.

Committed for Human Services – portion of fund balance committed by the governing board for Department of Human Services and Aging projects.

Committed for Education – portion of fund balance committed by the governing board for planning, designing and construction of public schools.

Committed for Culture & Recreation – portion of fund balance committed by the governing board for building improvements at the arena.

4. Assigned Fund Balance

The County’s governing body has the authority to assign fund balance. The Manager and Deputy County Managers, as granted in the officially adopted budget ordinance, have been granted limited authority to assign fund balance.

Assigned for General Government – portion of fund balance that is intended to be used for 1) property tax appeals 2) extraordinary circumstances 3) pending and potential claims and 4) uncompleted projects budgeted in subsequent years expenditures.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Assigned for Public Safety – portion of fund balance intended to be used for uncompleted Emergency Medical Services and Sheriff Department projects.

Assigned for Economic and Physical Development – portion of fund balance intended to be used for economic development projects.

Assigned for Human Services – portion of fund intended to be used for Department of Human Services uncompleted projects.

Assigned for Culture and Recreation – portion of fund balance intended to be used for Library equipment.

5. Unassigned Fund Balance

Unassigned fund balance represents the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. Only the General Fund may report a positive unassigned fund balance. In other governmental funds, 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.

Cabarrus County has revenue spending procedures that provide guidance for programs with multiple revenue sources. The Finance Director will use resources in the following order: bond/debt proceeds, federal funds, state funds, local funds, 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 Director 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.

Cabarrus County has a Fund Balance Policy. On June 14, 2005 (revised March 15, 2010), the Board of Commissioners adopted a resolution formalizing the following fiscal management policies to be incorporated into the County's budget document beginning with the 2006 fiscal year:

1. Recurring, operational expenses of the County government will only be funded through recurring revenue sources.
2. The County will maintain an undesignated fund balance equal to 15% of General Fund expenditures; and
3. Upon the completion of the annual audit of the County finances, any undesignated fund balance above 15% will be transferred to the Community Investment Fund, to reduce reliance on debt financing; or to the Self-Funded Hospitalization Fund, the Self-Funded Liability Fund or the Self-Funded Workers' Compensation Fund as required to maintain the integrity of those funds.
4. Notwithstanding the requirements of items 1, 2, and 3 above, fund balance may be appropriated for any use in the General Fund to overcome revenue shortfalls related to significant downturns in the economy.

On June 18, 2019, the Board of Commissioners adopted a resolution formalizing the following fiscal management policies to be incorporated into the County's budget document beginning with the 2019 fiscal year:

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

If unassigned fund balance at the end of the current fiscal year is less than the approved fund balance level, the deficiency should be replenished in the coming fiscal years, not to exceed a total of three consecutive years.

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	\$ 177,753,685
Less:	
Inventories	249,123
Prepaid items	9,175
Leases	562
Stabilization by state statute	30,356,382
Restricted for debt payments	10,160,607
Restricted for Building Inspections	8,434,289
Committed for Community Investment Fund	40,749,913
Committed for unpaid tax incentives	5,356,821
Committed for future pension payments	1,576,476
Uncompleted FY22 projects	1,999,085
General Government assignments	6,258,482
Working Capital/Fund Balance policy	49,200,747
Fund balance remaining for appropriation	<u>\$ 23,402,023</u>

16. Defined Benefit Pension Plans

The County participates in three cost-sharing, multiple employers, defined benefit pension plans that are administered by the state: the Local Governmental Employees' Retirement System (LERS) the Register of Deeds' Supplemental Pension Fund (RODSPF), (collectively the "state-administered defined benefit pension plans") and one other postemployment benefit plan (OPEB), the Healthcare Benefits Plan (HCB). For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows or 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 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. For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the HCB and additions to/deductions from the HCB's fiduciary net position have been determined on the same basis as they are reported by the HCB. For this purpose, the HCB recognizes benefit payments when due and payable in accordance with the benefit terms. Investments for all plans are reported at fair value.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

E. Management Estimates

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

F. Other Resources

The General Fund provides the basis of local resources for other governmental funds. These transactions are recorded as “Transfers-out” in the General Fund and “Transfers-in” in the receiving fund.

G. Comparative Data/Reclassifications

Comparative data for the prior years have been presented in the Management Discussion and Analysis report, the Notes to the Financial Statements and Statistical Tables in order to provide an understanding of the changes in the financial position and operations of the County. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year’s presentation.

NOTE 2. DETAIL NOTES ON ALL FUNDS

A. Assets

1. Deposits

All of the County’s and its component unit’s deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the County’s agents in these units’ names. 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 and its component units, these deposits are considered to be held by their agents in the entities’ names. The amount of pledged collateral is based on an approved averaging method for noninterest-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, its component units, or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the County or its component units 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. Cabarrus County has no formal policy regarding custodial credit risk for deposits but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The Cabarrus Health Alliance has no formal policy regarding custodial credit risk for deposits.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

At June 30, 2022, the carrying amount of the County's bank deposits, including custodial fund, was \$52,800,558 and the bank balance was \$52,649,311. Of the bank balance, \$821,446 was covered by federal depository insurance, and \$51,827,865 was covered by collateral, held by authorized escrow agents in the name of the County, under the Pooling Method. At June 30, 2022, the County had \$9,464 cash on hand.

At June 30, 2022, the carrying amount of the Cabarrus Health Alliance's bank deposits was \$992,170 and the bank balance was \$1,231,170. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. At June 30, 2022, the Cabarrus Health Alliance had \$3,600 of cash on hand.

2. Investments

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

Investment Type	Valuation Measurement Method ^{2,3}	Fair Value	Less Than 6 Months	6-12 Months	1-3 Years	4-5 Years
US Government Agencies	Fair Value-Level 2	\$ 46,007,558	\$ -	\$ -	\$ 29,385,283	\$ 16,622,275
Commercial Paper	Fair Value-Level 2	93,912,575	-	93,912,575	-	-
NC Capital Management Trust:						-
Government Portfolio ¹	Fair Value-Level 1	91,243,889	91,243,889	-	-	-
Total		\$ 231,164,021	\$ 91,243,889	\$ 93,912,575	\$ 29,385,283	\$ 16,622,275

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level Two: Debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits at least half of the County's investment portfolio to maturities of less than 12 months. Also, the County's investment policy requires purchases of securities to be laddered with staggered maturity dates and limits all securities to a final maturity of no more than five years.

Credit Risk. The County's investment policy limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2022, The County's investment in commercial paper were rated A-1 by Standard & Poor's, F-1 by Fitch Ratings, and P-1 by Moody's Investors Service. The County's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard & Poor's and AAA-mf by Moody's Investor Service as of June 30, 2022. The County's investment in US Agencies (Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association) are rated Aaa and Federal Farm Credit Bank is rated AA+ by Moody's Investors Service.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Custodial Credit Risk. For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's formal policy indicates that the County shall utilize a third-party custodial agent for book entry transactions, all of which shall be a trust department authorized to do trust work in North Carolina who has an account with the Federal Reserve. Certificated securities shall be in the custody of the designated investment officer.

Concentration of Credit Risk. With the exception of U.S. Treasury securities, U.S agencies and authorized pools, Cabarrus County's investment policy does not allow for commercial paper investments in any one issuer in excess of 10% of the County's total investments. Forty percent of the County's investments are held in commercial paper, twenty percent in governmental agencies, thirty-nine percent in North Carolina Capital Management Trust.

At June 30, 2022, the Cabarrus Health Alliance's investments consisted of \$7,398,857 in the North Carolina Capital Management Trust's Government Portfolio, which carried a credit rating of AAA by Standard and Poor's. The Government portfolio's valuation measurement method is amortized cost. The Cabarrus Health Alliance does not have a formal policy regarding credit risk or interest rate risk.

3. OPEB Trust Fund

At June 30, 2022, the County's health Care Plan has \$2,002,678 invested in the North Carolina State Treasurer's Local Government Other Post-Employment (OPEB) Trust pursuant to G.S. 15-30.1. The State Treasurer's OPEB Trust may invest in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year-end, the County's OPEB Trust was invested as follows: State Treasurer's Short Term Investment Fund (STIF) 100%, which is reported as cash and cash equivalents.

Level of the Fair Value Hierarchy: Ownership of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with STIF operating procedures. STIF investments are valued by the custodian using Level 2 inputs which in this case involves inputs-other than quoted prices-included within Level 1 that are either directly or indirectly observable for the asset or liability. The STIF is valued at \$1 per shar. The STIF portfolio is unrated and had a weighted average maturity at June 30, 2022, of 1.3 years.

Valuation Technique: North Carolina Department of State Treasurer OPEB Trust investments are measured using the market approach: using prices and other relevant information generated by marker transactions involving identical or comparable assets or group of assets.

Interest Rate Risk – The County does not have a formal investment interest rate policy for the OPEB Trust Fund that manages its exposure to fair value losses arising from increasing interest rates. The State Treasurer's STIF is unrated and had a weighted average maturity of 1.3 years at June 30, 2022.

Credit Risk – The County does not have a formal investment policy regarding credit risk for the HCB Pan Fund. The STIF is unrated and authorized under NC General Statute 147-69.1. The State Treasurer's STIF is invested in highly liquid fixed income securities consisting primarily of short to intermediate term treasuries, agencies, and money market instruments.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

4. Property Tax-Use-Value Assessment on Certain Lands

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

Year Levied	Tax	Interest	Total
2019	\$ 5,988,249	\$ 1,422,209	\$ 7,410,458
2020	6,645,007	980,139	7,625,146
2021	6,575,977	378,119	6,954,096
2022	6,681,223	-	6,681,223
Total	<u>\$ 25,890,456</u>	<u>\$ 2,780,466</u>	<u>\$ 28,670,924</u>

5. Receivables

a. Government-wide Receivables

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

	Accounts	Customers	Lease Receivable	Due from other Governments	Taxes and Interest	Total
Governmental Activities:						
General	\$ 1,612,655	\$ 10,721,889	\$ 406,850	\$ 24,434,303	\$ 3,944,314	\$ 41,120,011
Other governmental	32,598	-	-	21,904	-	54,502
Total receivables	1,645,253	10,721,889	406,850	24,456,207	3,944,314	41,174,513
Allowance for doubtful accounts	-	(8,766,542)	-	-	(1,831,492)	(10,598,034)
Total-governmental activities	<u>\$ 1,645,253</u>	<u>\$ 1,955,347</u>	<u>\$ 406,850</u>	<u>\$ 24,456,207</u>	<u>\$ 2,112,822</u>	<u>\$ 30,576,479</u>
Business-type Activities:						
Landfill	<u>\$ -</u>	<u>\$ 17,599</u>	<u>\$ -</u>	<u>\$ 114,669</u>	<u>\$ -</u>	<u>\$ 132,268</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

On July 01, 2021, the County entered in to a 72-month lease as Lessor for the use of AT&T Cell Tower Lease – 698 Walker Road. An initial lease receivable was recorded in the amount of \$131,352. As of June 30, 2022, the value of the lease receivable is \$111,304 and accrued interest receivable is \$58. The lessee is required to make monthly fixed payments of \$1,700. The lease has an interest rate of 0.3160%. The County recognized lease revenue of \$20,049 and \$351 interest revenue during the fiscal year. The lessee has 3 extension option(s), each for 60 months.

On July 01, 2021, the County entered in to a 42-month lease as Lessor for the use of Office Space – 715 Cabarrus Avenue – USDA. An initial lease receivable was recorded in the amount of \$112,379. As of June 30, 2022, the value of the lease receivable is \$80,567 and accrued interest receivable \$118. The lessee is required to make monthly fixed payments of \$2,717. The lease has an interest rate of 0.8930%. The County recognized lease revenue of \$31,810 and \$790 interest revenue during the fiscal year.

On July 01, 2021, the County entered in to a 37-month lease as Lessor for the use of Verizon Tower – 700 Walker Road. An initial lease receivable was recorded in the amount of \$82,671. As of June 30, 2022, the value of the lease receivable is \$56,735, and accrued interest receivable \$67. The lessee is required to make monthly fixed payments of \$2,200. The lease has an interest rate of 0.7268%. The County recognized lease revenue of \$25,936 and \$464 interest revenue during the fiscal year.

On July 01, 2021, the County entered in to a 76-month lease as Lessor for the use of Verizon Tower – Rockwell Circle. An initial lease receivable was recorded in the amount of \$185,100. As of June 30, 2022, the value of the lease receivable is \$158,244, and accrued interest receivable \$319. The lessee is required to make monthly fixed payments of \$2,388. The lease has an interest rate of 1.2166%. The County recognized lease revenue of \$26,856 and \$1,940 interest revenue during the fiscal year. The lessee has 3 extension options(s), each for 60 months.

Fiscal Year	Lease Receivables		
	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 107,805	\$ 3,006	\$ 110,812
2024	109,281	2,118	111,399
2025	72,394	1,305	73,698
2026	52,786	824	53,610
2027	53,856	377	54,233
2028 - 2029	10,729	27	10,756
Total	<u>\$ 406,850</u>	<u>\$ 7,658</u>	<u>\$ 414,508</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

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

	Governmental Activities	Business Type Activities
Local option sales tax	\$ 15,967,838	\$ -
Motor vehicle tax	2,983,627	-
Grants	509,578	-
Other	4,995,164	-
Solid waste disposal tax	-	12,140
Scrap tire tax	-	102,529
Total	<u>\$ 24,456,207</u>	<u>\$ 114,669</u>

Discretely Presented Component Unit CHA

Receivables at the government-wide level for the Cabarrus Health Alliance at June 30, 2022, were as follows:

	Accounts	Customers	Taxes	Total
Governmental Activities:				
General	\$ 4,559,198	\$ 926,877	\$ 172,662	\$ 5,658,737
Allowance for doubtful accounts	-	(200,451)	-	(200,451)
Total-governmental activities	<u>\$ 4,559,198</u>	<u>\$ 726,426</u>	<u>\$ 172,662</u>	<u>\$ 5,458,286</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

6. Capital Assets

1. Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 22,554,842	\$ 3,779,874	\$ -	\$ 26,334,716
Construction in progress	43,111,882	56,354,786	(2,002,318)	97,464,350
Total capital assets not being depreciated	<u>65,666,724</u>	<u>60,134,660</u>	<u>(2,002,318)</u>	<u>123,799,066</u>
Capital assets being depreciated:				
Buildings	175,015,044	6,632,875	(704,635)	180,943,284
Building improvements	22,541,763	2,420,542	(158,591)	24,803,714
Equipment	22,083,285	787,072	(36,065)	22,834,292
Furniture and fixtures	1,477,815	-	-	1,477,815
Land improvements	13,225,146	10,778	-	13,235,924
Vehicles	17,121,168	2,944,949	(1,239,904)	18,826,213
Reservoir	21,743,730	-	-	21,743,730
Total capital assets being depreciated	<u>273,207,951</u>	<u>12,796,216</u>	<u>(2,139,195)</u>	<u>283,864,972</u>
Less accumulated depreciation for:				
Buildings	53,098,936	4,401,625	(424,249)	57,076,312
Building improvements	8,045,338	673,940	(50,659)	8,668,619
Equipment	19,303,705	1,158,069	(36,065)	20,425,709
Furniture and fixtures	1,361,050	43,868	-	1,404,918
Land Improvements	7,608,184	559,550	-	8,167,734
Vehicles	11,744,221	1,967,789	(1,191,290)	12,520,720
Reservoir	544,137	21,766	-	565,903
Total accumulated depreciation	<u>101,705,571</u>	<u>8,826,607</u>	<u>(1,702,263)</u>	<u>108,829,915</u>
Total capital assets, being depreciated, net	<u>171,502,380</u>	<u>3,969,609</u>	<u>(436,932)</u>	<u>175,035,057</u>
Governmental and Internal Service Fund Capital Assets, net	<u>\$ 237,169,104</u>	<u>\$ 64,104,269</u>	<u>\$ (2,439,250)</u>	<u>\$ 298,834,123</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

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

Governmental activities:	
General government	\$ 1,732,404
Public safety	5,381,134
Economic & physical development	42,028
Environmental protection development	75,816
Human services	323,187
Culture & recreation	1,301,645
Total depreciation expense - governmental & internal services activities	<u>\$ 8,856,214</u>

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

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	<u>\$ 490,447</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 490,447</u>
Capital assets, being depreciated:				
Land improvements	2,199,396	176,745	-	2,376,141
Vehicles	1,922,279	80,000	-	2,002,279
Equipment	262,358	40,978	-	303,336
Buildings	1,256,544	-	-	1,256,544
Total capital assets, being depreciated	<u>5,640,577</u>	<u>297,723</u>	<u>-</u>	<u>5,938,300</u>
Less accumulated depreciation for:				
Land improvements	1,362,643	97,008	-	1,459,651
Vehicles	1,922,279	2,857	-	1,925,136
Equipment	246,083	11,152	-	257,235
Buildings	470,865	31,414	-	502,279
Total accumulated depreciation	<u>4,001,870</u>	<u>142,431</u>	<u>-</u>	<u>4,144,301</u>
Total capital assets, being depreciated, net	<u>1,638,707</u>	<u>155,292</u>	<u>-</u>	<u>1,793,999</u>
Proprietary capital assets, net	<u>\$ 2,129,154</u>	<u>\$ 155,292</u>	<u>\$ -</u>	<u>\$ 2,284,446</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Construction Commitments

The government has active construction projects as of June 30, 2022. The projects include New School Construction (Mt. Pleasant High School paving project, New Middle School), Cabarrus County Courthouse, Frank Liske Park Barn Replacement, New Ems Headquarters Building, and New Operation Center Building. At year-end, the government's commitments with contractors are as follows:

	Spent-To-Date	Remaining Commitment
School new construction	\$ 44,155,492	\$ 1,755,303
Frank Liske Park Barn Replacement	545,394	4,675,106
EMS Headquarters	5,481,436	11,792,540
Operations Center Building	148,856	7,177,303
Cabarrus County Courthouse	71,529,474	22,248,251
Total	<u>\$ 121,860,652</u>	<u>\$ 47,648,503</u>

Discretely Presented Component Unit

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, being depreciated:				
Furniture and fixtures	\$ 391,287	\$ -	\$ -	\$ 391,287
Vehicles	578,160	135,859	(10,346)	703,673
Equipment	1,392,942	310,166	(291,046)	1,412,062
Land improvements	600,505	18,422	-	618,927
Total capital assets being depreciated	<u>2,962,894</u>	<u>464,447</u>	<u>(301,392)</u>	<u>3,125,949</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Less accumulated depreciation:				
Furniture and fixtures	365,385	15,712	-	381,097
Vehicles	401,810	61,646	(10,346)	453,110
Equipment	1,114,375	118,962	(291,046)	942,291
Land improvements	600,033	882	-	600,915
Total accumulated depreciation	<u>2,481,603</u>	<u>197,202</u>	<u>(301,392)</u>	<u>2,377,413</u>
 Total governmental activities, being depreciated (net)	<u>481,291</u>	<u>267,245</u>	<u>-</u>	<u>748,536</u>
 Governmental capital assets, net	<u>\$ 481,291</u>	<u>\$ 267,245</u>	<u>\$ -</u>	<u>\$ 748,536</u>

7. Right to Use Leased Assets

The County has recorded four right to use leased assets. The assets are right to use assets for leased equipment and buildings. The related leases are discussed in the Leases subsection of the long-term obligation sections of this note. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

Right to Use Lease Asset Activity for the Primary Government for the year ended June 30, 2022, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Right to use assets				
Leased equipment	\$ -	\$ 579,173	\$ -	\$ 579,173
Leased building	-	5,302,740	-	5,302,740
Total right to use assets	<u>-</u>	<u>5,881,913</u>	<u>-</u>	<u>5,881,913</u>
Less accumulated amortization for:				
Leased equipment	-	232,178	-	232,178
Leased building	-	893,665	-	893,665
Total accumulated amortization	<u>-</u>	<u>1,125,843</u>	<u>-</u>	<u>1,125,843</u>
Right to use assets, net	<u>\$ -</u>	<u>\$ 4,756,070</u>	<u>\$ -</u>	<u>\$ 4,756,070</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

B. Liabilities

1. Payables

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

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Other</u>	<u>Total</u>
Governmental Activities:				
General	\$ 5,075,289	\$ 3,124,534	\$ 2,543,297	\$ 10,743,120
County Capital Projects	6,267,116	-	-	6,267,116
Cares Act Relief Fund	-	13,636	282,225	295,861
Other governmental	2,319,326	4,479	273,129	2,596,934
Total-governmental activities	<u>\$ 13,661,731</u>	<u>\$ 3,142,649</u>	<u>\$ 3,098,651</u>	<u>\$ 19,903,031</u>
Business-type activities				
Landfill	<u>\$ 166,360</u>	<u>\$ 23,862</u>	<u>\$ -</u>	<u>\$ 190,222</u>

Payables at the government-wide level for the Cabarrus Health Alliance at June 30, 2022, were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Total</u>
Governmental Activities:			
General	<u>\$ 375,629</u>	<u>\$ 786,838</u>	<u>\$ 1,162,467</u>

2. Pension Plan and Other Postemployment Obligations

a. Local Governmental Employees' Retirement System

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

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

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

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in 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 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Cabarrus County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. Cabarrus County's contractually required contribution rate for the year ended June 30, 2022, was 12.10% of compensation for law enforcement officers and 11.35% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Cabarrus County were \$7,337,388 for the year ended June 30, 2022.

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

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

At June 30, 2022, the County reported a liability of \$12,793,565 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

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

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 0.834% (measured as of June 30, 2021), which was an increase of 0.007% 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 \$5,649,744. 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	\$ 4,070,093	\$ -
Changes of assumptions	8,037,626	-
Net difference between projected and actual earnings on pension plan investments	-	18,278,161
Changes in proportion and differences between County contributions and proportionate share of contributions	293,553	19,953
County contributions subsequent to the measurement date	7,337,388	-
	<u>\$ 19,738,660</u>	<u>\$ 18,298,114</u>

\$7,337,388 reported as deferred outflows of resources related to pensions resulting from County's contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2023	\$ 1,310,449
2024	(246,941)
2025	(1,367,122)
2026	(5,593,228)
2027	-
2028	-
Thereafter	-
Total	<u>\$ (5,896,842)</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal 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 increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.50 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 Healthy Annuitants Mortality Table* that vary by age, gender, employee group (i.e., general, law enforcement officer) and health status (i.e., disabled, and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2020, valuation, were 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.

The projected long-term investment returns, and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2021, are summarized in the following table:

	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	29.0%	1.4%
Global equity	42.0%	5.3%
Real estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Opportunistic Fixed Income	7.0%	6.0%
Inflation sensitive	6.0%	4.0%
	<u>100.0%</u>	

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

The information above is based on 30-year expectations developed with the consulting actuary 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 contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension 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 6.50 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50 percent) or one percentage point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
County's proportionate share of the net pension liability (asset)	<u>\$ 49,663,553</u>	<u>\$ 12,793,565</u>	<u>\$ (17,548,293)</u>

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

b. Law Enforcement Officers' Special Separation Allowance

Plan Description. Cabarrus 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 .85 percent 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.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

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	30
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	213
Total	<u>243</u>

A separate report was not issued for the plan.

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 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 following criteria which are outlined in GASB Statements 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	2.25 percent
Salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	2.25 percent

The discount rate used to measure the TPL is the S&P Municipal Bond 20-year High Grade Rate Index.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five-year period ending December 31, 2019.

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

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

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 Disabled Retirees. Rates are Set Back 3 years for all ages.

Deaths Prior to Retirement: Mortality rates are based are based on the safety mortality for employees.

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 45, the Below-median Teachers Mortality Table for Employees is used for ages less than 45.

Contributions. The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay-as-you-go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$535,809 as benefits came due for the reporting period.

At June 30, 2022, the County reported a total pension liability of \$13,462,604. 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 \$1,782,062.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,583,328	\$ 27,069
Changes of assumptions	2,353,313	389,635
County benefit payments and plan administrative expenditures paid subsequent to the measurement date	357,346	-
Total	<u>\$ 4,293,987</u>	<u>\$ 416,704</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

The County paid \$357,346 in benefit payments subsequent to the measurement date that are reported as deferred outflows of resources related to pensions which will be recognized as a decrease of the total pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2023	\$ 948,296
2024	921,708
2025	864,186
2026	741,107
2027	44,640
Thereafter	-

Sensitivity of the County's Total Pension Liability to Changes in the Discount Rate. The following presents the County's total pension liability calculated using the discount rate of 2.25 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate.

	<u>1% Decrease (1.25%)</u>	<u>Discount Rate (2.25%)</u>	<u>1% Increase (3.25%)</u>
Total pension liability	<u>\$ 14,573,519</u>	<u>\$ 13,462,604</u>	<u>\$ 12,445,780</u>

	<u>Total Pension Liability</u>
Beginning balance	\$ 13,003,554
Service cost at end of year	600,037
Interest on the total pension liability	245,798
Difference between expected and actual experience in the measurement of the total pension liability	494,015
Changes of assumptions or other inputs	(344,991)
Benefit payments	(535,809)
Ending balance of the total pension liability	<u>\$ 13,462,604</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Changes of Assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 1.93 percent at June 30, 2020, to 2.25 percent at June 30, 2021.

Changes in Benefit Terms. Reported compensation adjusted to reflect the assumed rate of pay as of the valuation 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.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2019.

c. Supplemental Retirement Income Plan (401k)

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 and non-law enforcement employees of the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provision to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report for the State of North Carolina. The state's Annual Comprehensive Financial Report includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each law enforcement officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. The County has chosen to extend this benefit to all its full and part-time (who are eligible for North Carolina Local Governmental Employees' Retirement System) employees. Contributions by Cabarrus County for the year ended June 30, 2022, were \$5,266,349 which consisted of \$3,418,674 from the County and \$1,847,675 from the employees. Contributions for the year ended June 30, 2022, were \$556,803 from participating Alliance employees. The Alliance's Board reinstated the employer's contribution to this benefit. The Alliance matched up to 2% beginning July 1, 2021. The Alliance contributed \$119,529 to the plan for the year ended June 30, 2022. No amounts were forfeited.

The County offers its employees a deferred compensation plan (Plan) created in accordance with Internal Revenue Code Section 457. The Plan available to all County employees permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

The County has complied with changes in the laws that govern the County's deferred compensation plan, requiring all assets of the plan to be held in trust for the exclusive benefit of the participants and their beneficiaries. Formerly, the undistributed amounts, which had been deferred by the plan participants, were required to be reported as assets of the County. In accordance with GASB Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans", the County's deferred compensation plan is no longer reported within the County's custodial funds.

d. Register of Deeds' Supplemental Pension Fund

Plan Description. Cabarrus County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, cost-sharing multiple-employer defined benefit plan administered by the North Carolina Department of State Treasurer. The 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 Register of Deeds' Supplemental Pension Fund is included in the Annual Comprehensive Financial Report for the State of North Carolina. The state's Annual Comprehensive Financial Report includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

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

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of 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. Register 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 \$26,821 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 \$520,027 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 the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2021, the County's proportion was 2.707%, which was an increase of 0.4537% from its proportion measured as of June 30, 2020.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

For the year ended June 30, 2022, the County recognized pension expense of (\$2,790). 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	\$ 5,549	\$ 6,306
Changes of assumptions	37,920	-
Net difference between projected and actual earnings on pension plan investments	-	1,597
Changes in proportion and differences between County contributions and proportionate share of contributions	10,116	73,453
County Contributions subsequent to the measurement date	26,821	-
	<u>\$ 80,406</u>	<u>\$ 81,356</u>

\$26,821 reported as deferred outflows of resources related to pensions resulting from County's 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	Amount
2023	\$ (17,629)
2024	(21,051)
2025	(1,218)
2026	12,127
2027	-
Thereafter	-

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal 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 Increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	3.0 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 were based on the results of an actuarial experience study as of December 31, 2019.

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

The projected long-term investment returns, and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income 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 class. The best estimates of arithmetic real rates of return for each major 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 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 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.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Sensitivity of the County's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.00 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.00 percent) or one percentage point higher (4.00 percent) than the current rate:

	1% Decrease (2.00%)	Discount Rate (3.00%)	1% Increase (4.00%)
County's proportionate share of the net pension liability (asset)	<u>\$ (413,060)</u>	<u>\$ (520,027)</u>	<u>\$ (609,914)</u>

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

e. Pension Liabilities (Assets), 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 (asset) for LEOSSA was measured as of June 30, 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	ROD	LEOSSA	TOTAL
Proportionate share of net pension liability (asset)	\$ 12,793,565	\$ (520,027)	\$ -	\$ 12,273,538
Proportion of the net pension liability (asset)	0.834%	2.707%	-	-
Total pension liability	-	-	13,462,604	13,462,604
Pension expense	5,649,744	(2,790)	1,782,062	7,429,016

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal 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>ROD</u>	<u>LEOSSA</u>	<u>TOTAL</u>
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 4,070,093	\$ 5,549	\$ 1,583,328	\$ 5,658,970
Change of assumptions	8,037,626	37,920	2,353,313	10,428,859
Changes in proportion and differences between County contributions and proportionate share of contributions	293,553	10,116	-	303,669
County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	7,337,388	26,821	357,346	7,721,555
<u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	-	6,306	27,069	33,375
Changes of assumptions	-	-	389,635	389,635
Net difference between projected and actual earnings on pension plan investments	18,278,161	1,597	-	18,279,758
Changes in proportion and differences between County contributions and proportionate share of contributions	19,953	73,453	-	93,406

f. Other Postemployment Benefits (OPEB) – Healthcare Benefits Plan

Plan Description. The County administers a single employer defined benefit Healthcare Benefits Plan (the HCB Plan). The County Board of Commissioners has the authority to establish and amend the benefit terms and financing requirements. Assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Benefits Provided. The HCB plan provides postemployment healthcare benefits to retirees of the County, provided they participate in the North Carolina Governmental Employee's Retirement System (System) and at the time of their retirement meet certain service requirements as shown in the chart below. In addition, retirees must work the last five years at Cabarrus County.

Hire Rehire Date	Eligible for 100% coverage	Eligible for 50% coverage	Not Eligible
Prior to 07/01/1997	If employees signed vacation (schedule A) acceptance agreement	N/A	If employee signed vacation (schedule B) declination agreement for reduced vacation
07/01/1997-10/31/2003	10 years of creditable service	N/A	N/A
11/01/2003-10/31/2016	25 years of creditable service	10 years of creditable service	N/A
On or after 11/01/2016	25 years of creditable service	15 years of creditable service	N/A

The Retirees receive the same benefits as active employees and the County's eligible retirees can purchase coverage for their dependents at the County's group rate. The County pays the full cost of coverage for the HCB plan. Coverage for all retirees will cease when the retiree becomes eligible for Medicare or reaches the age where they would have had such benefits had they qualified for Social Security. The Cabarrus County Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

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

Inactive employees or beneficiaries currently receiving benefits	98
Inactive members entitled to but not yet receiving benefits	-
Active employees	<u>1,020</u>
Total membership	<u><u>1,118</u></u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Contributions – The Board of Commissioners established the contribution requirements of plan members which may be amended by the Board. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis. During fiscal year 2022, a \$2,000,000 initial contribution was paid into the County’s OPEB Trust. The irrevocable trust was established for the purpose of paying future post-employment benefits (OPEB) for which the County is liable. The Fiscal Year 2023 budget includes an additional \$2,000,000 contribution to be contributed onto the Trust Fund.

Summary of Significant Accounting Policies – Postemployment expenditures for the County’s portion of the premiums and the prefunded benefits are made from the General Fund, which is maintained on the modified accrual basis of accounting to the Internal Service Funds and the Other Post-Employment benefits Trust Fund respectively. Funds are appropriated annually for the County’s portion of the premiums and prefunded benefits. The employee, retiree and County premiums are revenues that finance the self-funded HCP reported in the Internal Service Funds. Claims benefits and administrative costs are expensed as they are incurred.

Investments

Per the County’s Trust agreement establishing Other Post-Employment Benefits Trust, the employer, and the Investment Advisory Committee, if any, shall have the responsibility to select Qualified Investments for the Trust Assets. The County’s investment policy shall allow placement of assets in the OPEB investment fund managed by the State Treasurer’s office, as authorized by the Board of Commissioners on June 21, 2021, in addition to investments authorized by NC General Statute 159-30. Placement of County contributions in State Treasurer’s OPEB investment fund shall be at the discretion of the Board of Trustees, as shall be the allocation of assets within that fund. The HCB Plan’s Trust has \$2,002,678 invested in the State Treasurer’s Local Government Other Post-Employment Benefits Fund. The target allocation is based on the initial allocation approved:

Asset Class	Target Allocation 2022	Long-Term Expected Real Rate of Return 2022
Bond Index Fund	0.00%	N/A
Equity Index Fund	0.00%	N/A
Short Term Investment Fund	100.00%	2.16%
Total	<u>100.00%</u>	

Rate of Return – For the year ended June 30, 2022, the annual money weighted rate of return on investments, net of investment expense was .29 percent. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Net OPEB Liability

The components of the County's Net OPEB liability of the County at June 30, 2022, were as follows:

Total OPEB Liability	\$ 41,077,664
Plan fiduciary net position	2,002,678
County's net OPEB liability	39,074,986
Plan fiduciary net position as a percentage of the total OPEB liability	4.88%

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

Inflation	2.50%
Real wage growth	1.00%
Wage inflation	3.50%
Salary increases, including wage inflation:	
General employees	3.50% - 7.75%
Firefighters	3.50% - 7.75%
Law enforcement officers	3.50% - 7.35%
Municipal Bond Index Rate:	
Prior measurement date	2.21%
Measurement date	3.54%
Healthcare cost trend rates:	
Pre-Medicare	6.00% decreasing to an ultimate rate of 5.00% by 2026

Total OPEB liability was rolled forward to June 30, 2022, utilizing update procedures incorporating actuarial assumptions.

The discount rate used to measure the total OPEB liability was based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published by The Bond Buyer.

Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2020.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increase used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period January 1, 2010 - December 31, 2014, 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.

Change in the Net OPEB liability, OPEB Expense, and Deferred Outflows of Recourses and Deferred Inflows of Resources Related to OPEB. At June 30, 2022, the County reported a net OPEB liability of \$39,074,986. The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, updated as of June 30, 2021 and estimated as of June 30, 2022. Trust contributions and benefit payments were made subsequent to the June 30, 2021, reporting period. A deferred outflow of resources for this amount is included in this reporting period.

At June 30, 2022, the components of the Net OPEB liability of the County, measured at June 30, 2022, were as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances as of June 30, 2021	<u>\$ 45,624,013</u>	<u>\$ -</u>	<u>\$ 45,624,013</u>
Changes for the year:			
Service cost at the end of the year	2,718,586	-	2,718,586
Interest	1,028,741	-	1,028,741
Difference between expected and actual experience	(286,707)	2,678	(289,385)
Contributions - employer	-	3,439,077	(3,439,077)
Changes in assumptions	(6,567,892)	-	(6,567,892)
Benefit payments	<u>(1,439,077)</u>	<u>(1,439,077)</u>	<u>-</u>
Net changes	<u>(4,546,349)</u>	<u>2,002,678</u>	<u>(6,549,027)</u>
Balance as of June 30, 2022	<u><u>\$ 41,077,664</u></u>	<u><u>\$ 2,002,678</u></u>	<u><u>\$ 39,074,986</u></u>

Changes in Assumptions – Changes of assumptions and other inputs reflect a change in the discount rate of 2.16% in 2021 to 3.54% in 2022.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rates. The following presents the total OPEB liability of the Plan, calculated using the health care cost trend rates, as well as what the Plan's total OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

Health Care Cost Trend Rate Sensitivity			
	1% Decrease (5.00% decreasing to 4.00%)	Current Cost Trend Rate (6.00% decreasing to 5.00%)	1% Increase (7.00% decreasing to 6.00%)
Net OPEB Liability	<u>\$ 34,333,365</u>	<u>\$ 39,074,986</u>	<u>\$ 44,771,705</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following exhibits present the TOL of the Plan, calculated using the discount rate of 3.54%, as well as what the Plan's TOL would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Discount Rate Sensitivity			
	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Net OPEB liability	<u>\$ 43,702,038</u>	<u>\$ 39,074,986</u>	<u>\$ 35,057,222</u>

OPEB Expense and 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 \$1,974,110. 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
Difference between expected and actual experience	\$ 65,087	\$ 8,043,180
Changes of assumptions or other inputs	5,829,143	7,533,229
Net difference between projected and actual earnings on pension plan investments	-	2,142
Total	<u>\$ 5,894,230</u>	<u>\$ 15,578,551</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows.

Measurement Period	
Ended June 30	Amount
2023	\$ (1,773,217)
2024	(1,773,217)
2025	(1,773,217)
2026	(1,678,690)
2027	(1,436,434)
Thereafter	(1,249,546)

g. Other Employment Benefits

The County and the Cabarrus Health Alliance have elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employee's Retirement System (Death Benefit Plan), a state-administered plan funded on a one year-term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in 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 death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to his/her death, but the benefit may not exceed \$20,000, the Alliance has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payrolls, based upon rates established by the state. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Benefit Plan and not the Alliance, the Alliance does not determine the number of eligible participants. For the years ended June 30, 2020, June 30, 2021, and June 30, 2022, the Alliance contributed .04% of annual covered payroll or \$5,363, \$6,304, and \$6,364 respectively.

Effective July 1, 2004, pursuant to a new IRS regulation regarding Group Life Insurance benefits, the County is now required to include the amount of group life insurance coverage that exceeds \$50,000 as a taxable fringe benefit. As a full-time employee participating in the NC Local Government Retirement System, an employee is eligible for a death benefit of \$25,000 to \$50,000 and an additional \$20,000 the County provides for all employees who have been employed for at least one year. If this combined life insurance coverage exceeds the \$50,000 limit, the excess amount is multiplied by a premium cost factor per \$1,000 based on age at December 31st provided by the IRS. This amount is then added to the employee's taxable wages on a calendar year basis.

3. Closure and Postclosure Care Costs - Cabarrus County Landfill Facility

Federal and state laws and regulations require Cabarrus County to place a final cover on its landfill facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs are typically paid 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 \$3,565,878 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 combined Municipal Solid Waste (MSW) and Construction and Demolition (C&D) cell and 73.6% of a (C&D) only cell.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

The updated percent use of C&D cell decreased due to a recent expansion that opened in December 2021. This amount is based on what it would cost to perform all closure and post closure care in 2022. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County's liability is set aside for the closure and post closure of the following:

- The Municipal Solid Waste (MSW) reached capacity in 1997 and was covered in 1998.
- An expansion area that sits on the top of the MSW site was added in 1998 to accept construction and demolition waste (C&D). This expansion area has reached capacity and is in the process of being closed.
- An additional C&D expansion area was opened in Fiscal Year 2006 and is expected to reach full capacity in FY 2023.

Cabarrus County has met the requirements of the local government financial assurance test that is one option under state and federal laws and regulations that aids in determining if a unit is secure and financially able to meet the necessary closure and post closure care requirements as of each balance sheet date. Governments that utilize the local government financial assurance test allow them to remain exempt from a set contribution schedule.

4. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Charge on refunding of debt	\$ 9,942,172	\$ -
(Pensions, OPEB) - difference between expected and actual experience	5,724,057	8,076,555
(Pensions, OPEB) - change of assumptions	16,258,002	7,922,864
(Pensions) - Net difference between projected and actual investment earnings	-	18,281,900
Pensions - change in proportion and difference between employer contributions and proportionate share of contributions	303,669	93,406
Contributions to pension plan subsequent to measurement date (LGERS, ROD)	7,364,209	-
Benefit payment administrative costs paid subsequent to the measurement date (LEOSSA)	357,346	-
Lease receivable	-	406,850
Prepaid taxes not yet earned	-	587,004
Government-wide deferred outflows and inflows of resources	39,949,455	35,368,579
Taxes receivable, net (General)	-	1,645,929
Ambulance receivable, net (General)	-	1,955,347
Total	<u>\$ 39,949,455</u>	<u>\$ 38,969,855</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

5. Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to, destruction of assets, errors and omissions, injuries to employees, and natural disasters. The County participates in a property liability program, which is financed by using a combination of self-funding and purchase excess insurance coverage through Arthur J. Gallagher & Co. A property liability insurance fund was established to track all financial transactions related to this program. The County retains the first \$350,000 in liability insurance. Above the \$350,000 retention is purchased up to a total limit of \$3,000,000 per occurrence and 6,000,000 aggregate.

The property insurance program is financed using a combination of self-funding and insurance purchased through Liberty Mutual Insurance. Excess property insurance above a \$25,000 deductible is purchased based on estimated replacement values submitted to the Excess Property Company each year. Special deductibles apply for certain perils such as flood, earth movement, boiler, machinery, and the Stough Road location.

The County purchases primary policies for Emergency Medical Services (EMS). The policies provide coverage for physical damage to EMS units, equipment, and automobiles, general and medical professional liability. Fidelity exposures are covered through the purchase of bonds. Arthur J. Gallagher secures the purchase of these bonds on behalf of the County.

The Workers Compensation insurance program is financed using a combination of self-funding and purchasing excess insurance through Arthur J. Gallagher. A Workers Compensation fund was established to track all the financial claims in excess of this program. The County has purchased excess Workers Compensation insurance for claims in excess of that amount. The self-insured retention for Workers Compensation is as follows: \$600,000 per occurrence for Police Drivers, Firefighters, and EMS (EMS occurrences resulting in an injury to any employee in, upon, entering, or alighting from any employer owned or non-owned ambulance) and \$500,000 for all other occurrences. The County has \$750,000 self-insured retention for any Presumptive Losses.

The County has also purchased Cyber Liability coverage through Arthur J. Gallagher (Cowbell Cyber Insurance Company) with a \$5,000,000 limit and a basis retention of \$100,000.

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Director of Finance, Deputy Finance Director, Tax Collector, Sheriff, and Human Resources Director are each individually bonded for \$100,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$200,000.

The County carries commercial coverage for all other risks of loss including flood loss. Flood coverage is an annual limit not to exceed \$25,000,000. There have been no significant reductions in insurance coverage from previous year and settled claims have not exceeded coverage in any of the past four fiscal years.

Insurance coverage for the Alliance is through McGriff and Wester Insurance Services. The Alliance pays a premium for coverage of worker's compensation, general liability, property, automotive, and professional liability insurance coverage. The Alliance 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 Alliance carries commercial coverage for all other risks of loss. Fiscal year ended June 30, 1998, was the initial year of operations. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in 2020, 2021 and 2022.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

In accordance with G.S. 159-29, the Alliance's employees that have access to \$100 or more at any given time of the Alliance's funds are performance bonded through a commercial surety bond. Employees that have access to funds are bonded under a blanket bond for \$250,000. The Finance Director is individually bonded for \$100,000.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. The current claims liability for fiscal year ended June 30, 2022, is shown.

	<u>6/30/2021</u>	<u>6/30/2022</u>
Unpaid claims, beginning of fiscal year	\$ 671,330	\$ 553,554
Incurred claims	2,020,511	1,730,680
Claims payments	<u>(2,138,287)</u>	<u>(1,684,949)</u>
Unpaid claims, end of fiscal year	<u>553,554</u>	<u>599,285</u>

On July 1, 2004, the County chose to establish a Self-Insured Health Insurance Fund (an internal service fund) for risk associated with the health insurance plan. The Health Insurance Fund is where assets are set aside for claim settlements. A premium is charged to each fund that accounts for full-time employees, eligible part-time employees based on ACA, plus this benefit is also offered to retired employees who meet specific criteria. The total charge to each fund is based on actual calculated cost which includes but is not limited to fixed cost, mature claim cost, expected monthly liability and the number of projected employees who will be covered by insurance.

The uninsured risk retention per claim is \$200,000 with an aggregate stop loss of 125%. This coverage is for claims incurred and paid in 12 months. The benefits covered are Medical MH/SA Pharmacy and Vision.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. The current claims liability for fiscal year ended June 30, 2022 is shown.

	<u>6/30/2021</u>	<u>6/30/2022</u>
Unpaid claims, beginning of fiscal year	\$ 1,705,044	\$ 1,065,000
Incurred claims	11,026,513	15,473,845
Claims payments	<u>(11,666,557)</u>	<u>(15,448,845)</u>
Unpaid claims, end of fiscal year	<u>\$ 1,065,000</u>	<u>\$ 1,090,000</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

6. Contingent Liabilities

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. The amount, if any, of such refunds cannot be determined at this time although management believes that such amounts would be immaterial. No provision has been made in the accompanying financial statements for the refund of grant funds.

As of June 30, 2022, the County was a defendant in several lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of counsel for the County that resolution of these matters will not have a material adverse impact on the financial condition of the County.

7. Long-Term Obligations

a. Leases

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. For additional information, refer to the disclosures below.

On July 01, 2021, Cabarrus County, NC entered in to a 31-month lease as Lessee for the use of Storage Contract for HPE Equipment - HP Switches. An initial lease liability was recorded in the amount of \$311,642. As of June 30, 2022, the value of the lease liability is \$191,692. Cabarrus County is required to make monthly fixed payments of \$10,150.00. The lease has an interest rate of 0.7268%. The County has recorded a right to use asset with a net book value of \$194,532 at June 30, 2022. The right to use asset is discussed in more detail in the right to use section of the notes.

On July 01, 2021, Cabarrus County, NC entered in to a 71-month lease as Lessee for the use of Kannapolis Land - 1303 S. Canon Blvd. An initial lease liability was recorded in the amount of \$5,179,441. As of June 30, 2022, the value of the lease liability is \$4,459,329. Cabarrus County is required to make monthly fixed payments of \$59,810. The lease has an interest rate of 0.3160%. The County has recorded a right to use asset with a net book value of \$4,304,042 at June 30, 2022. The right to use asset is discussed in more detail in the right to use asset section of the notes. Cabarrus County has 1 extension option(s), each for 60 months.

On July 01, 2021, Cabarrus County, NC entered in to a 27-month lease as Lessee for the use of Equipment - Canon Copier - TIAA. An initial lease liability was recorded in the amount of \$267,532. As of June 30, 2022, the value of the lease liability is \$153,202. Cabarrus County is required to make monthly fixed payments of \$14,355. The lease has an interest rate of 0.5135%. The County has recorded a right to use asset with a net book value of \$152,464 as of June 30, 2022. The right to use asset is discussed in more detail in the right to use section of the notes.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

On July 01, 2021, Cabarrus County, NC entered in to an 81-month lease as Lessee for the use of Suite #180 and Closet #7 - The Old Creamery. An initial lease liability was recorded in the amount of \$123,298. As of June 30, 2022, the value of the lease liability is \$106,934. Cabarrus County is required to make monthly fixed payments of \$1,475. The lease has an interest rate of 1.3746%. The County has recorded a right to use asset with a net book value of \$105,032. The right the use asset is discussed in more detail in the right to use asset section of the notes.

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

Year Ending June 30	Principal Payments	Interest Payments	Total
2023	\$ 1,153,892	\$ 15,654	\$ 1,169,546
2024	1,031,097	11,275	1,042,372
2025	925,396	7,954	933,350
2026	929,002	4,827	933,829
2027	856,460	1,681	858,141
2028-2029	15,310	88	15,398
Total	<u>\$ 4,911,157</u>	<u>\$ 41,479</u>	<u>\$ 4,952,636</u>

b. General Obligation Indebtedness

General obligation bonds are issued to provide funding for the construction of capital facilities used for general government activities. All general obligation bonds are collateralized by the full faith, credit, and taxing power of the County. Principal and interest requirements are provided by appropriation in the year in which they become due.

General Obligation Advance Refunding Bonds (2013) refunded a portion of the 2005 and 2006 General Obligation Bonds. These bonds (2005 and 2006) consisted of the construction of Hickory Ridge High School, W. R. Odell Elementary School, Charles E. Boger Elementary School, Carl A. Furr Elementary School, Building 3000 at Rowan Cabarrus Community College, along with various renovations and additions.

General Obligation Advance Refunding Bonds (2020) refunded a portion of the 2013 General Obligation Bonds. As a result, a portion of the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$660,00. The amount is netted against the new debt and amortized over the life of the refunded debt. This advance refunding was undertaken to reduce total debt service payments over six years by \$249,950.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

The County's general obligation bonds payable at June 30, 2022, is comprised of the following individual issues serviced by the County's General Fund:

\$62,360,000 (2013) Advance Refunding Bonds due on March 1 and September 1 in installments through March 1, 2027; interest at 1.5 to 5.0 percent.	<u><u>\$ 19,030,000</u></u>
\$6,800,000 (2020) Advance Refunding Bonds due on March 1 and September 1 in installments through March 1, 2027; interest at 1.6 percent	<u><u>\$ 6,705,000</u></u>
Total	<u><u>\$ 25,735,000</u></u>

For Cabarrus County, the annual debt service payments to maturity as of June 30, 2022, for the County's general obligation bonds are as follows:

<u>Year Ending, June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 6,595,000	\$ 856,670
2024	6,620,000	532,140
2025	6,255,000	303,485
2026	3,385,000	87,710
2027	2,880,000	40,320
Total	<u><u>\$ 25,735,000</u></u>	<u><u>\$ 1,820,325</u></u>

c. Certificates of Participation/Limited Obligation Bonds

1. Public Offered Debt

On April 14, 2011, the Cabarrus County Development Corporation issued \$14,635,000 (2011A) certificates of Participation (COPS) contracts to fund the rehabilitating, repairing, and equipping of approximately eighteen Cabarrus County and six Kannapolis City school facilities. These 15-year COPS are financed under two bullets using Qualified School Construction Bonds. The first bullet, in the amount of \$7,200,000, will mature in 2023, with an interest rate of 5.10%, and the second bullet, for \$7,435,000, will mature in 2026 with an interest rate of 5.50%. The Federal subsidy rate on the deal was a 5.43%. The second bullet will have a net interest cost to the County of 0.07%, while the County will have no interest cost on the first bullet. The principal on this debt is deferred for five years with the first principal payment due on April 1, 2016. The principal payments will be held in an interest-bearing sinking fund until the bullet payments are due. Debt Service is financed by Cabarrus County

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

property tax revenues. Total remaining annual payments of principal and interest range from approximately \$1,743,925 to \$2,106,125. Total principal and interest over a 15-year period will be \$25,147,248 less the federal subsidy of \$10,434,369, with the net cost to the County of \$14,712,879. In fiscal year 2013, the Federal Government began reducing the subsidy payment by approximately 7.6% for a Federal sequestration. At June 30, 2022, the County's trustee held principal payments of \$9,310,000 in a sinking fund; the total principal balance due at June 30, 2022, is \$14,635,000.

The site of Winecoff Elementary School was pledged as collateral for the 2011A COPS. The Installment Financing Contract (the "2011A Contract") and the Trust Indenture relating to the 2011A COPS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2011A COPS. After an event of default, the collateral securing the 2011A COPS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2011A COPS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2011A Contract. The remedies afforded to the owners of the 2011A COPS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2011A COPS.

On March 10, 2016, the Cabarrus County Development Corporation issued \$73,785,000 (2016) Limited Obligation Bonds (LOBS) contracts for the construction of Mount Pleasant Middle School, Kannapolis Middle School, and Royal Oaks Elementary School. These 20-year LOBS have interest rates ranging from 2.00% to 5.00%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 20-year period will be \$108,697,900. Annual principal and interest payments range from \$3,804,763 to \$6,060,663. The total principal balance due at June 30, 2022, is \$51,655,000.

The site of Kannapolis Middle School (additional land) was pledged as collateral for the 2016 LOBS. The Installment Financing Contract (the "2016 Contract") and the Trust Indenture relating to the 2016 LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2016 LOBS. After an event of default, the collateral securing the 2016 LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2016 LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2016 Contract. The remedies afforded to the owners of the 2016 LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2016 LOBS.

On November 9, 2017, the Cabarrus County Development Corporation issued \$70,820,000 (2017) Limited Obligation Bonds (LOBS) contracts for the construction of Performance Learning Center, Western Cabarrus High School, and Downtown Concord Parking Deck. These 20-year LOBS have interest rates ranging from 3.00% to 5.00%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 20-year period will be \$99,771,165. Annual principal and interest payments range from \$3,484,688 to \$6,062,625. The total principal balance due at June 30, 2022, is \$51,590,000.

The site of West Cabarrus High School was pledged as collateral for the 2017 LOBS. The Installment Financing Contract (the "2017 Contract") and the Trust Indenture relating to the 2017 LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2017 LOBS. After an event of default, the collateral securing the 2017 LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2017 LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2017 Contract. The remedies afforded to the owners of the 2017 LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2017 LOBS.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

For Cabarrus County, the annual debt service payments to maturity as of June 30, 2022, for the County's Public Offered Certificates of Participation/Limited Obligation Bonds are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2023	\$ 14,735,000	\$ 5,364,413
2024	7,535,000	4,620,463
2025	7,070,000	4,318,713
2026	14,505,000	3,965,213
2027	7,070,000	3,202,788
2028-2032	35,335,000	10,785,988
2033-2037	31,630,000	3,309,438
Total	<u>\$ 117,880,000</u>	<u>\$ 35,567,013</u>

d. Direct Borrowing Debt

On March 26, 2015, the Cabarrus County Development Corporation issued \$18,045,000 (2015A) Limited Obligation Bonds (LOBS) contracts to refund \$16,795,000 of the 2007 COPS issued for the construction of a sheriff administration facility. These 12-year LOBS have an interest rate of 2.38%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 12-year period will be \$21,057,440. Total remaining annual payments of principal and interest range from approximately \$1,617,604 to \$1,948,016. The total principal balance due at June 30, 2022, is \$8,320,000.

The site of the sheriff administration facility was pledged as collateral for the 2015A LOBS. The Installment Financing Contract (the "2015A Contract") and the Trust Indenture relating to the 2015A LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2015A LOBS. After an event of default, the collateral securing the 2015A LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2015A LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2015A Contract. The remedies afforded to the owners of the 2015A LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2015A LOBS.

On March 26, 2015, the Cabarrus County Development Corporation issued \$23,460,000 (2015B) Limited Obligation Bonds (LOBS) contracts to refund \$21,105,000 of the 2008A COPS issued to finance the construction of Cox Mill High School and Engineering and Architect fees for A.T. Allen Elementary School, Hickory Ridge Middle School, Patriots Elementary School, and a wing addition at A.L. Brown High School. These 13-year LOBS have an interest rate of 2.49%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 13-year period will be \$28,404,338. Total remaining annual payments of principal and interest range from approximately \$2,341,897 to \$2,879,183. The total principal balance due at June 30, 2022, is \$14,425,000.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

The site of the Cox Mill High School facility was pledged as collateral for the 2015B LOBS. The Installment Financing Contract (the “2015B Contract”) and the Trust Indenture relating to the 2015B LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2015B LOBS. After an event of default, the collateral securing the 2015B LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2015B LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2015B Contract. The remedies afforded to the owners of the 2015B LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2015B LOBS.

On March 26, 2015, the Cabarrus County Development Corporation issued \$38,295,000 (2015C) Limited Obligation Bonds (LOBS) contracts to refund \$34,025,000 of the 2008C COPS issued to fund the cost of construction of a residential tower to house County inmates and related improvements. These 14-year LOBS have an interest rate of 2.51%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 14-year period will be \$46,368,088. The total remaining annual payments of principal and interest range from approximately \$3,013,794 to \$3,974,605. The total principal balance due at June 30, 2022, is \$22,295,000.

The site of the jail housing unit facility was pledged as collateral for the 2015C LOBS. The Installment Financing Contract (the “2015C Contract”) and the Trust Indenture relating to the 2015C LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2015C LOBS. After an event of default, the collateral securing the 2015C LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2015C LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2015C Contract. The remedies afforded to the owners of the 2015C LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2015C LOBS.

On March 26, 2015, the Cabarrus County Development Corporation issued \$54,435,000 (2015D) Limited Obligation Bonds (LOBS) contracts to refund \$47,300,000 of the 2009 COPS issued a) to pay a portion of the costs of (i) acquiring real property, (ii) constructing Patriots Elementary School, A.T. Allen Elementary School, Hickory Ridge Middle School, Harold E. Winkler Middle School, a wing addition, and renovation at A.L. Brown High School and equipping the Facilities. These 14-year LOBS have an interest rate of 2.52%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 14-year period will be \$66,336,892. Total remaining annual payments of principal and interest range from approximately \$4,772,306 to \$6,135,448. The total principal balance due at June 30, 2022, is \$34,740,000.

The sites of Patriots Elementary School, Hickory Ridge Middle School, AT Allen Elementary School and Winkler Middle School were pledged as collateral for the 2015D LOBS. The Installment Financing Contract (the “2015D Contract”) and the Trust Indenture relating to the 2015D LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2015D LOBS. After an event of default, the collateral securing the 2015D LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2015D LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2015D Contract. The remedies afforded to the owners of the 2015D LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2015D LOBS.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

On May 16, 2018, the Cabarrus County Development Corporation issued \$54,680,000 (2018) Limited Obligation Bonds (LOBS) contracts for the construction of Advanced Technology Center, New Elementary School, replacement of HVAC systems at J.N. Fries Middle School and Mount Pleasant High School, 20 school mobile units, and land for Rowan Cabarrus Community College. These 20-year LOBS have an interest rate of 3.05%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 20-year period will be \$70,563,129. Annual principal and interest payments range from \$2,241,338 to \$4,553,361. The total principal balance due at June 30, 2022, is \$41,520,000.

The site of Hickory Ridge Elementary School was pledged as collateral for the 2018 LOBS. The Installment Financing Contract (the "2018 Contract") and the Trust Indenture relating to the 2018 LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2018 LOBS. After an event of default, the collateral securing the 2018 LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2018 LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2018 Contract. The remedies afforded to the owners of the 2018 LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2018 LOBS.

On February 27, 2020, the County entered into a direct borrowing agreement (the "2020A Contract") with Cabarrus County Development Corporation providing for a 3-year draw program allowing the County to borrow up to \$130,000,000 as needed for the construction of the new courthouse, new middle school, land for high and middle school, skylight and roof replacement and athletic turf fields. Principal is due in a lump sum at the end of the 3-year term and interest is paid monthly at a variable rate.

On June 1, 2022, the Cabarrus County Development Corporation issued \$96,825,000 (2022A) Limited Obligation Refunding Bonds (LOBS) to refund the \$105,672,677 outstanding principal balance of the 2020A Contract on June 1, 2022. As of June 30, 2022, the County has no outstanding liability with respect to the 2020A Contract.

On July 16, 2020, the Cabarrus County Development Corporation issued \$6,230,000 (2020B) Limited Obligation Bonds (LOBS) contracts to refund \$7,820,000 (2011C) LOBS which funded the cost of acquiring real property, construction and equipping of Bethel Elementary School, Pitts Road Elementary, Kannapolis Middle School, expansion of two existing elementary school facilities and various real and personal property improvements. These 4-year LOBS have an interest rate of 1.15%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a the 4-year period will be \$6,372,140. Total remaining annual payments of principal and interest range from approximately \$2,043,230 to \$2,137,265. The total principal balance due at June 30, 2022, is \$4,110,000.

The sites of Kannapolis Middle School (original land), Bethel Elementary School, Shady Brook Elementary School, Fred L. Wilson Elementary School, and Pitts Road Elementary School were pledged as collateral for the 2020B LOBS. The Installment Financing Contract (the "2020B Contract") and the Trust Indenture relating to the 2020B LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2020B LOBS. After an event of default, the collateral securing the 2020B LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2020B LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2020B Contract. The remedies afforded to the owners of the 2020B LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2020B LOBS.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

On June 1, 2022, the Cabarrus County Development Corporation issued \$96,825,000 (2022A) Limited Obligation Refunding Bonds (LOBS) to refund the \$105,672,677 outstanding principal balance of the 2020A Contract on June 1, 2022. These 20-year LOBS all bear interest at 5.00%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 20-year period will be \$147,648,750. Annual principal and interest payments range from \$5,082,000 to \$9,686,250. The total principal balance due at June 30, 2022, is \$96,825,000.

The site of Roberta Road Middle School was pledged as collateral for the 2022A LOBS. The Installment Financing Contract (the “2022A Contract”) and the Trust Indenture relating to the 2022A LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2022A LOBS. After an event of default, the collateral securing the 2022A LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2022A LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2022A Contract. The remedies afforded to the owners of the 2022A LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2022A LOBS.

On June 8, 2022, the County entered into a direct borrowing agreement (the “2022B Contract”) with Cabarrus County Development Corporation providing for a 3-year draw program allowing the County to borrow up to \$160,000,000 as needed for the construction of the new courthouse, Roberta Road Middle School, a new middle school and high school, a new replacement elementary school, a new EMS headquarters, a new public library/senior center, a new emergency equipment and information technology warehouse, a new radio tower, a new public park, land for a new regional public park, improvements to Frank Liske Park, parking improvements at Mt. Pleasant High School and roof replacements at various public schools. Principal is due in a lump sum at the end of the 3-year term and interest is paid monthly at a variable rate. As of June 30, 2022, the County has an outstanding liability of \$13,219,654.

In FY 2024, the County intends to draw the available funds and to liquidate the entire debt using the proceeds from a new permanent financing.

For Cabarrus County, the annual debt service payments to maturity as of June 30, 2022, for the County’s Certificates of Participation/Limited Obligation Bonds are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2023	\$ 23,170,000	\$ 8,147,128
2024	36,069,654	7,457,830
2025	20,570,000	6,775,558
2026	20,295,000	6,122,987
2027	20,015,000	5,477,261
2028-2032	53,875,000	19,387,832
2033-2037	35,085,000	11,007,208
2038-2042	26,375,000	3,696,338
Total	<u>\$ 235,454,654</u>	<u>\$ 68,072,142</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

e. Installment Financing

On December 18, 2008, the County financed the acquisition of land for the Rob Wallace Park with a down payment of \$190,000 at an effective interest rate of 4.00%. In May 2016, the County sold 40.6 acres of this property. Annual payments of \$190,000 will be made on the lease through December 2037. The County's outstanding liability at June 30, 2022, was \$2,213,936.

The site of the park was pledged as collateral for the 2008 Agreement. The Installment Purchasing Agreement (the "2008 Agreement") relating to the 2008 Agreement has numerous events of default specified therein. An occurrence of an event of default could result in an acceleration of the then outstanding amount of the 2008 Agreement. After an event of default, the collateral securing the 2008 Agreement can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2008 Agreement. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2008 Agreement. The remedies afforded to the owners of the 2008 Agreement after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2008 Agreement.

On August 15, 2018, the County financed the acquisition of equipment for the Emergency Medical Services Department at an effective interest rate of 1.65%. Annual payments of \$115,191 will be made for six years. The outstanding liability at June 30, 2022, was \$224,782.

The equipment was pledged as collateral for the 2018 Lease. The Lease has numerous events of default specified therein. An occurrence of an event of default could result in an acceleration of the then outstanding amount of the 2018 Lease. After an event of default, the collateral securing the 2018 Lease can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2018 Lease. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2018 Lease. The remedies afforded to the owners of the 2018 Lease after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2018 Lease.

For Cabarrus County, the annual debt service payments to maturity as of June 30, 2022, for the County's installment financing are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2023	\$ 212,912	\$ 92,279
2024	218,813	86,377
2025	109,720	80,280
2026	114,109	75,891
2027	118,673	71,327
2028-2032	668,483	281,516
2033-2037	813,314	136,687
2038-2042	182,694	7,308
Total	<u>\$ 2,438,718</u>	<u>\$ 831,665</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Debt Related to Capital Activities – Of the total Governmental Activities debt listed, only \$150,167,629 relates to assets for which the County holds title.

f. 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 July 1, 2021	Increases	Decreases	Balance June 30, 2022	Due Within One Year
Governmental activities:					
General Obligation Bonds	\$ 32,240,000	\$ -	\$ 6,505,000	\$ 25,735,000	\$ 6,595,000
Plus: Premiums on issuance	4,505,541	-	761,500	3,744,041	-
Total General Obligation Bonds	<u>36,745,541</u>	<u>-</u>	<u>7,266,500</u>	<u>29,479,041</u>	<u>6,595,000</u>
Certificates of Participation/ Limited Obligation Bonds	125,420,000	-	7,540,000	117,880,000	14,735,000
Direct borrowings and direct placements	200,173,901	160,828,429	125,547,676	235,454,654	23,170,000
Plus: Premiums on issuance	15,757,881	9,795,724	1,389,262	24,164,343	-
Total Certificates of Participation/ Limited Obligation Bonds	<u>341,351,782</u>	<u>170,624,153</u>	<u>134,476,938</u>	<u>377,498,997</u>	<u>37,905,000</u>
Leases	-	5,881,913	970,756	4,911,157	1,153,892
Installment financing	2,724,414	-	285,696	2,438,718	212,912
Compensated absences	5,229,482	4,591,530	4,037,676	5,783,336	4,337,502
Net pension liability (LGRS)	29,456,310	-	16,711,361	12,744,949	-
Total pension liability (LEOSSA)	13,003,554	459,050	-	13,462,604	-
Net OPEB liability	43,137,018	-	4,210,517	38,926,501	-
Total governmental activities	<u>\$ 471,648,101</u>	<u>\$ 181,556,646</u>	<u>\$ 167,959,444</u>	<u>\$ 485,245,303</u>	<u>\$ 50,204,306</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022	Due Within One Year
Business-type activities					
Compensated absences	\$ 21,430	\$ 16,852	\$ 22,495	\$ 15,787	\$ 11,840
Total pension liability (LGERS)	112,361	-	63,745	48,616	-
Net OPEB liability	164,546	-	16,061	148,485	-
Landfill closure/post-closure	3,646,223	-	80,345	3,565,878	80,000
Total business-type activities	<u>\$ 3,944,560</u>	<u>\$ 16,852</u>	<u>\$ 182,646</u>	<u>\$ 3,778,766</u>	<u>\$ 91,840</u>
	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022	Due Within One Year
Discretely presented component unit:					
Compensated absences	\$ 1,005,936	\$ 918,379	\$ 925,270	\$ 999,045	\$ 979,064
Leases	-	717,945	155,144	562,801	228,252
Total OPEB liability	2,019,729	73,814	13,011	2,080,532	-
Total discretely presented component unit	<u>\$ 3,025,665</u>	<u>\$ 1,710,138</u>	<u>\$ 1,093,425</u>	<u>\$ 3,642,378</u>	<u>\$ 1,207,316</u>

For governmental activities, compensated absences, OPEB and unfunded pension cost are liquidated by the General Fund. For business-type activities, compensated absences and OPEB are liquidated by the business-type activity. Compensated absences are accounted for on the LIFO basis, assuming employees are taking leave time as it is earned.

The County's legal debt margin is \$ 1,986,624,684.

g. Conduit Debt Obligations

Cabarrus County Industrial Facility and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as by 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.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

C. Interfund Balances and Activity

Transactions between funds are accounted for as follows:

- 1) Transactions which would be treated as revenues, expenditures, or expenses if they involved organizations external to the County are recorded as revenues, expenditures, or expenses in the appropriate funds.
- 2) Transactions which are reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditures or expenses in the appropriate funds.
- 3) All transactions other than those in 1) and 2) above are recorded as transfers.

The composition of interfund transfers as of June 30, 2022, is as follows:

From the General Fund to the County Capital Projects Fund for various capital expenditures	\$ 6,448,478
From the General Fund to the School Capital Projects Fund for various capital expenditures	15,534,199
From the General Fund to the Landfill Enterprise Fund for operations	553,055
From the General Fund to the Self-Insured Medical and Dental Fund for operations and benefit payments	2,000,000
From the General Fund to the Cabarrus Arena and Events Center Special Revenue Fund for the operations of the facility	1,320,584
From the General Fund to the Emergency Telephone Special Revenue Fund for expenditures not eligible to be paid with 911	40,212
From the Public School Building Capital Projects Fund to the General Fund for debt service payments	2,480,000

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

From the Workers' Compension and Property Liability Fund to the General Fund for capital expenditures	\$ 148,680
From the Construction and Renovation Capital Projects Fund to the General Fund to close capital projects fund	765,614
From the Construction and Renovation Capital Projects Fund to the County Capital Projects Fund for capital funding	160,000
From the School Construction Capital Projects Fund to General Fund to close capital projects fund	259,317
From the LOBS 2017 Capital Projects Fund to General Fund to close capital projects fund	2,496,144
From the LOBS 2018 Capital Projects Fund to General Fund to close capital projects fund	1,291,078
From the Cannon Memorial Capital Projects Fund to the County Capital Projects Fund for Capital Expenditures	20,268
	<u>33,497,361</u>

D. Net Investment in Capital Assets

Governmental activity, net investment in capital assets at June 30, 2022, are computed as follows:

Capital assets, net of accumulated depreciation	\$ 298,804,516
Right to use assets, net of amortization	4,756,070
Deferred outflows of resources	9,942,172
Less: capital debt	
Gross debt	\$ (414,327,913)
School debt related to assets to which the County does not capitalize	264,061,847
Unspent debt proceeds, non school related debt	<u>98,435</u> (150,167,631)
Deferred outflows related to school debt	<u>(6,906,330)</u>
Net investment in capital assets	<u>\$ 156,428,797</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

E. Supplemental and Additional Supplemental One-Half of One Percent Local Government Sales and Use Tax

State law (Chapter 105, Articles 40 and 42 of the North Carolina General Statutes) requires the County to use a portion of the proceeds of its supplemental and additional supplemental sales taxes, or local option sales taxes, for public school capital outlays or to retire public school indebtedness. During the fiscal year ended June 30, 2022, the County reported these local option sales taxes within its General Fund and Capital Investment Fund. The County expended the restricted portion of these taxes for public school capital outlays.

F. Public School Building Capital Fund

The Public-School Building Capital Fund (PSBCF) is currently the only source of recurring state funding for the capital facility needs (buildings and land) of the local boards of education (local education administration, or LEA). The PSBCF revenue (originally funded from a portion of the Corporate Income Tax) was distributed among the counties in the state according to Average Daily Membership (ADM) and was thus colloquially known as the "ADM Fund." At June 30, 2022, the balance of the County's ADM allocation account was \$3,981.87.

When the Lottery was formed, the share of that revenue allocated for capital projects was brought under the 'umbrella' of the PSBCF for distribution to the LEAs in the state. Technically, both the 'ADM Fund' and the Lottery are part of the PSBCF. At June 30, 2022, the Lottery fund had a disbursing account balance of \$4,621,866.

G. Internal Service

The County has two internal service funds, one for self-insured hospitalization / dental insurance and the other for workers' compensation and property liability insurance. The self-insured hospitalization insurance fund accumulates premiums and pays all claims and related expenses for health insurance activities. At June 30, 2022, the self-insured hospitalization / dental internal service fund had an unrestricted net position of \$3,207,147. The self-insured workers' compensation and property liability insurance fund accumulates premiums and pays all claims and related expenses for workers' compensation and property liability insurance activities. At June 30, 2022, the workers' compensation / property liability internal service fund had a net position of \$6,831,399. In the basic financial statements, the net positions and activities have been allocated to all governmental fund types, and business types as applicable. These surpluses are being retained for anticipated future catastrophic losses.

Note 3. Joint Ventures

The County, in conjunction with the State of North Carolina, Rowan-Cabarrus Community College and Rowan County participates in a joint venture to operate the Rowan-Cabarrus Community College. Each of the four participants, except the County who only appoints two members, appoints four members of the fifteen-member board of trustees of the community college. The president of the community college's student government serves as an *ex-officio* non-voting member of the community college's board of trustees. The community college is included as a component unit of the state. The County has the basic responsibility for providing funding for the facilities of the community college and provides some financial support for the community college's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds, Limited Obligation Bonds and Capital Leases to provide financing for new and restructured facilities. Of the 2013 Refunding General Obligation bonds issued, \$637,760 in debt is still outstanding. A portion of the 2013 Refunding General Obligation Bonds were refunded

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

with new series 2020. Of the 2020 Refunding General Obligation bonds \$417,680 in debt is still outstanding. Of the 2018 Limited Obligation bond issued, \$12,485,000 in debt is still outstanding. The County has an ongoing financial responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed \$3,754,500 to the community college for operating purposes and \$374,863 for capital outlay and building and grounds during the fiscal year ended June 30, 2022. In addition, the County made combined debt service principal payments of \$1,096,510 during the fiscal year on general obligation bonds, and limited obligation bonds for community college capital facilities. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2022. Complete financial statements for the community college may be obtained from the community college's administrative offices at I-85 at Jake Alexander Boulevard South, Salisbury, NC 28145.

In conjunction with Cabarrus County Chamber of Commerce, the County takes part in a joint venture to operate the Cabarrus County Tourism Authority, (dba Cabarrus County Convention and Visitors Bureau), which was established pursuant to state statute for the purpose of furthering the development of travel, tourism, and conventions in the County. The Board of Directors for the Tourism Authority is a twelve-member board. The Board of Cabarrus County Commissioners appoints three members, six members are appointed based on the recommendations of the Authority, and three members are appointed based on recommendations by the Cabarrus Regional Chamber of Commerce. The Board of Directors established the Convention and Visitors Bureau to conduct the day-to-day operations for the Tourism Authority. The Authority receives approximately 90% of room occupancy taxes, which are levied and collected by the County. For the year ended June 30, 2022, occupancy taxes totaling \$5,422,712, were distributed to the Authority. The participating governments and agency do not have an equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2022. Complete financial statements for the Authority can be obtained at Cabarrus County CVB, 10099 Weddington Road Ext., Suite 102, Concord NC 28027.

Note 4. Jointly Governed Organization

The County in conjunction with the Cities of Concord and Kannapolis and the Towns of Harrisburg and Mount Pleasant organized the Water and Sewer Authority of Cabarrus County to operate and maintain a regional interceptor sewer system and wastewater treatment system. Although not a user of the wastewater treatment services, the County is a related party by virtue of joint governance of the Water and Sewer Authority of Cabarrus County.

The County, in conjunction with eight other counties and seventy-four municipalities, established the Centralina Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and state agencies. Each participating government appoints one member to the Council's governing board. The County paid to the Council membership fees of \$58,390 and \$21,123 for the County Aging Service Program Match during the fiscal year ended June 30, 2022. The County was the sub recipient of grants totaling \$1,031,341 from the Division of Aging of the North Carolina Department of Health and Human Services that was passed through the Council.

Note 5. 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. 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.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Note 6. Significant Effects of Subsequent Event

Direct Borrowing Draws

On June 8, 2022, the County entered into a direct borrowing agreement (the “2022B Contract”) with Cabarrus County Development Corporation providing for a 3-year draw program allowing the County to borrow up to \$160,000,000 as needed to pay all or a portion of the costs of construction of the new courthouse, Roberta Road Middle School, a new middle school and high school, a new replacement elementary school, a new EMS headquarters, a new public library/senior center, a new emergency equipment and information technology warehouse, a new radio tower, a new public park, land for a new regional public park, improvements to Frank Liske Park, parking improvements at Mt. Pleasant High School and roof replacements at various public schools. Principal is due in a lump sum at the end of the 3-year term and interest is paid monthly at a variable rate. There have been \$20,849,822 in draws since June 30, 2022.

<u>Effective Date</u>	<u>Funding Date</u>	<u>Amount</u>
07/29/22	08/05/22	\$ 6,064,514
08/26/22	09/02/22	4,225,565
09/30/22	10/07/22	3,759,898
10/31/22	11/07/22	6,799,845
Total		<u>\$ 20,849,822</u>

Note 7. Change in Accounting Principle

For the year ended June 30, 2022, the financial statements included 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-us lease asset, and a lease is required to recognize a lease receivable and deferred inflow of resources.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

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

Schedule of Changes in Net OPEB Liability and Related Ratios

Schedule of County Contributions – OPEB

Schedule of Investment Returns - OPEB

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

Schedule of County Contributions for the Local Governmental Employees' Retirement System

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

Schedule of County Contributions for the Register of Deeds' Supplemental Pension Fund

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

Schedule of Total Pension Liability as a Percentage of Covered Employee Payroll for the Law Enforcement Officers' Special Separation Allowance



CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
LAST FIVE FISCAL YEARS

EXHIBIT 11

Other Post Employment Benefit					
	2022	2021	2020	2019	2018
Service cost at the end of the year	\$ 2,718,586	\$ 1,928,135	\$ 2,382,844	\$ 2,459,190	\$ 2,650,570
Interest	1,028,741	1,298,511	1,622,016	1,448,147	1,215,771
Difference between expected and actual experience	(286,707)	(42,333)	(11,265,223)	(309,710)	154,492
Changes of assumptions or other inputs	(6,567,892)	6,940,003	622,675	(1,458,547)	(2,423,124)
Benefits payments	(1,439,077)	(1,322,051)	(1,109,572)	(1,131,739)	(1,488,105)
Net change in Total OPEB Liability	(4,546,349)	8,802,265	(7,747,260)	1,007,341	109,604
Total OPEB Liability - beginning	45,624,013	34,499,299	42,246,559	41,239,218	41,129,614
Total OPEB Liability - ending	<u>\$ 41,077,664</u>	<u>\$ 43,301,564</u>	<u>\$ 34,499,299</u>	<u>\$ 42,246,559</u>	<u>\$ 41,239,218</u>
Plan Fiduciary Net Position					
	2022				
Contributions - Employer	\$ 3,439,077				
Actual versus expected return	2,678				
Benefits payments	(1,439,077)				
Net Changes in Plan Fiduciary Net Position	2,002,678				
Plan Fiduciary Net Position - beginning	-				
Plan Fiduciary Net Position - ending	<u>\$ 2,002,678</u>				
Net OPEB liability - ending	<u>\$ 39,074,986</u>	<u>\$ 43,301,564</u>	<u>\$ 34,499,299</u>	<u>\$ 42,246,559</u>	<u>\$ 41,239,218</u>
Plan Fiduciary Net Position as a percentage of Total OPEB liability	4.88%	0.00%	0.00%	0.00%	0.00%
Covered Employee Payroll	\$ 53,880,223	\$ 51,283,972	\$ 49,994,283	\$ 44,146,565	\$ 44,146,565

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF COUNTY CONTRIBUTIONS
CURRENT FISCAL YEAR

EXHIBIT 12

	2022
Actuarially determined contribution	\$ 4,257,269
Contribution in relation to the Actuarially determined contribution	3,439,077
Contribution Deficiency / (Excess)	<u>\$ 818,192</u>
Covered Employee Payroll	<u>\$ 53,880,223</u>
Contribution as a percentage of Covered Employee Payroll	7.90%
Investment Rate of Return	2.16%
Methods and assumptions used to determine contribution rates:	
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percentage of Payroll
Remaining amortization period	28 years
Asset Valuation	Market Value
Inflation	2.50%
Healthcare Trend rates	7.0% initially, decreasing to an ultimate rate of 5.0% in 2025
Salary increase 3.5%	3.50%
Payroll Growth	2.50%
Average Assumed Retirement Age	62
Mortality	RPH-2014 Total Dataset with Scale MP-2021

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF INVESTMENT RETURNS
CURRENT FISCAL YEAR

EXHIBIT 13

	<u>2022</u>
Annual money-weighted rate of return, net of investment expense	0.29%

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM
LAST NINE FISCAL YEARS ^{(1), (2), (3)}

EXHIBIT 14

	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) %	0.834%	0.827%	0.795%	0.778%	0.770%	0.778%	0.724%	0.740%	0.741%
County's proportionate share of the net pension liability (asset) \$	\$ 12,793,565	\$ 29,568,671	\$ 21,710,284	\$ 18,459,668	\$ 11,761,328	\$ 16,504,338	\$ 3,247,518	\$ (4,362,472)	\$ 8,935,512
County's covered payroll	\$ 59,661,187	\$ 55,609,898	\$ 51,620,898	\$ 47,754,726	\$ 46,557,398	\$ 42,520,688	\$ 39,999,294	\$ 39,888,050	\$ 38,285,570
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	21.44%	53.17%	42.06%	38.66%	25.26%	38.81%	8.12%	(10.94%)	23.34%
Plan fiduciary net position as a percentage of the total pension liability ⁽³⁾	95.51%	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

⁽¹⁾ The amount presented for each fiscal year were determined as of the prior fiscal year ending June 30

⁽²⁾ This schedule is intended to show information for ten years. The additional years' information will be displayed as it becomes available

⁽³⁾ This will be the same percentage for all participant employers in the ROD plan

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF COUNTY CONTRIBUTIONS
LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM
LAST NINE FISCAL YEARS⁽¹⁾

EXHIBIT 15

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 7,337,388	\$ 6,153,223	\$ 5,088,523	\$ 4,097,992	\$ 3,674,201	\$ 3,472,475	\$ 2,903,772	\$ 2,855,518	\$ 2,836,414
Contributions in relation to the contractually required contribution	<u>7,337,388</u>	<u>6,153,223</u>	<u>5,088,523</u>	<u>4,097,992</u>	<u>3,674,201</u>	<u>3,472,475</u>	<u>2,903,772</u>	<u>2,855,518</u>	<u>2,836,414</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 63,599,221	\$ 59,661,187	\$ 55,609,898	\$ 51,620,898	\$ 47,754,726	\$ 46,557,398	\$ 42,520,688	\$ 39,999,294	\$ 39,888,050
Contributions as a percentage of covered payroll	11.54%	10.31%	9.15%	7.94%	7.69%	7.46%	6.83%	7.14%	7.11%

⁽¹⁾ This schedule is intended to show information for ten years. The additional years' information will be displayed as it becomes available.

CABARRUS COUNTY, NORTH CAROLINA**EXHIBIT 16****SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)****REGISTER OF DEED'S SUPPLEMENTAL PENSION FUND****LAST NINE FISCAL YEARS ^{(1), (2), (3)}**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) %	2.701%	2.253%	2.072%	2.280%	2.387%	2.399%	2.267%	2.143%	2.163%
County's proportionate share of the net pension liability (asset) \$	\$ (520,027)	\$ (516,340)	\$ (408,973)	\$ (377,711)	\$ (407,500)	\$ (448,487)	\$ (525,183)	\$ (485,686)	\$ (462,104)
County's covered payroll	\$ 81,072	\$ 80,096	\$ 79,013	\$ 77,359	\$ 78,422	\$ 71,669	\$ 71,326	\$ 71,286	\$ 62,846
Plan fiduciary net position as a percentage of the total pension liability ⁽³⁾	156.53%	173.62%	164.11%	153.31%	153.77%	160.17%	197.29%	193.88%	190.50%

⁽¹⁾ The amount presented for each fiscal year were determined as of the prior fiscal year ending June 30

⁽²⁾ This schedule is intended to show information for ten years. The additional years' information will be displayed as it becomes available

⁽³⁾ This will be the same percentage for all participant employers in the ROD plan

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF THE COUNTY CONTRIBUTIONS
REGISTER OF DEED'S SUPPLEMENTAL PENSION FUND
LAST NINE FISCAL YEARS ⁽¹⁾

EXHIBIT 17

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 26,821	\$ 30,568	\$ 23,488	\$ 19,690	\$ 19,516	\$ 20,743	\$ 19,597	\$ 18,134	\$ 17,494
Contributions in relation to the contractually required contribution	<u>26,821</u>	<u>30,568</u>	<u>23,488</u>	<u>19,690</u>	<u>19,516</u>	<u>20,743</u>	<u>19,597</u>	<u>18,134</u>	<u>17,494</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 81,884	\$ 81,072	\$ 80,096	\$ 79,013	\$ 77,359	\$ 78,422	\$ 71,669	\$ 71,326	\$ 71,286
Contributions as a percentage of covered payroll	32.75%	37.70%	29.32%	24.92%	25.23%	26.45%	27.34%	25.42%	24.54%

⁽¹⁾ This schedule is intended to show information for ten years. The additional years' information will be displayed as it becomes available.

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
LAST SIX FISCAL YEARS

EXHIBIT 18

	2022	2021	2020	2019	2018	2017
Beginning balance	\$ 13,003,554	\$ 8,474,799	\$ 7,374,262	\$ 7,160,865	\$ 6,676,726	\$ 6,532,773
Service cost	600,037	379,104	281,417	289,280	249,707	283,709
Interest on the total pension liability	245,798	269,162	260,998	220,996	252,149	229,563
Differences between expected and actual experience in the measurement of the total pension liability	494,015	1,083,766	724,690	319,266	(145,794)	-
Changes of assumption or other inputs	(344,991)	3,233,320	241,394	(281,484)	416,835	(164,444)
Benefits payments	(535,809)	(436,597)	(407,962)	(334,661)	(288,758)	(204,875)
Ending balance of the total pension liability	<u>\$ 13,462,604</u>	<u>\$ 13,003,554</u>	<u>\$ 8,474,799</u>	<u>\$ 7,374,262</u>	<u>\$ 7,160,865</u>	<u>\$ 6,676,726</u>

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

CABARRUS COUNTY, NORTH CAROLINA**EXHIBIT 19****SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED-EMPLOYEE PAYROLL
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
LAST SIX FISCAL YEARS**

	2022	2021	2020	2019	2018	2017
Total pension liability	\$ 13,462,604	\$ 13,003,554	\$ 8,474,799	\$ 7,374,262	\$ 7,160,865	\$ 6,676,726
Covered-employee payroll	12,917,051	12,448,861	10,156,862	9,482,279	9,441,196	10,335,413
Total pension liability as a percentage of covered-employee payroll	104.22%	104.46%	83.44%	77.77%	75.85%	64.60%

Notes to the Schedule:

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



OTHER SUPPLEMENTAL INFORMATION

- Combining Statements for Non-Major Funds
- Special Revenue Funds
- Capital Project Funds
- Fiduciary Funds

CABARRUS COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

SCHEDULE 1
PAGE 1 OF 2

	Special Revenue Funds									
	Emergency Telephone System Fund	Community Development Block Grant Fund	Cabarrus Arena and Events Center Fund	Fire Districts' Fund	Sheriff's Department Fund	Dept of Aging Fund	Social Services Payee Fund	Inter-governmental Fund	OPIOID Settlement Fund	Total Non-major Special Revenue Funds
ASSETS										
Cash and cash equivalents	\$ 1,140,926	\$ 46,845	\$ 2,550,203	\$ 17,780	\$ 200,210	\$ 149,066	\$ 300,360	\$ 121,353	\$ -	\$ 4,526,743
Due from other governments	57,597	-	-	58,915	-	-	-	-	-	116,512
Accounts receivable	-	200	29,465	-	-	-	-	2,933	-	32,598
Prepaid items	-	-	13,220	-	-	-	-	-	-	13,220
Restricted cash	-	-	51,741	-	-	-	-	-	413,100	464,841
Total assets	<u>\$ 1,198,523</u>	<u>\$ 47,045</u>	<u>\$ 2,644,629</u>	<u>\$ 76,695</u>	<u>\$ 200,210</u>	<u>\$ 149,066</u>	<u>\$ 300,360</u>	<u>\$ 124,286</u>	<u>\$ 413,100</u>	<u>\$ 5,153,914</u>
LIABILITIES										
Accounts payable and accrued liabilities	\$ 365	\$ -	\$ 230,666	\$ 76,695	\$ 200	\$ -	\$ 19,888	\$ 124,286	\$ -	\$ 452,100
Contract retainages	-	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	413,100	413,100
Total liabilities	<u>365</u>	<u>-</u>	<u>230,666</u>	<u>76,695</u>	<u>200</u>	<u>-</u>	<u>19,888</u>	<u>124,286</u>	<u>413,100</u>	<u>865,200</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES										
Nonspendable										
Prepaid items	-	-	13,220	-	-	-	-	-	-	13,220
Restricted										
Stabilization by state statute	57,597	200	29,465	58,915	-	-	-	2,933	-	149,110
Register of Deeds Automation & Enhancement	-	-	-	-	-	-	-	-	-	-
Emergency Telephone 911	1,140,561	-	-	-	-	-	-	-	-	1,140,561
Sheriff & State Safety programs	-	-	-	-	200,010	-	-	-	-	200,010
Community Development programs	-	46,845	-	-	-	-	-	-	-	46,845
Soil and Water programs	-	-	-	-	-	-	-	-	-	-
Cabarrus Arena and Events Center	-	-	51,741	-	-	-	-	-	-	51,741
Health Services	-	-	-	-	-	-	280,472	-	-	280,472
Committed										
Economic and physical development	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	149,066	-	-	-	149,066
Education	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	300,000	-	-	-	-	-	-	300,000
Assigned										
Culture and recreation	-	-	2,019,537	-	-	-	-	-	-	2,019,537
Unassigned	-	-	-	(58,915)	-	-	-	(2,933)	-	(61,848)
Total fund balances	<u>1,198,158</u>	<u>47,045</u>	<u>2,413,963</u>	<u>-</u>	<u>200,010</u>	<u>149,066</u>	<u>280,472</u>	<u>-</u>	<u>-</u>	<u>4,288,714</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,198,523</u>	<u>\$ 47,045</u>	<u>\$ 2,644,629</u>	<u>\$ 76,695</u>	<u>\$ 200,210</u>	<u>\$ 149,066</u>	<u>\$ 300,360</u>	<u>\$ 124,286</u>	<u>\$ 413,100</u>	<u>\$ 5,153,914</u>

CABARRUS COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

SCHEDULE 1
PAGE 2 OF 2

	Capital Projects Funds								Total Non-major Governmental Funds
	Public School Building Fund	Construction and Renovation Fund	School Construction Fund	Limited Obligation Bonds 2017 Fund	Limited Obligation Bonds 2018 Fund	School Capital Projects Fund	Small Projects Fund	Cannon Memorial Library Fund	Total Capital Projects Funds
ASSETS									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,611,110	\$ 2,714,887	\$ -	\$ 13,325,997
Due from other governments	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,611,110</u>	<u>\$ 2,714,887</u>	<u>\$ -</u>	<u>\$ 13,325,997</u>
LIABILITIES									
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,115,531	\$ 29,304	\$ -	\$ 2,144,835
Contract retainages	-	-	-	-	-	1,114,370	-	-	1,114,370
Unearned revenue	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,229,901</u>	<u>29,304</u>	<u>-</u>	<u>3,259,205</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,452</u>	<u>-</u>	<u>113,452</u>
FUND BALANCES									
Nonspendable									
Prepaid items	-	-	-	-	-	-	-	-	-
Restricted									
Stabilization by state statute	-	-	-	-	-	-	-	-	-
Register of Deeds Automation & Enhancement	-	-	-	-	-	-	375,178	-	375,178
Emergency Telephone 911	-	-	-	-	-	-	-	-	-
Sheriff & State Safety programs	-	-	-	-	-	-	-	-	-
Community Development programs	-	-	-	-	-	-	-	-	-
Soil and Water programs	-	-	-	-	-	-	109,775	-	109,775
Cabarrus Arena and Events Center	-	-	-	-	-	-	-	-	-
Health Services	-	-	-	-	-	-	-	-	-
Committed									
Economic and physical development	-	-	-	-	-	-	2,087,178	-	2,087,178
Human services	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	7,381,209	-	-	7,381,209
Culture and recreation	-	-	-	-	-	-	-	-	-
Assigned									
Culture and recreation	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,381,209</u>	<u>2,572,131</u>	<u>-</u>	<u>9,953,340</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,611,110</u>	<u>\$ 2,714,887</u>	<u>\$ -</u>	<u>\$ 13,325,997</u>

CABARRUS COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

SCHEDULE 2
PAGE 1 OF 2

	Special Revenue Funds									
	Emergency Telephone System Fund	Community Development Block Grant Fund	Cabarrus Arena and Events Center Fund	Fire Districts' Fund	Sheriff's Department Fund	Dept of Aging Fund	Social Services Payee Fund	Inter-governmental Fund	OPIOID Settlement Fund	Total Non-major Special Revenue Funds
REVENUES										
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 6,160,401	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,160,401
Restricted intergovernmental	691,166	1,300	-	-	36,989	-	374,696	-	-	1,104,151
Intergovernmental - lottery	-	-	-	-	-	-	-	-	-	-
Program fees	-	-	337,556	-	793	-	-	1,725,446	-	2,063,795
Investment earnings	1,145	-	3,039	-	225	174	136	-	-	4,719
Donations	-	-	10,000	-	-	426	-	-	-	10,426
Miscellaneous	-	-	684	-	-	-	-	-	-	684
Total revenues	692,311	1,300	351,279	6,160,401	38,007	600	374,832	1,725,446	-	9,344,176
EXPENDITURES										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	229,981	-	-	6,160,401	37,388	-	-	-	-	6,427,770
Economic and physical development	-	592	-	-	-	-	-	-	-	592
Environmental protection	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	262,153	-	-	262,153
Education	-	-	-	-	-	-	-	1,725,446	-	1,725,446
Culture and recreation	-	-	871,984	-	-	-	-	-	-	871,984
Debt service:										
Principal Interest	29,502	-	-	-	-	-	-	-	-	29,502
Interest and fees	262	-	-	-	-	-	-	-	-	262
Total expenditures	259,745	592	871,984	6,160,401	37,388	-	262,153	1,725,446	-	9,317,709
Excess (deficiency) of revenues over (under) expenditures	432,566	708	(520,705)	-	619	600	112,679	-	-	26,467
OTHER FINANCING SOURCES (USES)										
Debt proceeds	-	-	-	-	-	-	-	-	-	-
Transfer in	40,212	-	1,320,584	-	-	-	-	-	-	1,360,796
Transfer (out)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	40,212	-	1,320,584	-	-	-	-	-	-	1,360,796
Net change in fund balances	472,778	708	799,879	-	619	600	112,679	-	-	1,387,263
Fund balance, July 1	725,380	46,337	1,614,084	-	199,391	148,466	167,793	-	-	2,901,451
Fund balance, June 30	\$ 1,198,158	\$ 47,045	\$ 2,413,963	\$ -	\$ 200,010	\$ 149,066	\$ 280,472	\$ -	\$ -	\$ 4,288,714

CABARRUS COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

SCHEDULE 2
PAGE 2 OF 2

	Capital Projects Funds									
	Public School Building Fund	Construction and Renovations Fund	School Construction Fund	Limited Obligation Bonds 2017 Fund	Limited Obligation Bonds 2018 Fund	School Capital Projects Fund	Small Projects Fund	Cannon Memorial Library Fund	Total Capital Projects Funds	Total Non-major Governmental Funds
REVENUES										
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,016,428	\$ -	\$ 1,016,428	\$ 7,176,829
Restricted intergovernmental	-	-	-	1,538,966	1,038,464	-	167,726	-	2,745,156	3,849,307
Intergovernmental - lottery	2,937,000	-	-	-	-	-	-	-	2,937,000	2,937,000
Program fees	-	-	-	-	-	-	11,689	-	11,689	2,075,484
Investment earnings	-	-	-	-	-	-	2,686	9	2,695	7,414
Donations	-	-	-	-	-	-	-	-	-	10,426
Miscellaneous	-	-	-	-	-	-	7,500	-	7,500	8,184
Total revenues	2,937,000	-	-	1,538,966	1,038,464	-	1,206,029	9	6,720,468	16,064,644
EXPENDITURES										
General government	-	-	-	-	-	-	151,642	-	151,642	151,642
Public safety	-	476,858	-	-	-	-	-	-	476,858	6,904,628
Economic and physical development	-	-	-	-	-	-	97,228	-	97,228	97,820
Environmental protection	-	-	-	-	-	-	405	-	405	405
Human services	-	-	-	-	-	-	-	-	-	262,153
Education	457,000	-	-	39,623	23,900	28,341,414	-	-	28,861,937	30,587,383
Culture and recreation	-	45,549	-	-	-	-	-	-	45,549	917,533
Debt service:										
Principal Interest	-	-	-	-	-	-	-	-	-	29,502
Interest and fees	-	-	-	-	-	-	-	-	-	262
Total expenditures	457,000	522,407	-	39,623	23,900	28,341,414	249,275	-	29,633,619	38,951,328
Excess (deficiency) of revenues over (under) expenditures	2,480,000	(522,407)	-	1,499,343	1,014,564	(28,341,414)	956,754	9	(22,913,151)	(22,886,684)
OTHER FINANCING SOURCES (USES)										
Debt proceeds	-	-	-	-	-	16,317,242	-	-	16,317,242	16,317,242
Transfer in	-	-	-	-	-	15,534,199	-	-	15,534,199	16,894,995
Transfer (out)	(2,480,000)	(925,614)	(259,317)	(2,496,144)	(1,291,078)	-	-	(20,268)	(7,472,421)	(7,472,421)
Total other financing sources (uses)	(2,480,000)	(925,614)	(259,317)	(2,496,144)	(1,291,078)	31,851,441	-	(20,268)	24,379,020	25,739,816
Net change in fund balances	-	(1,448,021)	(259,317)	(996,801)	(276,514)	3,510,027	956,754	(20,259)	1,465,869	2,853,132
Fund balance, July 1	-	1,448,021	259,317	996,801	276,514	3,871,182	1,615,377	20,259	8,487,471	11,388,922
Fund balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,381,209	\$ 2,572,131	\$ -	\$ 9,953,340	\$ 14,242,054



SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes

Emergency Telephone System – accounts for the receipt and disbursement of funds for the Cabarrus County Emergency 911 system.

Community Development Block Grant – accounts for the receipt and disbursement of grant funds from the Community Development Block Grant.

Cabarrus Arena and Events Center – accounts for the operations of the County owned Arena and Events Center and the annual Cabarrus County Fair.

Fire Districts' – accounts for the receipt of property taxes levied for each Fire Department District collected by Cabarrus County and then remitted to each fire department for the purpose of providing fire protection to a specific tax area.

Sheriff's Department – collects and appropriates Federal and State funds received specifically for the Cabarrus County Sheriff's Department.

Department of Aging – collects and appropriates contributions and private donations received specifically for the Cabarrus County Department of Aging's Senior Citizen programs and projects

Social Services – accounts for money deposited with the County through the Department of Social Services under a program which manages the financial affairs of persons unable or incapable of managing on their own.

Intergovernmental - is used to accumulate fines and forfeitures before they are distributed to the local School Boards; accounts for the accumulation of Register of Deeds fees that the County is required to remit to the State of North Carolina.

OPIOID – accounts for the receipt of funds as part of nationwide settlement related to multiple opioid lawsuits and disbursement of funds for opioid abatement and remediation activities.



CABARRUS COUNTY, NORTH CAROLINA**SCHEDULE 3****EMERGENCY TELEPHONE SYSTEM SPECIAL REVENUE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Actual		Variance
	Budget	Actual	Positive (Negative)
REVENUES			
Restricted intergovernmental:			
NC 911 service fees	\$ 691,166	\$ 691,166	\$ -
Investment earnings	1,500	1,145	(355)
Total revenues	692,666	692,311	(355)
EXPENDITURES			
Public Safety:			
Operations	703,114	229,981	473,133
Debt service:			
Principal	29,502	29,502	-
Interest	262	262	-
Total expenditures	732,878	259,745	473,133
Revenues over (under) expenditures	(40,212)	432,566	472,778
OTHER FINANCING SOURCES (USES)			
Transfer In - General Fund	40,212	40,212	-
Net change in fund balance	\$ -	472,778	\$ 472,778
Fund balance, July 1		725,380	
Fund balance, June 30		\$ 1,198,158	

CABARRUS COUNTY, NORTH CAROLINA**SCHEDULE 4****COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Restricted intergovernmental:				
CDBG program fees	\$ 42,352	\$ 42,352	\$ -	\$ 42,352
HOME Consortium grants	340,142	203,947	1,300	205,247
HOME program revenues	54,895	44,495	-	44,495
Total revenues	<u>437,389</u>	<u>290,794</u>	<u>1,300</u>	<u>292,094</u>
EXPENDITURES				
Economic and physical development:				
CDBG:				
Sub-contractor construction	<u>42,352</u>	<u>41,817</u>	<u>-</u>	<u>41,817</u>
HOME Consortium:				
Consultants	15,929	8,218	592	8,810
Sub-contractor construction	<u>463,965</u>	<u>279,279</u>	<u>-</u>	<u>279,279</u>
Total HOME consortium	<u>479,894</u>	<u>287,497</u>	<u>592</u>	<u>288,089</u>
Total expenditures	<u>522,246</u>	<u>329,314</u>	<u>592</u>	<u>329,906</u>
Revenues over (under) expenditures	(84,857)	(38,520)	708	(37,812)
OTHER FINANCING SOURCES (USES)				
Transfer in - General Fund	<u>84,857</u>	<u>84,857</u>	<u>-</u>	<u>84,857</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 46,337</u>	708	<u>\$ 47,045</u>
Fund balance, July 1			<u>46,337</u>	
Fund balance, June 30			<u>\$ 47,045</u>	

CABARRUS COUNTY, NORTH CAROLINA
CABARRUS ARENA AND EVENTS CENTER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE 5
PAGE 1 OF 2

	Actual		Variance
	Budget	Actual	Positive (Negative)
REVENUES			
Arena and Events Center:			
Donations - Cabarrus Visitors Bureau	\$ 197,500	\$ 306,405	\$ 108,905
Investment earnings	-	16	16
Total Arena and Events Center	197,500	306,421	108,921
County Fair:			
Program fees	694,737	31,151	(663,586)
Investment earnings	15,000	3,023	(11,977)
Miscellaneous	5,000	684	(4,316)
Total County Fair	714,737	34,858	(679,879)
Visitor Related Events:			
Donations - Cabarrus Visitors Bureau	10,000	10,000	-
Total revenues	922,237	351,279	(570,958)
EXPENDITURES			
Cultural and recreational:			
Arena and Events Center			
Management company	997,084	500,795	496,289
Other operating expenses	521,000	102,561	418,439
Total Arena & Events Center	1,518,084	603,356	914,728
County Fair:			
Salaries and employee benefits	166,775	151,717	15,058
Other operating expenses	547,962	116,911	431,051
Total County Fair	714,737	268,628	446,109

CABARRUS COUNTY, NORTH CAROLINA
CABARRUS ARENA AND EVENTS CENTER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE 5
PAGE 2 OF 2

	Actual		Variance
	Budget	Actual	Positive (Negative)
Visitor Related Events:			
Total visitor-related events	10,000	-	10,000
Total expenditures	2,242,821	871,984	1,370,837
Revenues over (under) expenditures	(1,320,584)	(520,705)	799,879
OTHER FINANCING SOURCES (USES)			
Transfer in - General Fund	1,320,584	1,320,584	-
Net change in fund balance	<u>\$ -</u>	799,879	<u>\$ 799,879</u>
Fund balance, July 1		<u>1,614,084</u>	
Fund balance, June 30		<u><u>\$ 2,413,963</u></u>	

**CABARRUS COUNTY, NORTH CAROLINA
FIRE DISTRICTS SPECIAL REVENUE FUND**

SCHEDULE 6

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

	Actual		Variance
	Budget	Actual	Positive (Negative)
REVENUES			
Ad valorem taxes	\$ 6,444,748	\$ 6,160,401	\$ (284,347)
EXPENDITURES			
Public safety	6,444,748	6,160,401	284,347
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance, July 1		<u>-</u>	
Fund balance, June 30		<u>\$ -</u>	

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE 7
SHERIFF'S DEPARTMENT SPECIAL REVENUE FUND
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Federal Forfeiture Sharing	\$ 114,390	\$ 114,390	\$ -	\$ 114,390
Federal Forfeiture Sharing - Treasury	280,102	280,102	6,485	286,587
NC Substance Control Tax	502,497	480,512	30,504	511,016
Firing Range fees	34,833	34,038	793	34,831
Investment earnings:				
Federal Forfeiture sharing	8,007	7,991	32	8,023
Federal Forfeiture sharing - Treasury	13,337	13,300	80	13,380
NC Substance Control Tax	59,284	59,252	107	59,359
Firing Range	761	760	6	766
Total revenues	1,013,211	990,345	38,007	1,028,352
EXPENDITURES				
Public safety	746,158	510,326	3,153	513,479
Capital outlay:				
Equipment	176,204	153,701	34,235	187,936
Vehicles	268,300	304,378	-	304,378
Total expenditures	1,190,662	968,405	37,388	1,005,793
Revenues (under) expenditures	(177,451)	21,940	619	22,559
OTHER FINANCING SOURCES (USES)				
Transfer in - General Fund	285,138	285,138	-	285,138
Transfer (out) - General Fund	(107,687)	(107,687)	-	(107,687)
Total other financing sources (uses)	177,451	177,451	-	177,451
Net change in fund balance	\$ -	\$ 199,391	619	\$ 200,010
Fund balance, July 1			199,391	
Fund balance, June 30			\$ 200,010	

CABARRUS COUNTY, NORTH CAROLINA**SCHEDULE 8****DEPARTMENT OF AGING SPECIAL REVENUE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Contributions and private donations	\$ 196,102	\$ 196,282	\$ 426	\$ 196,708
Investment earnings	22,081	23,266	174	23,440
Total revenues	218,183	219,548	600	220,148
EXPENDITURES				
Human Services:				
Special projects	218,183	71,082	-	71,082
Net change in fund balance	<u>\$ -</u>	<u>\$ 148,466</u>	600	<u>\$ 149,066</u>
Fund balance, July 1			148,466	
Fund balance, June 30			<u>\$ 149,066</u>	

CABARRUS COUNTY, NORTH CAROLINA**SCHEDULE 9****SOCIAL SERVICES PAYEE FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE YEAR ENDED JUNE 30, 2022**

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Restricted intergovernmental	\$ 400,000	\$ 374,696	\$ (25,304)
Investment earnings	-	136	136
Total revenues	<u>400,000</u>	<u>374,832</u>	<u>(25,168)</u>
EXPENDITURES			
Current:			
Human services			
Payments made for the benefit of beneficiaries	<u>400,000</u>	<u>262,153</u>	<u>137,847</u>
Net change in fund balance	<u>\$ -</u>	<u>112,679</u>	<u>\$ 112,679</u>
Fund balance, beginning		<u>167,793</u>	
Fund balance, ending		<u>\$ 280,472</u>	

CABARRUS COUNTY, NORTH CAROLINA
INTERGOVERNMENTAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

SCHEDULE 10

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Sales and services			
Penalties, fines and forfeitures	\$ 2,000,000	\$ 1,725,446	\$ (274,554)
EXPENDITURES			
Current:			
General government			
Payments of penalties, fines and forfeitures to the			
Legal fees	160,000	99,385	60,615
Cabarrus County Schools	1,546,000	1,451,743	94,257
Kannapolis City Schools	294,000	174,318	119,682
Total expenditures	2,000,000	1,725,446	274,554
Net change in fund balance	\$ -	-	\$ -
Fund balance, beginning		-	
Fund balance, ending		\$ -	

CABARRUS COUNTY, NORTH CAROLINA**SCHEDULE 11****OPIOID SETTLEMENT FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Opioid settlement funds	\$ 1,321,587	\$ -	\$ -	\$ -
EXPENDITURES				
General Government				
Health and Human Services	1,321,587	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, July 1			-	
Fund balance, June 30			<u>\$ -</u>	

CAPITAL PROJECTS FUNDS

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

Public School Building – collects State public school funds and lottery proceeds and disbursing the funds for smaller non-debt school capital projects.

Construction and Renovation – accounts for the construction, renovation and equipping larger Capital projects for the County through the use of debt and non-debt sources.

School Construction – accounts for the planning, design, construction and/or renovation of schools through the use of non-debt General or Capital Reserve funds.

Limited Obligation Bonds (LOBS) 2017 - accounts for planning, design, construction and | or renovation of schools and other capital projects that are funded by debt issued in 2017.

Limited Obligation Bonds (LOBS) 2018 – accounts for planning, design, construction and/or renovation of schools and other capital projects funded by debt issued in 2018.

School Capital Projects – accounts for planning, design, construction and/or renovation of schools through the use of debt and non-debt sources.

Small Projects – collects and appropriates general fund revenues and federal and State grant funds received specifically for use by the appropriate Cabarrus County Department who has received the funds.

Cannon Memorial Library – collects and appropriates contributions and private donations received specifically for the Cabarrus County libraries to purchase books or to use on library programs and projects.



CABARRUS COUNTY, NORTH CAROLINA
PUBLIC SCHOOL BUILDING CAPITAL PROJECTS FUND

SCHEDULE 12

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

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Intergovernmental				
Lottery proceeds: state	\$ 15,230,000	\$ 12,750,000	\$ 2,480,000	\$ 15,230,000
Lottery proceeds: Rowan County	457,000	-	457,000	457,000
Total revenues	15,687,000	12,750,000	2,937,000	15,687,000
EXPENDITURES				
Capital outlay - education:				
Rowan County projects	457,000	-	457,000	457,000
Revenues over expenditures	15,230,000	12,750,000	2,480,000	15,230,000
OTHER FINANCING SOURCES (USES)				
Transfer (out) - General Fund	(13,080,000)	(10,600,000)	(2,480,000)	(13,080,000)
Transfer (out) - School Construction - CPF	(1,650,000)	(1,650,000)	-	(1,650,000)
Transfer (out) - LOBS 2017 - CPF	(500,000)	(500,000)	-	(500,000)
Total other financing sources (uses)	(15,230,000)	(12,750,000)	(2,480,000)	(15,230,000)
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance, July 1			-	
Fund balance, June 30			\$ -	

CABARRUS COUNTY, NORTH CAROLINA
CONSTRUCTION AND RENOVATIONS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE 13

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Contributions and private donations	\$ 223,035	\$ 223,035	\$ -	\$ 223,035
Rental fees	1,064,769	1,064,769	-	1,064,769
Sale of capital assets	1,012,441	1,012,441	-	1,012,441
PARTF Project Grant	350,000	350,000	-	350,000
Total revenues	<u>2,650,245</u>	<u>2,650,245</u>	<u>-</u>	<u>2,650,245</u>
EXPENDITURES				
Improvements				
General government	309,334	309,334	-	309,334
Public safety	1,514,828	1,037,970	476,858	1,514,828
Economic & physical development	78,618	78,618	-	78,618
Culture & recreation	244,652	199,103	45,549	244,652
Total improvements	<u>2,147,432</u>	<u>1,625,025</u>	<u>522,407</u>	<u>2,147,432</u>
Capital outlay	<u>10,948,565</u>	<u>10,948,565</u>	<u>-</u>	<u>10,948,565</u>
Total expenditures	<u>13,095,997</u>	<u>12,573,590</u>	<u>522,407</u>	<u>13,095,997</u>
Revenues (under) expenditures	<u>(10,445,752)</u>	<u>(9,923,345)</u>	<u>(522,407)</u>	<u>(10,445,752)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Lease	3,666,394	3,666,394	-	3,666,394
Transfer in - General Fund	3,914,143	3,914,143	-	3,914,143
Transfer in - Capital Reserve Fund	9,035,939	9,035,939	-	9,035,939
Transfer in - Special Revenue Fund	41,438	41,438	-	41,438
Transfer in - Capital Project Funds	3,926,264	3,926,264	-	3,926,264
Transfer (out) - Capital Projects Fund	(9,372,812)	(9,212,812)	(160,000)	(9,372,812)
Transfer (out) - Community Investment Fund	(765,614)	-	(765,614)	(765,614)
Total other financing sources (uses)	<u>10,445,752</u>	<u>11,371,366</u>	<u>(925,614)</u>	<u>10,445,752</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,448,021</u>	<u>(1,448,021)</u>	<u>\$ -</u>
Fund balance, July 1			<u>1,448,021</u>	
Fund balance, June 30			<u>\$ -</u>	

* Prior years is updated for account closings

CABARRUS COUNTY, NORTH CAROLINA

SCHEDULE 14

SCHOOL CONSTRUCTION CAPITAL PROJECTS FUND

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

	Project Authorization	Prior Years	Actual Current Year	Total to Date
EXPENDITURES				
Education				
Capital Outlay CCS - FMD	\$ 877,466	\$ 877,466	\$ -	\$ 877,466
Capital Outlay CCS - NONFMD	53,359	53,359	-	53,359
Capital Outlay - CAM Equipment	822,699	822,699	-	822,699
Multiple Schools Site Development, Busses	3,621,745	3,621,745	-	3,621,745
RCCC Cabarrus Business Technical Center	261,684	261,684	-	261,684
RCCC South Campus Fire Alarm	112,000	112,000	-	112,000
Mt. Pleasant Elementary School	1,613,720	1,613,720	-	1,613,720
JN Fries Middle School	300,000	300,000	-	300,000
AL Brown High School	432,903	432,903	-	432,903
Total expenditures	8,095,576	8,095,576	-	8,095,576
Revenues (under) expenditures	(8,095,576)	(8,095,576)	-	(8,095,576)
OTHER FINANCING SOURCES (USES)				
Transfer in - Capital Projects Fund	4,055	4,055	-	4,055
Transfer in - School Debt Fund CPF	23,246	23,246	-	23,246
Transfer in - LOBS 2017	1,340,296	1,340,296	-	1,340,296
Transfer in - LOBS 2018	528,958	528,958	-	528,958
Transfer in - General Fund	10,315,115	10,315,115	-	10,315,115
Transfer in - Capital Reserve Fund	6,053,512	6,053,512	-	6,053,512
Transfer (out) - County Capital Project Fund	(147,968)	(147,968)	-	(147,968)
Transfer (out) - School Capital Projects Fund	(9,383,614)	(9,383,614)	-	(9,383,614)
Transfer (out) - Community Investment Fund	(259,317)	-	(259,317)	(259,317)
Transfer (out) - Capital Reserve Fund	(378,707)	(378,707)	-	(378,707)
Total other financing sources (uses)	8,095,576	8,354,893	(259,317)	8,095,576
Net change in fund balance	\$ -	\$ 259,317	(259,317)	\$ -
Fund balance, July 1			259,317	
Fund balance, June 30			\$ -	

CABARRUS COUNTY, NORTH CAROLINA
LIMITED OBLIGATION BONDS 2017

SCHEDULE 15
PAGE 1 OF 2

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

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
NC Department of Transportation	\$ 1,538,966	\$ -	\$ 1,538,966	\$ 1,538,966
Interest on investments	1,531,542	1,531,542	-	1,531,542
Total revenues	<u>3,070,508</u>	<u>1,531,542</u>	<u>1,538,966</u>	<u>3,070,508</u>
EXPENDITURES				
Legal fees	<u>741,339</u>	<u>741,339</u>	<u>-</u>	<u>741,339</u>
General Government	<u>1,653,083</u>	<u>1,653,083</u>	<u>-</u>	<u>1,653,083</u>
Education				
Performance Learning Center	3,811,311	3,811,311	-	3,811,311
West Cabarrus High School	<u>75,335,941</u>	<u>75,296,318</u>	<u>39,623</u>	<u>75,335,941</u>
Total Education	<u>79,147,252</u>	<u>79,107,629</u>	<u>39,623</u>	<u>79,147,252</u>
Capital Outlay:				
Downtown Parking Deck				
Land acquisition	262,630	262,630	-	262,630
Parking deck	<u>12,781,374</u>	<u>12,781,374</u>	<u>-</u>	<u>12,781,374</u>
Total capital outlay	<u>13,044,004</u>	<u>13,044,004</u>	<u>-</u>	<u>13,044,004</u>
Total expenditures	<u>94,585,678</u>	<u>94,546,055</u>	<u>39,623</u>	<u>94,585,678</u>
Revenues (under) expenditures	<u>(91,515,170)</u>	<u>(93,014,513)</u>	<u>1,499,343</u>	<u>(91,515,170)</u>

CABARRUS COUNTY, NORTH CAROLINA
LIMITED OBLIGATION BONDS 2017

SCHEDULE 15
PAGE 2 OF 2

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

	Project Authorization	Prior Years	Actual Current Year	Total to Date
OTHER FINANCING SOURCES (USES)				
Premium on debt issued	8,374,879	8,374,879	-	8,374,879
Debt Proceeds - LOBS 2017	70,820,000	70,820,000	-	70,820,000
Transfer in - General Fund	2,650,083	2,650,083	-	2,650,083
Transfer in - Capital Reserve Fund	9,291,915	9,291,915	-	9,291,915
Transfer in - Construction and Renovation Fund	2,246,000	2,246,000	-	2,246,000
Transfer in - School Construction Fund CPF	4,933,803	4,933,803	-	4,933,803
Transfer in - Public School Capital Fund CPF	500,000	500,000	-	500,000
Transfer (out) - Capital Reserve Fund	(331,709)	(331,709)	-	(331,709)
Transfer (out) - Construction & Renovation Fund	(2,534,370)	(2,534,370)	-	(2,534,370)
Transfer (out) - School Construction Fund	(1,358,824)	(1,358,824)	-	(1,358,824)
Transfer (out) - County Capital Project Fund	(148,544)	(148,544)	-	(148,544)
Transfer (out) - Community Investment Fund	(2,496,144)	-	(2,496,144)	(2,496,144)
Transfer (out) - General Fund	(431,919)	(431,919)	-	(431,919)
Total other financing sources (uses)	91,515,170	94,011,314	(2,496,144)	91,515,170
Net change in fund balance	\$ -	\$ 996,801	(996,801)	\$ -
Fund balance, July 1			996,801	
Fund balance, June 30			\$ -	

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE 16
LIMITED OBLIGATION BONDS 2018
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
NC Department of Transportation	\$ 1,038,464	\$ -	\$ 1,038,464	\$ 1,038,464
Interest on investments	236,258	236,258	-	236,258
Total revenues	1,274,722	236,258	1,038,464	1,274,722
EXPENDITURES				
Hickory Ridge Elementary	35,214,857	35,214,857	-	35,214,857
RCCC Advanced Technology Center	16,846,355	16,846,355	-	16,846,355
RCCC Land	1,721,000	1,721,000	-	1,721,000
Mount Pleasant High School - HVAC	3,691,183	3,691,183	-	3,691,183
Multiple School Mobile Units	2,095,676	2,095,676	-	2,095,676
JN Fries - HVAC	3,595,936	3,572,036	23,900	3,595,936
Legal Fees	416,293	416,293	-	416,293
Total expenditures	63,581,300	63,557,400	23,900	63,581,300
Revenues (under) expenditures	(62,306,578)	(63,321,142)	1,014,564	(62,306,578)
OTHER FINANCING SOURCES (USES)				
Proceeds from LOBS 2018	54,680,000	54,680,000	-	54,680,000
Transfer in - General Fund	901,000	901,000	-	901,000
Transfer in - Capital Reserve Fund	7,942,288	7,942,288	-	7,942,288
Transfer in - School Construction Fund	668,033	668,033	-	668,033
Transfer (out) - General Fund	(1,041,915)	(3,451)	(1,038,464)	(1,041,915)
Transfer (out) - Community Investment Fund	(252,614)	-	(252,614)	(252,614)
Transfer (out) - School Construction Fund	(590,214)	(590,214)	-	(590,214)
Total other financing sources (uses)	62,306,578	63,597,656	(1,291,078)	62,306,578
Net change in fund balance	\$ -	\$ 276,514	(276,514)	\$ -
Fund balance, July 1			276,514	
Fund balance, June 30			\$ -	

CABARRUS COUNTY, NORTH CAROLINA**SCHEDULE 17****SCHOOL CAPITAL PROJECTS FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
NC Department of Transportation Grant	\$ 1,300,000	\$ -	\$ -	\$ -
EXPENDITURES				
Roberta Road Middle School	\$ 56,599,331	\$ 31,446,927	\$ 19,472,328	\$ 50,919,255
New High School	9,513,790	5,252,689	-	5,252,689
R. Brown McAllister Elementary	39,950,000	55,588	1,581,684	1,637,272
Cabarrus County School Maintenance	18,840,948	997,448	5,069,131	6,066,579
Kannapolis City School Maintenance	3,196,931	388,604	1,943,408	2,332,012
Rowan Cabarrus Community College Maintenance	1,669,571	455,321	274,863	730,184
Total expenditures	129,770,571	38,596,577	28,341,414	66,937,991
OTHER FINANCING SOURCES (USES)				
Proceeds from LOBS 2020A	42,212,275	31,863,539	13,368,325	45,231,864
Proceeds from LOBS 2022B	60,119,877	-	2,948,917	2,948,917
Transfer in - General Fund	16,079,739	4,420,509	11,659,230	16,079,739
Transfer in - Capital Projects	9,522,511	9,522,511	-	9,522,511
Transfer in - Capital Reserve	1,662,314	1,662,314	-	1,662,314
Transfer in - Community Investment Fund	3,874,969	-	3,874,969	3,874,969
Transfer (out) - Capital Reserve	(5,001,114)	(5,001,114)	-	(5,001,114)
Total other financing sources (uses)	128,470,571	42,467,759	31,851,441	74,319,200
Net change in fund balance	\$ -	\$ 3,871,182	3,510,027	\$ 7,381,209
Fund balance, July 1			3,871,182	
Fund balance, June 30			\$ 7,381,209	

CABARRUS COUNTY, NORTH CAROLINA
SMALL PROJECTS CAPITAL PROJECTS FUND

SCHEDULE 18
PAGE 1 OF 2

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

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Board of Elections:				
Investment earnings	\$ 34,130	\$ 34,128	\$ 1	\$ 34,129
Register of Deeds:				
Automation & enhancement fees	2,179,413	2,047,647	167,726	2,215,373
Investment earnings	68,805	68,557	591	69,148
Total Register of Deeds	2,248,218	2,116,204	168,317	2,284,521
Community Development:				
Program fees	24,322	14,110	10,212	24,322
Soil & Water:				
Grants	962,621	687,225	-	687,225
Stewardship Fund	52,250	52,250	-	52,250
Deferred tax collections	443,823	436,558	-	436,558
Program fees	17,873	16,619	1,477	18,096
Contribution and donations	2,898	2,898	-	2,898
Investment earnings	1,693	1,693	-	1,693
Total Soil & Water	1,481,158	1,197,243	1,477	1,198,720
Elma Lomax Incubator Farm:				
Deferred tax collections	267,000	187,000	80,000	267,000
Local Agriculture Preservation:				
Deferred tax collections	4,552,761	3,623,752	936,428	4,560,180
Lease on land	7,500	-	7,500	7,500
Investment earnings	128,342	127,695	2,094	129,789
Total Soil & Water	4,688,603	3,751,447	946,022	4,697,469
Total revenues	8,743,431	7,300,132	1,206,029	8,506,161

CABARRUS COUNTY, NORTH CAROLINA
SMALL PROJECTS CAPITAL PROJECTS FUND

SCHEDULE 18
PAGE 2 OF 2

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

	Project Authorization	Prior Years	Actual Current Year	Total to Date
EXPENDITURES				
Operations:				
General Govt - Board of Elections	86,316	111,677	-	111,677
General Govt - Register of Deeds	2,325,723	1,757,701	151,642	1,909,343
Economic Development - Community Development	79,223	40,369	17,228	57,597
Economic Development - Elma Lomax	267,000	187,000	80,000	267,000
Environmental Protection - Soil & Water	1,567,303	1,088,540	405	1,088,945
Environ Protect - Local Agric Preservation	1,892,404	-	-	-
Total Operations	6,217,969	3,185,287	249,275	3,434,562
Capital Outlay:				
Equipment and furniture	152,899	127,530	-	127,530
Total expenditures	6,370,868	3,312,817	249,275	3,562,092
Revenues over (under) expenditures	2,372,563	3,987,315	956,754	4,944,069
OTHER FINANCING SOURCES (USES)				
Transfer in - General Fund	293,837	293,837	-	293,837
Transfer in - Capital Reserve Fund	150,000	150,000	-	150,000
Transfer (out) - General Fund	(25,000)	(25,000)	-	(25,000)
Transfer (out) - Capital Project Fund	(2,791,400)	(2,790,775)	-	(2,790,775)
Total other financing sources (uses)	(2,372,563)	(2,371,938)	-	(2,371,938)
Net change in fund balance	\$ -	\$ 1,615,377	956,754	\$ 2,572,131
Fund balance, July 1			1,615,377	
Fund balance, June 30			\$ 2,572,131	

CABARRUS COUNTY, NORTH CAROLINA**SCHEDULE 19****CANNON MEMORIAL LIBRARY CAPITAL PROJECTS FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Project Authorization	Prior Year	Actual Current Year	Total to Date
REVENUES				
Contributions and donations	\$ 935,089	\$ 935,089	\$ -	\$ 935,089
Investment earnings	203,346	203,337	9	203,346
Total revenues	1,138,435	1,138,426	9	1,138,435
EXPENDITURES				
Cultural and Recreation:				
Special projects	105,576	105,676	-	105,676
Revenues over expenditures	1,032,859	1,032,750	9	1,032,759
OTHER FINANCING SOURCES (USES)				
Transfer in - General Fund	9,740	9,740	-	9,740
Transfer (out) - General Fund	(1,042,599)	(1,022,231)	(20,268)	(1,042,499)
Total other financing sources (uses)	(1,032,859)	(1,012,491)	(20,268)	(1,032,759)
Net change in fund balance	\$ -	\$ 20,259	(20,259)	\$ -
Fund balance, July 1			20,259	
Fund balance, June 30			\$ -	

FIDUCIARY 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. These funds are used to account for assets the County holds on behalf of others that meet certain criteria.

INDIVIDUAL FUND DESCRIPTIONS

CUSTODIAL FUNDS:

Undistributed Taxes – is used to account for property taxes collected before they are distributed to local municipalities.

Jail Commissary – is used to account for inmate's money deposited with the County when an inmate is housed at the County detention center. The money can be used by inmate to purchase commissary items. Unused monies are returned to the inmate upon their release.

PENSION TRUST FUNDS

OPEB Trust Fund – accounts for the County's contributions for healthcare coverage provided to qualified retirees.



CABARRUS COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2022

SCHEDULE 20

	<u>Undistributed Taxes</u>	<u>Jail Commissary</u>	<u>Total Custodial Funds</u>
ASSETS			
Cash and cash equivalents	\$ 1,431,684	\$ 155,802	\$ 1,587,486
Taxes receivable for other governments, net	1,030,338	-	1,030,338
Total assets	<u>2,462,022</u>	<u>155,802</u>	<u>2,617,824</u>
NET POSITION			
Restricted for:			
Individuals, organizations, and other governments	2,462,022	155,802	2,617,824
Total net position	<u>\$ 2,462,022</u>	<u>\$ 155,802</u>	<u>\$ 2,617,824</u>

CABARRUS COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE 21

	Undistributed Taxes	Jail Commissary	Total Custodial Funds
ADDITIONS			
Ad valorem taxes for other governments	\$ 118,611,082	\$ -	\$ 118,611,082
Collections on behalf of inmates	-	869,622	869,622
Total additions	<u>118,611,082</u>	<u>869,622</u>	<u>119,480,704</u>
DEDUCTIONS			
Tax distributions to other governments	118,919,284	-	118,919,284
Payments on behalf of inmates	-	769,528	769,528
Total deductions	<u>118,919,284</u>	<u>769,528</u>	<u>119,688,812</u>
Net increase (decrease) in fiduciary net position	(308,202)	100,094	(208,108)
Net position, beginning, as restated	<u>2,770,224</u>	<u>55,708</u>	<u>2,825,932</u>
Net position, ending	<u>\$ 2,462,022</u>	<u>\$ 155,802</u>	<u>\$ 2,617,824</u>

CABARRUS COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
OPEB TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE 22

	<u>OPEB Trust Fund</u>	<u>TOTAL</u>
ASSETS		
Cash and cash equivalents	\$ 2,002,678	\$ 2,002,678
Total assets	<u>2,002,678</u>	<u>2,002,678</u>
NET POSITION		
Restricted for:		
Post employment benefits other than pensions	2,002,678	2,002,678
Total net position	<u>\$ 2,002,678</u>	<u>\$ 2,002,678</u>

CABARRUS COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
OPEB TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE 23

	OPEB TRUST FUND	TOTAL
ADDITIONS		
Employer contributions	\$ 2,000,000	\$ 2,000,000
Investment income	2,678	2,678
Total additions	<u>2,002,678</u>	<u>2,002,678</u>
 Net increase (decrease) in fiduciary net position	 2,002,678	 2,002,678
 Net position, July 1	 -	 -
Net position, June 30	<u>\$ 2,002,678</u>	<u>\$ 2,002,678</u>

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the County on a cost reimbursement basis

Workers' Compensation | Property Liability was established to accumulate premiums and pay all claims and related expenses for workers' compensation and property liability activities.

Self-Insured Medical | Dental was established as a self-insurance fund for employee health and dental insurance coverage. The employee's premium and the County's contribution are deposited in this fund. Payments for health and dental coverage are made to third-party administrators for the statement of claims plus administrative expenses.



CABARRUS COUNTY, NORTH CAROLINA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2022

SCHEDULE 24

	Workers' Compensation and Property Liability Fund	Medical Dental Fund	Total
ASSETS			
Cash and cash equivalents	\$ 7,426,729	\$ 4,422,678	\$ 11,849,407
Prepaid expenses	-	3,623	3,623
Total current assets	<u>7,426,729</u>	<u>4,426,301</u>	<u>11,853,030</u>
Capital assets:			
Vehicles and equipment	29,664	-	29,664
Less: Accumulated depreciation	(25,709)	-	(25,709)
Total capital assets (net)	<u>3,955</u>	<u>-</u>	<u>3,955</u>
Total assets	<u>7,430,684</u>	<u>4,426,301</u>	<u>11,856,985</u>
LIABILITIES			
Accounts payable	-	129,154	129,154
Amounts payable for future claims	<u>599,285</u>	<u>1,090,000</u>	<u>1,689,285</u>
Total liabilities	<u>599,285</u>	<u>1,219,154</u>	<u>1,818,439</u>
NET POSITION			
Net investment in capital assets	3,955	-	3,955
Unrestricted	<u>6,827,444</u>	<u>3,207,147</u>	<u>10,034,591</u>
Total Net Position	<u>\$ 6,831,399</u>	<u>\$ 3,207,147</u>	<u>\$ 10,038,546</u>

CABARRUS COUNTY, NORTH CAROLINA

SCHEDULE 25

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Workers' Compensation and Property Liability Fund	Medical Dental Fund	Total
Operating revenues:			
Insurance premiums	\$ 1,634,869	\$ 14,128,898	\$ 15,763,767
Program fees	-	31,276	31,276
Insurance refunds	83,326	721,801	805,127
Total operating revenues	1,718,195	14,881,975	16,600,170
Operating expenses:			
Depreciation	5,933	-	5,933
General administrative and other	1,049,178	2,910,712	3,959,890
Claims	994,636	14,712,880	15,707,516
Total operating expenses	2,049,747	17,623,592	19,673,339
Operating income (loss)	(331,552)	(2,741,617)	(3,073,169)
Nonoperating revenues:			
Investment earnings	8,422	2,925	11,347
Total nonoperating revenues	8,422	2,925	11,347
Income (loss) before contributions	(323,130)	(2,738,692)	(3,061,822)
Transfers:			
Transfers in	(148,680)	-	(148,680)
Transfers out - General Fund	-	2,000,000	2,000,000
Change in net position	(471,810)	(738,692)	(1,210,502)
Net position, July 1	7,303,209	3,945,839	11,249,048
Net position, June 30	\$ 6,831,399	\$ 3,207,147	\$ 10,038,546

CABARRUS COUNTY, NORTH CAROLINA**SELF-INSURED WORKERS' COMPENSATION AND LIABILITY INTERNAL SERVICES FUND****SCHEDULE OF REVENUES AND EXPENDITURES - FINANCIAL PLAN AND ACTUAL (NON-GAAP)****FOR THE FISCAL YEAR ENDED JUNE 30, 2022****SCHEDULE 26****PAGE 1 OF 2**

	2022		
	Financial Plan	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property Liability:			
Operating revenues:			
Insurance premiums	\$ -	\$ 45,386	\$ 45,386
Insurance refunds	81,613	83,326	1,713
Total operating revenues	81,613	128,712	47,099
Nonoperating revenues:			
Investment earnings	10,000	8,422	(1,578)
Total nonoperating revenues	10,000	8,422	(1,578)
Workers Compensation			
Operating revenues:			
Insurance premiums	1,300,000	1,589,483	289,483
Total operating revenues	1,300,000	1,589,483	289,483
Total revenues	1,391,613	1,726,617	335,004
Expenditures:			
Property Liability:			
General and administrative - Premiums	831,607	795,025	36,582
Claims	492,500	395,000	97,500
Consultants	18,500	18,500	-
Total liability	1,342,607	1,208,525	134,082

CABARRUS COUNTY, NORTH CAROLINA
SELF-INSURED WORKERS' COMPENSATION AND LIABILITY INTERNAL SERVICES FUND
SCHEDULE OF REVENUES AND EXPENDITURES - FINANCIAL PLAN AND ACTUAL (NON-GAAP)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE 26
PAGE 2 OF 2

	2022		
	Financial Plan	Actual	Variance Favorable (Unfavorable)
Workers Compensation			
General and administrative - premiums	230,254	200,253	30,001
Purchased services	14,530	7,900	6,630
Claims	1,034,246	599,636	434,610
Consultant	27,500	27,500	-
Total workers compensation	<u>1,306,530</u>	<u>835,289</u>	<u>471,241</u>
 Total expenditures	 <u>2,649,137</u>	 <u>2,043,814</u>	 <u>605,323</u>
 Revenues over (under) expenditures	 <u>(1,257,524)</u>	 <u>(317,197)</u>	 <u>940,327</u>
 Fund balance appropriated	 <u>1,406,204</u>	 <u>-</u>	 <u>(1,406,204)</u>
Transfers:			
Transfers to - General Fund	<u>(148,680)</u>	<u>(148,680)</u>	<u>-</u>
 Revenues and transfers over (under) expenditures	 <u>\$ -</u>	 <u>(465,877)</u>	 <u>\$ (465,877)</u>
 Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling items:			
Depreciation		<u>(5,933)</u>	
 Total reconciling items		 <u>(5,933)</u>	
 Change in net position		 <u>\$ (471,810)</u>	

CABARRUS COUNTY, NORTH CAROLINA
SELF-INSURED MEDICAL AND DENTAL INTERNAL SERVICE FUND
SCHEDULE OF REVENUES AND EXPENDITURES - FINANCIAL PLAN AND ACTUAL (NON-GAAP BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE 27

	2022		
	Financial Plan	Actual	Variance Favorable (Unfavorable)
MEDICAL			
Operating revenues:			
Insurance premiums	\$ 13,306,556	\$ 13,604,137	\$ 297,581
Insurance refunds	662,550	721,801	59,251
Program fees	30,001	31,276	1,275
Total operating revenues	<u>13,999,107</u>	<u>14,357,214</u>	<u>358,107</u>
DENTAL			
Operating revenues:			
Insurance premiums	505,956	524,761	18,805
Total operating revenues	<u>14,505,063</u>	<u>14,881,975</u>	<u>376,912</u>
Nonoperating revenues:			
Investment earnings	25,000	2,925	(22,075)
Total revenues	<u>14,530,063</u>	<u>14,884,900</u>	<u>354,837</u>
MEDICAL			
General and administrative	2,883,103	2,837,943	45,160
Claims	15,484,154	14,283,658	1,200,496
Total hospitalization	<u>18,367,257</u>	<u>17,121,601</u>	<u>1,245,656</u>
DENTAL			
General and administrative	73,000	72,769	231
Claims	432,956	429,222	3,734
Total dental	<u>505,956</u>	<u>501,991</u>	<u>3,965</u>
Total expenditures	<u>18,873,213</u>	<u>17,623,592</u>	<u>1,249,621</u>
Income (loss) before contributions	(4,343,150)	(2,738,692)	1,604,458
Transfers:			
Transfers in - General Fund	2,000,000	2,000,000	-
Revenues and transfers over (under) expenditures	(2,343,150)	(738,692)	1,604,458
Fund balance appropriated	<u>2,343,150</u>	<u>-</u>	<u>2,343,150</u>
Change in net position	<u>\$ -</u>	<u>\$ (738,692)</u>	<u>\$ (738,692)</u>

CABARRUS COUNTY, NORTH CAROLINA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE 28

	Workers' Compensation and Property Liability Fund	Medical Dental Fund	Total
Cash flows from operating activities:			
Cash received from customers	\$ -	\$ 5,835	\$ 5,835
Cash received from departments	1,718,195	15,107,096	16,825,291
Cash paid to suppliers for goods and services	(1,998,711)	(17,788,775)	(19,787,486)
Net cash provided (used) for operating activities	(280,516)	(2,675,844)	(2,956,360)
Cash flows from noncapital financing:			
Transfer in	-	2,000,000	2,000,000
Transfer out	(148,680)	-	(148,680)
Net cash provided (used) from noncapital financing	(148,680)	2,000,000	1,851,320
Cash flows from investing activities:			
Interest received on investments	12,406	5,066	17,472
Net increase (decrease) in cash and cash equivalents	(416,790)	(670,778)	(1,087,568)
Cash and cash equivalents, July 1	7,843,519	5,093,456	12,936,975
Cash and cash equivalents, June 30	\$ 7,426,729	\$ 4,422,678	\$ 11,849,407
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (331,552)	\$ (2,741,617)	\$ (3,073,169)
Depreciation expense	5,933	-	5,933
(Increase) decrease in accounts receivable and prepaid expenses	-	230,957	230,957
Increase (decrease) in accounts payable and accrued liabilities	45,103	(165,184)	(120,081)
Total adjustments	51,036	65,773	116,809
Net cash provided by (used for) operating activities	\$ (280,516)	\$ (2,675,844)	\$ (2,956,360)

OTHER SCHEDULES

Tax Receivable and Tax Levy - schedules report the balance of the past ten years of tax levies and provides detailed information concerning the current tax assessment and levy.

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

Community Investment Fund – sub fund of the general fund and accounts for sales tax | lottery revenue dedicated to school capital and property tax revenues for debt | capital projects. This fund also accounts for debt service expenditures and transfers to Capital Projects Funds.

County Capital Projects Fund – accounts for construction, renovations, and larger Capital projects for the County using debt and non-debt sources.

CARES Act Relief Fund - accounts for funding received from the federal government to cover COVID-19 expenditures for public health emergencies.

Landfill Fund - accounts for the operations that are financed and operated in a manner like private business or where the board has decided that the determination of revenues earned, costs incurred and | or net income is necessary for management accountability. The schedule presents the results of operation for the Landfill on the modified accrual basis for comparison to the legally adopted budget. A reconciliation of the modified accrual basis to the full accrual basis (per generally accepted accounting principles) follows the schedule.



CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
JUNE 30, 2022

SCHEDULE 29

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2021</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Uncollected Balance June 30, 2022</u>
2022	\$ -	\$ 222,305,257	\$ 220,927,405	\$ 1,377,852
2021	1,977,056	-	1,543,143	433,913
2020	818,223	-	437,890	380,335
2019	263,732	-	99,886	163,846
2018	567,280	-	34,208	533,072
2017	96,575	-	25,411	71,164
2016	113,055	-	11,365	101,690
2015	121,039	-	9,245	111,794
2014	114,622	-	6,202	108,420
2013	200,867	-	5,535	195,332
2012	143,470	-	143,470	-
Total	<u>\$ 4,415,919</u>	<u>\$ 222,305,257</u>	<u>\$ 223,243,759</u>	<u>3,477,418</u>
Less: Allowance for uncollectible accounts:				
General Fund				<u>(1,831,489)</u>
Ad valorem taxes receivable (net):				
General Fund				<u>\$ 1,645,929</u>
<u>Reconciliation to revenues:</u>				
Ad valorem taxes - General Fund				\$ 222,604,848
Penalties collected on ad valorem taxes - Custodial Fund				360,707
Total ad valorem taxes and penalties				<u>222,965,555</u>
Reconciling items:				
Deferred taxes				672,003
Interest collected				(748,241)
Taxes written-off				106,698
Abatement of prior year taxes				146,763
Collection of tax previously written-off				(20,858)
NCVTS refunds				121,839
Total reconciling items				<u>278,204</u>
Total collections and credits				<u>\$ 223,243,759</u>

CABARRUS COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT YEAR LEVY
COUNTY-WIDE LEVY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE 30
PAGE 1 OF 2

	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	\$ 29,827,387,176	\$ 0.7400	\$ 220,701,672	\$ 201,320,829	\$ 19,380,843
Penalties	-		133,045	133,045	-
Total	29,827,387,176		220,834,717	201,453,874	19,380,843
Discoveries:					
Current year taxes	238,664,089	0.7400	502,910	502,186	724
Prior year taxes	-		1,250,809	1,250,828	-
Penalties	-		106,762	106,762	-
Total	238,664,089		1,860,481	1,859,776	724
Releases	(53,951,075)		(389,941)	(390,050)	109
Total property valuation	<u>\$ 30,012,100,190</u>				
Net levy			222,305,257	202,923,600	19,381,676
Uncollected taxes at June 30, 2022			1,377,852	1,377,852	-
Current year's taxes collected			<u>\$ 220,927,405</u>	<u>\$ 201,545,748</u>	<u>\$ 19,381,676</u>
Current levy collection percentage			99.38%	99.32%	100.00%

**CABARRUS COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT YEAR LEVY
COUNTY-WIDE LEVY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**SCHEDULE 30
PAGE 2 OF 2**

Secondary market disclosures:

Assessed valuation:

Assessment ratio ¹	100%
Real property	\$ 24,553,345,415
Personal property	4,993,030,074
Public service companies ²	465,724,701
Total assessed valuation	\$ 30,012,100,190
Tax rate per \$100	0.7400
Levy (includes discoveries, releases and abatements) ³	\$ 222,305,257

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

Fire protection districts ⁴	\$ 5,673,641
--	--------------

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 Levy includes penalties.

⁴ Levy excludes motor vehicle taxes.

CABARRUS COUNTY, NORTH CAROLINA
TEN LARGEST TAXPAYERS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE 31

Secondary market disclosures (continued):

Taxpayer	Type of Business	Assessed Valuation	Percentage of Total Assessed Valuation
Corning, Incorporated	Manufacturing	\$ 472,785,111	1.58%
Mall at Concord Mills LP	Retail Center	228,039,604	0.76%
Charlotte Motor Speedway Inc	Sports - Racing	206,874,320	0.69%
Castle & Cooke NC LLC / David H Murdock	Real Estate	201,089,730	0.67%
Celgard LLC	Manufacturing	186,776,961	0.62%
Duke Energy Corp	Public Service Co	176,101,519	0.59%
Weinstein Properties	Real Estate	134,484,530	0.45%
The Silverman Group	Real Estate Developers	123,972,120	0.41%
Hendrick Automotive	Automotive Sales	118,847,390	0.40%
Great Wolf Lodge of the Carolinas	Amusement / Entertainment	114,025,825	0.38%
Totals		<u>\$ 1,962,997,110</u>	<u>6.55%</u>

¹More information about principal property taxpayers can be found on Table 7.

**CABARRUS COUNTY, NORTH CAROLINA
GENERAL FUND**

**SCHEDULE 32
PAGE 1 OF 12**

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

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Ad Valorem Taxes:			
Taxes - current	\$ 211,283,933	\$ 220,078,522	\$ 8,794,589
Taxes - delinquent	1,200,000	1,778,085	578,085
Interest	540,000	748,241	208,241
Total	<u>213,023,933</u>	<u>222,604,848</u>	<u>9,580,915</u>
Local Option Sales Taxes:			
Sales tax - one cent	22,386,947	26,026,642	3,639,695
Sales tax - half cent (40)	9,157,540	11,144,571	1,987,031
Sales tax - half cent (42)	5,694,466	6,772,395	1,077,929
Sales tax - half cent (44)	-	74	74
Sales tax fire districts	1,238,539	1,520,576	282,037
Total	<u>38,477,492</u>	<u>45,464,258</u>	<u>6,986,766</u>
Other Taxes:			
Franchise fees	528,000	448,608	(79,392)
Gross receipts tax	225,000	315,372	90,372
Heavy equipment tax	80,000	133,844	53,844
Total	<u>833,000</u>	<u>897,824</u>	<u>64,824</u>
Intergovernmental Revenues:			
Federal and state grants	21,903,869	21,552,462	(351,407)
Court facilities fees	350,000	288,403	(61,597)
ABC profit distribution	120,000	227,863	107,863
Other intergovernmental	6,415,500	7,739,198	1,323,698
Total	<u>28,789,369</u>	<u>29,807,926</u>	<u>1,018,557</u>
Permits and Fees:			
Inspection fees	5,200,000	5,276,035	76,035
Register of Deeds	3,970,500	5,148,067	1,177,567
Other permits	459,942	389,399	(70,543)
Total	<u>9,630,442</u>	<u>10,813,501</u>	<u>1,183,059</u>

**CABARRUS COUNTY, NORTH CAROLINA
GENERAL FUND**

**SCHEDULE 32
PAGE 2 OF 12**

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

	Final Budget	Actual	Variance Positive (Negative)
Sales and Services:			
Rental fees	35,350	33,635	(1,715)
Ambulance fees	6,640,000	8,281,856	1,641,856
Jail fees	732,860	676,158	(56,702)
Library fees	100,000	26,583	(73,417)
Recreation fees	636,907	402,519	(234,388)
Human services	138,748	95,072	(43,676)
Transportation	1,036,000	661,465	(374,535)
Tax collection fees	285,000	345,701	60,701
Other sales and services	3,531,960	3,222,038	(309,922)
Total	13,136,825	13,745,027	608,202
Investment Earnings:			
Interest on investments	100,000	(1,865,628)	(1,965,628)
Total	100,000	(1,865,628)	(1,965,628)
Miscellaneous:			
Private contributions and donations	369,885	388,136	18,251
Sale of materials and capital assets	608,803	718,627	109,824
Other	129,980	272,784	142,804
Total	1,108,668	1,379,547	270,879
Total revenues	305,099,729	322,847,303	17,747,574
EXPENDITURES			
General Government			
Board of Commissioners			
Personnel services	458,185	435,385	22,800
Operations	772,798	793,595	(20,797)
Total	1,230,983	1,228,980	2,003

**CABARRUS COUNTY, NORTH CAROLINA
GENERAL FUND**

**SCHEDULE 32
PAGE 3 OF 12**

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

	Final Budget	Actual	Variance Positive (Negative)
County Manager			
Personnel services	2,354,202	2,235,553	118,649
Operations	990,662	560,611	430,051
Capital outlay	100,000	-	100,000
Total	<u>3,444,864</u>	<u>2,796,164</u>	<u>648,700</u>
Communications & Outreach			
Personnel services	592,637	579,848	12,789
Operations	242,228	108,059	134,169
Total	<u>834,865</u>	<u>687,907</u>	<u>146,958</u>
Human Resources			
Personnel services	1,067,899	830,269	237,630
Operations	252,892	190,672	62,220
Capital outlay	20,556	13,504	7,052
Total	<u>1,341,347</u>	<u>1,034,445</u>	<u>306,902</u>
Tax Collector			
Personnel services	646,440	621,978	24,462
Operations	592,106	640,695	(48,589)
Capital outlay	1,416	1,323	93
Total	<u>1,239,962</u>	<u>1,263,996</u>	<u>(24,034)</u>
Tax Administration			
Personnel services	2,642,858	2,634,552	8,306
Operations	184,776	146,795	37,981
Total	<u>2,827,634</u>	<u>2,781,347</u>	<u>46,287</u>
Board of Elections			
Personnel services	1,160,676	700,224	460,452
Operations	725,224	401,315	323,909
Capital outlay	276,770	208,752	68,018
Total	<u>2,162,670</u>	<u>1,310,291</u>	<u>852,379</u>

**CABARRUS COUNTY, NORTH CAROLINA
GENERAL FUND**

**SCHEDULE 32
PAGE 4 OF 12**

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

	Final Budget	Actual	Variance Positive (Negative)
Register of Deeds			
Personnel services	664,818	655,821	8,997
Operations	77,447	76,279	1,168
Total	742,265	732,100	10,165
Finance			
Personnel services	1,380,333	1,372,882	7,451
Operations	256,459	161,693	94,766
Capital outlay	87,705	87,704	1
Total	1,724,497	1,622,279	102,218
Information Technology Services			
Personnel services	3,564,093	3,462,209	101,884
Operations	4,618,270	3,673,443	944,827
Capital outlay	547,158	400,194	146,964
Total	8,729,521	7,535,846	1,193,675
Non-Departmental			
Personnel services	1,912,331	710,129	1,202,202
Operations	2,824,270	1,341,525	1,482,745
Capital outlay	256,111	256,111	-
Total	4,992,712	2,307,765	2,684,947
Covid			
Operations	2,000,000	-	2,000,000
Total	2,000,000	-	2,000,000
Grounds Maintenance			
Personnel services	704,245	689,300	14,945
Operations	1,191,284	969,270	222,014
Capital outlay	186,392	186,392	-
Total	2,081,921	1,844,962	236,959

**CABARRUS COUNTY, NORTH CAROLINA
GENERAL FUND**

**SCHEDULE 32
PAGE 5 OF 12**

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

	Final Budget	Actual	Variance Positive (Negative)
Infrastructure and Asset Management			
Personnel services	718,695	711,195	7,500
Operations	1,589,397	1,387,500	201,897
Total	2,308,092	2,098,695	209,397
Street Sign Maintenance			
Personnel services	141,783	138,743	3,040
Operations	84,088	63,176	20,912
Capital outlay	14,912	14,912	-
Total	240,783	216,831	23,952
Building Maintenance			
Personnel services	973,208	939,736	33,472
Operations	1,881,191	1,264,741	616,450
Capital outlay	561,591	40,840	520,751
Total	3,415,990	2,245,317	1,170,673
Facility Services			
Personnel services	1,693,444	1,685,707	7,737
Operations	406,728	329,633	77,095
Capital Operations	5,200	5,042	158
Total	2,105,372	2,020,382	84,990
Fleet Maintenance			
Personnel services	600,792	573,355	27,437
Operations	56,630	59,217	(2,587)
Capital outlay	1,194,940	641,193	553,747
Total	1,852,362	1,273,765	578,597
Total General Government	43,275,840	33,001,072	10,274,768

**CABARRUS COUNTY, NORTH CAROLINA
GENERAL FUND**

**SCHEDULE 32
PAGE 6 OF 12**

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

	Final Budget	Actual	Variance Positive (Negative)
Public Safety			
County Sheriff			
Personnel services	9,834,394	9,581,135	253,259
Operations	3,423,152	3,091,647	331,505
Capital outlay	3,086,720	1,197,488	1,889,232
Total	16,344,266	13,870,270	2,473,996
Jail			
Personnel services	11,197,421	11,112,517	84,904
Operations	2,318,499	2,116,207	202,292
Capital outlay	80,076	72,341	7,735
Total	13,595,996	13,301,065	294,931
Animal Control			
Personnel services	876,260	854,667	21,593
Operations	84,352	78,327	6,025
Capital outlay	160,725	49,412	111,313
Total	1,121,337	982,406	138,931
Animal Shelter			
Personnel services	565,398	504,045	61,353
Operations	134,845	114,670	20,175
Capital outlay	39,274	19,637	19,637
Total	739,517	638,352	101,165
Courts			
Personnel services	40,363	14,293	26,070
Operations	269,250	125,198	144,052
Total	309,613	139,491	170,122
Construction Standards			
Personnel services	3,208,524	2,951,037	257,487
Operations	2,602,815	1,420,330	1,182,485
Capital outlay	394,620	383,879	10,741
Total	6,205,959	4,755,246	1,450,713

**CABARRUS COUNTY, NORTH CAROLINA
GENERAL FUND**

**SCHEDULE 32
PAGE 7 OF 12**

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

	Final Budget	Actual	Variance Positive (Negative)
Emergency Management			
Personnel services	306,978	306,660	318
Operations	97,559	64,607	32,952
Capital outlay	90,000	-	90,000
Total	<u>494,537</u>	<u>371,267</u>	<u>123,270</u>
Fire Services			
Personnel services	1,335,340	1,225,432	109,908
Operations	405,120	399,054	6,066
Total	<u>1,740,460</u>	<u>1,624,486</u>	<u>115,974</u>
Fire Districts			
Operations	<u>1,638,539</u>	<u>1,520,576</u>	<u>117,963</u>
Total	<u>1,638,539</u>	<u>1,520,576</u>	<u>117,963</u>
Emergency Medical Services			
Personnel services	10,084,035	9,990,590	93,445
Operations	1,730,561	1,631,951	98,610
Capital outlay	752,652	552,553	200,099
Total	<u>12,567,248</u>	<u>12,175,094</u>	<u>392,154</u>
Emergency Telephone			
Operations	<u>249,517</u>	<u>92,525</u>	<u>156,992</u>
Total	<u>249,517</u>	<u>92,525</u>	<u>156,992</u>
Other Public Safety			
Personnel services	789,468	737,517	51,951
Operations	676,652	634,032	42,620
Total	<u>1,466,120</u>	<u>1,371,549</u>	<u>94,571</u>
Total Public Safety	<u>56,473,109</u>	<u>50,842,327</u>	<u>5,630,782</u>

**CABARRUS COUNTY, NORTH CAROLINA
GENERAL FUND**

**SCHEDULE 32
PAGE 8 OF 12**

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

	Final Budget	Actual	Variance Positive (Negative)
Economic and Physical Development			
Planning and Development Services			
Personnel services	656,123	651,293	4,830
Operations	96,175	28,611	67,564
Total	752,298	679,904	72,394
Community Development			
Personnel services	238,672	229,908	8,764
Operations	578,440	347,941	230,499
Total	817,112	577,849	239,263
Soil & Water Conservation			
Personnel services	256,289	255,953	336
Operations	48,974	19,857	29,117
Total	305,263	275,810	29,453
Zoning Administration			
Personnel services	258,617	258,136	481
Operations	15,641	7,281	8,360
Total	274,258	265,417	8,841
Economic Development Corp			
Personnel services	343,022	306,304	36,718
Operations	425,000	400,000	25,000
Total	768,022	706,304	61,718
Economic Development Incentives			
Operations	2,114,422	478,165	1,636,257
Total	2,114,422	478,165	1,636,257
Other Economic and Physical Development			
Operations	1,638,980	1,609,077	29,903
Total	1,638,980	1,609,077	29,903

**CABARRUS COUNTY, NORTH CAROLINA
GENERAL FUND**

**SCHEDULE 32
PAGE 9 OF 12**

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

	Final Budget	Actual	Variance Positive (Negative)
Total Economic and Physical Development	6,670,355	4,592,526	2,077,829
Environmental Protection			
Waste Reduction/Recycling			
Capital outlay	19,234	19,234	-
Total	19,234	19,234	-
Total Environmental Protection	19,234	19,234	-
Human Services			
Veterans Services			
Personnel services	337,287	336,268	1,019
Operations	8,456	3,847	4,609
Total	345,743	340,115	5,628
Transportation			
Personnel services	1,900,424	1,723,159	177,265
Operations	1,179,234	499,863	679,371
Capital outlay	1,164,184	-	1,164,184
Total	4,243,842	2,223,022	2,020,820
Cooperative Extension			
Personnel services	377,478	282,994	94,484
Operations	77,158	36,484	40,674
Total	454,636	319,478	135,158
HS - Administration Operations			
Personnel services	3,025,411	3,083,324	(57,913)
Operations	2,430,415	1,403,540	1,026,875
Total	5,455,826	4,486,864	968,962
HS - Economic Family Support Services			
Personnel services	1,465,907	1,374,051	91,856
Operations	2,720,097	1,664,307	1,055,790
Total	4,186,004	3,038,358	1,147,646

**CABARRUS COUNTY, NORTH CAROLINA
GENERAL FUND**

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

**SCHEDULE 32
PAGE 10 OF 12**

	Final Budget	Actual	Variance Positive (Negative)
HS - Child Welfare			
Personnel services	7,771,336	7,320,110	451,226
Operations	2,863,560	2,396,833	466,727
Total	10,634,896	9,716,943	917,953
HS - Child Support Services			
Personnel services	1,914,908	1,916,636	(1,728)
Operations	319,722	210,881	108,841
Total	2,234,630	2,127,517	107,113
HS - Economic Services			
Personnel services	8,058,428	7,479,971	578,457
Operations	1,173,268	728,492	444,776
Total	9,231,696	8,208,463	1,023,233
HS - Adult and Family Services			
Personnel services	2,299,514	2,197,237	102,277
Operations	118,489	81,013	37,476
Total	2,418,003	2,278,250	139,753
HS Aging - Nutrition Title III			
Personnel services	430,266	421,308	8,958
Operations	536,805	413,663	123,142
Total	967,071	834,971	132,100
HS Aging - Senior Services			
Personnel services	331,518	330,380	1,138
Operations	423,335	341,198	82,137
Total	754,853	671,578	83,275
Cabarrus Health Alliance			
Operations	9,198,703	9,198,703	-
Total	9,198,703	9,198,703	-

**CABARRUS COUNTY, NORTH CAROLINA
GENERAL FUND**

**SCHEDULE 32
PAGE 11 OF 12**

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

	Final Budget	Actual	Variance Positive (Negative)
Other Human Services			
Operations	1,155,511	1,081,452	74,059
Total	1,155,511	1,081,452	74,059
Total Human Services	51,281,414	44,525,714	6,755,700
Culture & Recreation			
Active Living and Parks - Operations			
Personnel services	1,573,012	1,537,711	35,301
Operations	443,504	285,764	157,740
Capital outlay	654,335	253,179	401,156
Total	2,670,851	2,076,654	594,197
Active Living and Parks - Senior Centers			
Personnel services	646,289	561,518	84,771
Operations	284,327	137,020	147,307
Total	930,616	698,538	232,078
Library System			
Personnel services	3,910,758	3,798,738	112,020
Operations	953,783	834,424	119,359
Total	4,864,541	4,633,162	231,379
Other Culture and Recreation			
Cabarrus Arts Council	26,000	26,000	-
Total	26,000	26,000	-
Total Culture & Recreation	8,492,008	7,434,354	1,057,654
Education			
Schools - Current Expense			
Cabarrus County Schools	76,427,681	76,388,320	39,361
Kannapolis City Schools	9,184,202	9,174,634	9,568
Rowan Cabarrus Community College	3,754,500	3,754,500	-
Total	89,366,383	89,317,454	48,929

**CABARRUS COUNTY, NORTH CAROLINA
GENERAL FUND**

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

**SCHEDULE 32
PAGE 12 OF 12**

	Final Budget	Actual	Variance Positive (Negative)
Schools - Other	134,405	134,405	-
Total	134,405	134,405	-
Total Education	89,500,788	89,451,859	48,929
Total expenditures	255,712,748	229,867,086	25,845,661
Excess of revenues over expenditures	49,386,981	92,980,217	43,593,236
OTHER FINANCING SOURCES (USES)			
Transfers in	398,197	398,197	-
Transfers out - Other Funds	(70,450,120)	(70,450,120)	-
Total other financing sources (uses)	(70,051,923)	(70,051,923)	-
Fund balance appropriated	20,664,942	-	(20,664,942)
Net change in fund balance	\$ 0	22,928,294	\$ 22,928,294
Fund balance, June 1		103,914,871	
Fund balance, June 30		\$ 126,843,165	

CABARRUS COUNTY, NORTH CAROLINA

COMMUNITY INVESTMENT FUND

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

SCHEDULE 33

PAGE 1 OF 2

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Local Option Sales Taxes:			
Sales tax - half cent (40)	\$ 3,900,000	\$ 4,776,245	\$ 876,245
Sales tax - half cent (42)	8,540,000	10,158,593	1,618,593
Sales tax - half cent (46)	10,131,000	12,217,374	2,086,374
Total	22,571,000	27,152,212	4,581,212
Intergovernmental Revenues:			
Other intergovernmental	720,000	726,978	6,978
Other Taxes:			
Occupancy tax	-	296,405	296,405
Interest on investments	-	49,265	49,265
Total revenues	23,291,000	28,224,860	4,933,860
EXPENDITURES			
General Government			
Other General Government			
Other operations	33,428,921	-	33,428,921
Capital Outlay - GASB 87			
General Government	590,800	579,174	11,626
Human Services	5,409,200	5,302,739	106,461
Total	6,000,000	5,881,913	118,087
Education			
Schools - Capital Outlay			
Cabarrus County Schools	1,020,000	1,020,000	-
Kannapolis City Schools	100,000	100,000	-
Rowan Cabarrus Community College	100,000	100,000	-
Total	1,220,000	1,220,000	-

CABARRUS COUNTY, NORTH CAROLINA**COMMUNITY INVESTMENT FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022****SCHEDULE 33****PAGE 2 OF 2**

	Final Budget	Actual	Variance Positive (Negative)
Debt Service			
Principal	36,706,202	36,476,950	229,252
Interest and other charges	12,813,213	11,989,010	824,203
Total	49,519,415	48,465,960	1,053,455
 Total expenditures	 90,168,336	 55,567,873	 34,600,463
 Revenues over (under) expenditures	 (66,877,336)	 (27,343,013)	 39,534,323
 OTHER FINANCING SOURCES (USES)			
Issuance of debt	96,825,000	96,825,000	-
Premium on debt	9,795,725	9,795,724	1
Transfer in - General Fund	56,152,943	55,867,085	285,858
Transfer in - Other Funds	7,042,634	7,062,903	(20,269)
Lease liabilities issued	6,000,000	5,881,913	118,087
Transfer out	(11,317,664)	(11,317,664)	-
Payment to escrow agent	(105,672,677)	(105,672,677)	-
 Total other financing sources (uses)	 58,825,961	 58,442,284	 383,677
 Fund balance appropriated	 8,051,375	 -	 (8,051,375)
 Net change in fund balance	 \$ -	 31,099,271	 \$ 31,099,271
 Fund balance, July 1		 18,481,249	
 Fund balance, June 30		49,580,520	
 A legally budgeted principal debt service payment was made to a sinking fund held by a trustee in the County's name		 1,330,000	
 Fund balance, June 30		 \$ 50,910,520	

CABARRUS COUNTY, NORTH CAROLINA
COUNTY CAPITAL PROJECTS FUND
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**
SCHEDULE 34
PAGE 1 OF 2

	Actual		
	Project Authorization	Prior Years	Current Year
			Total to Date
REVENUES			
Interest on investment	\$ -	\$ -	\$ 44,205
State grants	38,200,000	-	-
Total revenues	38,200,000	-	44,205
EXPENDITURES			
Improvements			
General Government	9,112,083	1,773,066	2,466,176
Public Safety	4,487,908	557,671	666,265
Parks	3,907,909	(37,053)	162,923
Legal fees	952,508	652,508	211,652
Total improvements	18,460,408	2,946,192	3,507,016
Capital outlay			
Land	4,882,203	1,002,026	2,372,844
Buildings	8,150,000		8,060,000
Turf fields	1,834,937	1,834,937	-
Total capital outlay	14,867,140	2,836,963	10,432,844
Construction in progress			
Skylight repair - Government Center	2,028,494	1,952,781	49,537
Courthouse	135,959,518	31,457,794	49,314,660
Operation Center Building	14,687,999	4,746,736	457,527
Sheriff Training & Firing Range Project	2,150,000	1,661,205	37,942
Emergency Medical Services Headquarters	20,939,097	851,811	5,715,611
Northeast Area Park	7,499,999	-	50,625
Mental Health Facility	33,097,554	-	-
Camp Spencer Improvement	336,998	299,179	13,098
Frank Liske Park	6,783,843	235,204	500,343
Turf fields	2,566,811	2,209,408	75,395
Library	12,400,000	-	140,048
Total construction in progress	238,450,313	43,414,118	56,354,786
Total capital outlay	253,317,453	46,251,081	66,787,630
Total expenditures	271,777,861	49,197,273	70,294,646

CABARRUS COUNTY, NORTH CAROLINA

COUNTY CAPITAL PROJECTS FUND

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

SCHEDULE 34

PAGE 2 OF 2

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Revenues (under) expenditures	(233,577,861)	(49,197,273)	(70,250,441)	(119,447,714)
OTHER FINANCING SOURCES (USES)				
Proceeds from LOBS 2020A	60,904,154	23,025,363	37,415,250	60,440,613
Proceeds from LOBS 2022B	103,740,275	-	10,270,937	10,270,937
Transfer in - Capital Projects	27,770,235	27,606,064	164,171	27,770,235
Transfer in - Capital Reserve	3,657,664	3,657,664	-	3,657,664
Transfer in - General Fund	33,265,281	32,415,519	1,141,151	33,556,670
Transfer in - Internal Service Fund	1,065,425	1,065,425	-	1,065,425
Transfer in - Community Investment Fund	5,307,327	-	5,307,327	5,307,327
Transfer (out) - General Fund	(47,500)	(47,500)	-	(47,500)
Transfer (out) - Capital Reserve	(2,085,000)	(2,085,000)	-	(2,085,000)
Total other financing sources (uses)	233,577,861	85,637,535	54,298,836	139,936,371
Net change in fund balance	\$ -	\$ 36,440,262	(15,951,605)	\$ 20,488,657
Fund balance, July 1			36,440,262	
Fund balance, June 30			\$ 20,488,657	

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE 35
CARES ACT RELIEF FUND
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Restricted intergovernmental				
CARES Act Relief Funds	\$ 7,972,670	\$ 7,972,670	\$ -	\$ 7,972,670
American Rescue Plan Funds	42,043,458	-	15,674,687	15,674,687
Emergency Rental Assistance Program - US Treasury Emergency Asst - ERA21	6,528,517	694,234	5,834,284	6,528,518
Emergency Rental Assistance Program - US Treasury Emergency Asst - ERA22	5,165,710	-	-	-
Emergency Rental Assistance Program - US Treasury Emergency Asst - ERA23	4,965,552	-	3,628,070	3,628,070
Interest earned on CARES Act Relief Funds	3,499	3,499	-	3,499
Total revenues	66,679,406	8,670,403	25,137,041	33,807,444
EXPENDITURES				
Salaries and benefits	14,376,889	3,591,524	10,229,570	13,821,094
Other Public Health Emergency	50,322,633	3,098,995	14,907,471	18,006,466
Municipal distribution	1,979,884	1,979,884	-	1,979,884
Total expenditures	66,679,406	8,670,403	25,137,041	33,807,444
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance, July 1			-	
Fund balance, June 30			\$ -	

CABARRUS COUNTY, NORTH CAROLINA**LANDFILL FUND****SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP BASIS)****FOR THE FISCAL YEAR ENDED JUNE 30, 2022****SCHEDULE 36****PAGE 1 OF 2**

	2021		Variance
	Budget	Actual	Favorable (Unfavorable)
REVENUES			
Operating revenues:			
Charges for sales and services:			
Tipping fees	\$ 861,000	\$ 655,101	\$ (205,899)
Items for sale	70,000	87,974	17,974
Waste disposal fee	115,000	107,584	(7,416)
Recycling revenue	23,000	57,637	34,637
Total operating revenues	1,069,000	908,296	(160,704)
Nonoperating revenues:			
Landfill disposal tax	42,000	31,021	(10,979)
Landfill state tax distribution	54,000	52,363	(1,637)
Solid waste franchise fee	30,000	30,000	-
Tire disposal fees	290,000	380,115	90,115
Investment earnings	28,508	8,374	(20,134)
NC Electronics management	11,000	-	(11,000)
Miscellaneous revenue	-	116	116
Total nonoperating revenues	455,508	501,989	46,481
Total revenues	1,524,508	1,410,285	(114,223)
EXPENDITURES			
Salaries and benefits	759,535	752,867	6,668
Operations	976,797	864,377	112,420
Capital outlay	357,159	297,723	59,436
Total expenditures	2,093,491	1,914,967	178,524

CABARRUS COUNTY, NORTH CAROLINA
LANDFILL FUND

SCHEDULE 36
PAGE 2 OF 2

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

	2021		Variance
	Budget	Actual	Favorable (Unfavorable)
Revenues over (under) expenditures	(568,983)	(504,682)	64,301
Appropriated net position	15,928	-	(15,928)
OTHER FINANCING SOURCES (USES)			
Transfer from General Fund	553,055	553,055	-
Revenues and appropriated net position over expenditures	<u>\$ -</u>	<u>48,373</u>	<u>\$ 48,373</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling items:			
Capital outlays		297,723	
Depreciation		(142,431)	
Decrease in net pension liability		63,745	
Increase in deferred outflows of resources - pension		11,919	
Decrease in deferred inflow - pension		(69,251)	
Increase in compensated absences payable		5,643	
(Decrease) in deferred outflow - OPEB		(7,149)	
(increase) in deferred inflow - OPEB		(20,071)	
Decrease in deferred inflow - OPEB		2,950	
(Increase) in OPEB liability		16,061	
Total reconciling items		<u>159,139</u>	
Change in net position		<u>\$ 207,512</u>	



STATISTICAL SECTION

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

Financial Trends – these tables contain trend information to help the reader understand how the government's financial performance and well-being have changed over time

- Net position by Component
- Changes in Net Position
- Fund Balances of Governmental Funds
- Changes in Fund Balances of Governmental Funds

Revenue Capacity – these tables contain information to help the reader assess the government's, most significant local revenue source, property taxes.

- Assessed Value of Taxable Property
- Direct and Overlapping Property Tax Rates
- Principal Property Taxpayers
- Property Tax Levies and Collections

Debt Capacity – these tables contain 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.

- Ratios of General Bonded Debt Outstanding
- Ratios of Outstanding Debt by Type
- Direct and Overlapping Governmental Activities Debt
- Legal Debt Margin Information

Demographic and Economic Information – these tables 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.

- Demographic and Economic Statistics
- Principal Employers

Operating Information – these tables contain information about the County's operations and resources to help the reader understand how the County's financial information related to the services the County provides and the activities it performs.

- Full-time Equivalent County Government Employees by Function | Program
- Operating Indicators by Function
- Capital Asset Statistics by Function | Program



CABARRUS COUNTY, NORTH CAROLINA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

TABLE 1

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 126,276,528	\$ 128,602,206	\$ 130,096,524	\$ 132,384,494	\$ 135,088,132	\$ 140,299,370	\$ 147,584,065	\$ 159,939,882	\$ 171,326,199	\$ 156,428,797
Restricted	21,526,048	17,269,347	15,952,068	20,309,397	22,230,970	32,255,525	34,418,834	30,339,063	122,256,741	110,468,295
Unrestricted	(187,041,424)	(163,966,006)	(131,914,054)	(119,878,979)	(160,670,777)	(222,703,931)	(250,738,117)	(255,163,508)	(315,933,619)	(218,982,095)
Total governmental activities net position	<u>\$ (39,238,848)</u>	<u>\$ (18,094,453)</u>	<u>\$ 14,134,538</u>	<u>\$ 32,814,912</u>	<u>\$ (3,351,675)</u>	<u>\$ (50,149,036)</u>	<u>\$ (68,735,218)</u>	<u>\$ (64,884,563)</u>	<u>\$ (22,350,679)</u>	<u>\$ 47,914,997</u>
Business-type activities										
Net investment in capital assets	\$ 3,220,285	\$ 3,019,858	\$ 2,884,041	\$ 2,617,174	\$ 2,681,953	\$ 2,545,825	\$ 2,399,580	\$ 2,264,367	\$ 2,129,154	\$ 2,284,446
Unrestricted	343,174	724,114	1,005,864	694,368	832,692	1,385,260	2,043,617	2,825,277	3,275,892	3,328,112
Total business-type activities net position	<u>\$ 3,563,459</u>	<u>\$ 3,743,972</u>	<u>\$ 3,889,905</u>	<u>\$ 3,311,542</u>	<u>\$ 3,514,645</u>	<u>\$ 3,931,085</u>	<u>\$ 4,443,197</u>	<u>\$ 5,089,644</u>	<u>\$ 5,405,046</u>	<u>\$ 5,612,558</u>
Primary government										
Net investment in capital assets	\$ 129,496,813	\$ 131,622,064	\$ 132,980,565	\$ 135,001,668	\$ 137,770,085	\$ 142,845,195	\$ 149,983,645	\$ 162,204,249	\$ 173,455,353	\$ 158,713,243
Restricted	21,526,048	17,269,347	15,952,068	20,309,397	22,230,970	32,255,525	34,418,834	30,339,063	122,256,741	110,468,295
Unrestricted	(186,698,250)	(163,241,892)	(130,908,190)	(119,184,611)	(159,838,085)	(221,318,671)	(248,694,500)	(252,338,231)	(312,657,727)	(215,653,983)
Total primary government net position	<u>\$ (35,675,389)</u>	<u>\$ (14,350,481)</u>	<u>\$ 18,024,443</u>	<u>\$ 36,126,454</u>	<u>\$ 162,970</u>	<u>\$ (46,217,951)</u>	<u>\$ (64,292,021)</u>	<u>\$ (59,794,919)</u>	<u>\$ (16,945,633)</u>	<u>\$ 53,527,555</u>
Component Unit										
Net investment in capital assets	\$ 959,140	\$ 771,532	\$ 698,177	\$ 591,994	\$ 415,038	\$ 454,265	\$ 332,666	\$ 621,966	\$ 481,291	\$ 748,536
Restricted	982,679	900,338	1,768,998	2,079,353	2,496,308	889,823	3,097,700	1,175,395	3,342,317	3,136,129
Unrestricted	5,305,575	5,782,236	4,312,657	4,819,120	5,157,603	5,904,428	3,509,305	3,860,514	3,397,185	4,366,757
Total component unit net position	<u>\$ 7,247,394</u>	<u>\$ 7,454,106</u>	<u>\$ 6,779,832</u>	<u>\$ 7,490,467</u>	<u>\$ 8,068,949</u>	<u>\$ 7,248,516</u>	<u>\$ 6,939,671</u>	<u>\$ 5,657,875</u>	<u>\$ 7,220,793</u>	<u>\$ 8,251,422</u>

CABARRUS COUNTY, NORTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

TABLE 2
PAGE 1 OF 2

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ 20,446,857	\$ 29,319,941	\$ 20,025,751	\$ 22,937,803	\$ 25,784,005	\$ 25,410,503	\$ 26,373,901	\$ 31,253,702	\$ 33,792,440	\$ 42,088,592
Public safety	39,553,136	42,377,716	41,286,464	44,488,831	47,282,589	48,772,340	53,570,795	60,955,287	69,942,162	75,020,454
Economic and physical development	4,073,657	4,132,476	4,056,316	4,657,763	4,556,125	6,448,102	4,765,182	4,693,056	6,495,321	4,797,206
Environmental protection	547,558	259,725	457,082	396,644	654,645	509,267	1,371,094	690,214	879,312	122,163
Human Services	37,438,873	37,786,315	35,979,796	36,753,034	38,136,558	36,361,691	38,699,195	41,391,469	45,911,170	55,574,511
Education	63,146,646	65,435,585	71,063,433	96,042,477	144,665,606	141,487,058	151,618,111	129,178,290	127,347,465	121,259,242
Cultural and recreation	7,465,525	7,370,579	6,526,629	7,593,910	8,177,430	8,474,373	8,013,339	9,265,753	9,484,202	9,956,155
Interest on long term debt	17,898,970	16,436,391	14,504,045	13,448,868	13,271,582	13,488,064	14,222,496	13,098,803	13,264,142	12,271,921
Total governmental activities	190,571,222	203,118,728	193,899,516	226,319,330	282,528,540	280,951,398	298,634,113	290,526,574	307,116,214	321,090,244
Business-type activities:										
Solid Waste	957,890	823,069	833,661	1,673,170	866,076	778,768	1,040,485	937,658	1,060,521	1,755,828
Total primary government expenses	\$ 191,529,112	\$ 203,941,797	\$ 194,733,177	\$ 227,992,500	\$ 283,394,616	\$ 281,730,166	\$ 299,674,598	\$ 291,464,232	\$ 308,176,735	\$ 322,846,072
Program Revenues										
Governmental activities										
Charges for services:										
General government	2,595,260	2,834,998	2,908,433	3,850,542	3,650,774	3,914,304	4,129,231	4,724,834	5,885,165	6,038,781
Public safety	10,031,226	10,662,877	11,294,592	12,018,879	12,642,192	14,337,385	14,464,132	16,337,716	17,983,682	18,374,612
Economic and physical development	46,169	76,791	53,589	137,487	458,680	500,476	555,219	560,492	557,613	429,493
Environmental protection	42,172	63,757	54,978	28,143	45,345	56,403	37,958	27,775	41,027	-
Human Services	3,176,475	2,612,401	2,237,069	1,383,584	1,344,764	1,423,955	1,352,953	1,242,731	1,296,637	1,203,123
Education	33,170	-	-	-	-	-	-	-	1,233,590	1,725,446
Cultural and recreation	1,285,260	1,423,298	1,192,236	1,411,083	1,387,169	1,301,067	1,042,956	969,726	276,209	801,829
Operating grants and contributions:										
General government	1,243,161	796,903	1,400,995	5,538,601	1,956,333	2,482,082	6,310,981	5,478,549	7,142,816	15,680,687
Public safety	783,970	1,039,695	1,990,379	1,735,870	1,669,713	1,902,528	1,823,435	2,417,516	1,562,779	1,445,842
Economic and physical development	593,672	483,393	671,151	671,661	689,873	1,148,056	577,179	386,740	559,246	390,972
Environmental protection	6,912	7,373	8,808	11,054	12,263	9,690	13,414	14,062	7,532	-
Human Services	16,698,603	15,598,848	17,249,740	18,652,890	18,155,349	15,725,089	15,184,450	16,473,584	23,809,777	36,543,413
Education	770,920	786,774	714,643	847,822	717,727	718,883	721,581	724,279	730,239	726,977
Cultural and recreation	1,184,367	1,183,120	1,050,281	1,125,669	1,352,324	1,176,367	1,145,331	1,011,083	617,610	326,911
Capital grants and contributions:										
Public safety	-	-	-	-	38,619	29,504	-	-	-	-
Human Services	329,566	357,278	352,184	423,803	305,137	112,585	222,423	-	-	-
Education	7,307,518	4,911,790	2,200,000	2,000,000	3,600,000	2,050,000	2,500,000	2,300,000	2,300,000	5,514,430
Cultural and recreation	-	-	-	150,000	-	-	-	-	-	-
Total governmental activities program revenues	46,128,421	42,839,296	43,379,078	49,987,088	48,026,262	46,888,374	50,081,243	52,669,087	64,003,922	89,202,516
Business-type activities:										
Charges for Services - Solid Waste	674,272	691,618	682,265	741,644	676,295	812,407	1,007,575	1,065,832	934,000	908,296
Operating grants and contributions - Solid Waste	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions - Solid Waste	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	674,272	691,618	682,265	741,644	676,295	812,407	1,007,575	1,065,832	934,000	908,296
Total primary government program revenues	\$ 46,802,693	\$ 43,530,914	\$ 44,061,343	\$ 50,728,732	\$ 48,702,557	\$ 47,700,781	\$ 51,088,818	\$ 53,734,919	\$ 64,937,922	\$ 90,110,812
Net (Expense)/Revenue										
Governmental activities	\$ (144,442,801)	\$ (160,279,432)	\$ (150,520,438)	\$ (176,332,242)	\$ (234,502,278)	\$ (234,063,024)	\$ (248,552,870)	\$ (237,857,487)	\$ (243,112,292)	\$ (231,887,728)
Business-type activities	(283,618)	(131,451)	(151,396)	(931,526)	(189,781)	33,639	(32,910)	128,174	(126,521)	(847,532)
Total primary government net (expense)/revenue	\$ (144,726,419)	\$ (160,410,883)	\$ (150,671,834)	\$ (177,263,768)	\$ (234,692,059)	\$ (234,029,385)	\$ (248,585,780)	\$ (237,729,313)	\$ (243,238,813)	\$ (232,735,260)

CABARRUS COUNTY, NORTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

TABLE 2
PAGE 2 OF 2

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 133,982,194	\$ 142,079,572	\$ 139,956,060	\$ 145,851,203	\$ 154,541,579	\$ 161,470,648	\$ 173,109,015	\$ 185,141,095	\$ 221,375,407	\$ 229,030,987
Local option sales tax	36,890,472	36,209,579	42,572,756	44,145,980	47,584,589	47,725,592	51,750,607	52,970,080	62,507,935	72,616,470
ABC revenues	90,926	155,755	90,185	99,766	128,382	122,995	147,027	130,203	220,443	227,863
Other taxes and licenses	760,314	754,194	796,167	844,478	897,888	950,776	903,350	824,515	810,546	1,194,229
Unrestricted investment earnings	1,627,590	2,224,727	4,930,583	2,494,713	1,043,249	2,042,086	4,056,689	2,642,249	259,485	(1,762,381)
Donations	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	312,545	1,399,291
Transfers In/Out	122,200	-	-	-	-	-	-	-	-	(553,055)
Total governmental activities:	<u>173,473,696</u>	<u>181,423,827</u>	<u>188,345,751</u>	<u>193,436,140</u>	<u>204,195,687</u>	<u>212,312,097</u>	<u>229,966,688</u>	<u>241,708,142</u>	<u>285,486,361</u>	<u>302,153,404</u>
Business-type activities:										
Other taxes and licenses	313,218	300,666	315,597	338,457	360,626	375,397	404,695	409,159	425,883	493,499
Unrestricted investment earnings	9,381	11,298	4,909	14,706	32,258	55,092	140,327	109,114	16,040	8,374
Miscellaneous	-	-	-	-	-	-	-	-	-	116
Transfers In/Out	(122,200)	-	-	-	-	-	-	-	-	553,055
Total business-type activities	<u>200,399</u>	<u>311,964</u>	<u>320,506</u>	<u>353,163</u>	<u>392,884</u>	<u>430,489</u>	<u>545,022</u>	<u>518,273</u>	<u>441,923</u>	<u>1,055,044</u>
Total primary government	<u>\$ 173,674,095</u>	<u>\$ 181,735,791</u>	<u>\$ 188,666,257</u>	<u>\$ 193,789,303</u>	<u>\$ 204,588,571</u>	<u>\$ 212,742,586</u>	<u>\$ 230,511,710</u>	<u>\$ 242,226,415</u>	<u>\$ 285,928,284</u>	<u>\$ 303,208,448</u>
Change in Net Position										
Governmental activities	\$ 29,030,895	\$ 21,144,395	\$ 37,825,313	\$ 17,103,898	\$ (30,306,591)	\$ (21,750,927)	\$ (18,586,182)	\$ 3,850,655	\$ 42,374,069	\$ 70,265,676
Business-type activities	(83,219)	180,513	169,110	(578,363)	203,103	464,128	512,112	646,447	315,402	207,512
Total primary government	<u>\$ 28,947,676</u>	<u>\$ 21,324,908</u>	<u>\$ 37,994,423</u>	<u>\$ 16,525,535</u>	<u>\$ (30,103,488)</u>	<u>\$ (21,286,799)</u>	<u>\$ (18,074,070)</u>	<u>\$ 4,497,102</u>	<u>\$ 42,689,471</u>	<u>\$ 70,473,188</u>
Expenses										
Component Unit:										
Cabarrus Health Alliance	<u>\$ 18,091,226</u>	<u>\$ 17,848,876</u>	<u>\$ 18,276,621</u>	<u>\$ 19,906,309</u>	<u>\$ 23,208,662</u>	<u>\$ 23,680,278</u>	<u>\$ 23,680,278</u>	<u>\$ 23,702,637</u>	<u>\$ 24,084,142</u>	<u>\$ 28,601,445</u>
Program Revenues										
Component Unit:										
Charges for Services	\$ 6,638,544	\$ 6,745,631	\$ 8,450,064	\$ 9,860,172	\$ 11,397,891	\$ 12,134,585	\$ 12,134,585	\$ 8,458,809	\$ 9,915,841	\$ 9,513,438
Operating grants and contributions	9,940,137	10,491,677	10,219,352	10,690,727	12,294,538	11,448,897	11,448,897	12,867,721	15,707,492	20,060,871
Capital grants and contributions	87,418	-	-	-	-	-	-	-	-	-
Total component unit	<u>\$ 16,666,099</u>	<u>\$ 17,237,308</u>	<u>\$ 18,669,416</u>	<u>\$ 20,550,899</u>	<u>\$ 23,692,429</u>	<u>\$ 23,583,482</u>	<u>\$ 23,583,482</u>	<u>\$ 21,326,530</u>	<u>\$ 25,623,333</u>	<u>\$ 29,574,309</u>
Net (Expense) Revenue										
Component Unit:										
Total component unit	<u>\$ (1,425,127)</u>	<u>\$ (611,568)</u>	<u>\$ 392,795</u>	<u>\$ 644,590</u>	<u>\$ 483,767</u>	<u>\$ (96,796)</u>	<u>\$ (96,796)</u>	<u>\$ (2,376,107)</u>	<u>\$ 1,539,191</u>	<u>\$ 972,864</u>
General Revenues and Other Changes in Net Position										
Component Unit:										
General Revenues										
Unrestricted investment earnings	\$ 12,948	\$ 2,033	\$ 6,283	\$ 18,393	\$ 34,710	\$ 95,743	\$ 95,743	\$ 104,186	\$ 4,223	\$ 15,223
Special Item	-	-	-	-	-	-	-	1,000,000	-	-
Miscellaneous	842,073	816,247	21,333	47,652	60,005	55,723	55,723	(9,875)	19,504	42,542
Total General Revenues	<u>855,021</u>	<u>818,280</u>	<u>27,616</u>	<u>66,045</u>	<u>94,715</u>	<u>151,466</u>	<u>151,466</u>	<u>1,094,311</u>	<u>23,727</u>	<u>57,765</u>
Special Item	-	-	-	-	-	-	-	-	-	-
Total component unit	<u>\$ 855,021</u>	<u>\$ 818,280</u>	<u>\$ 27,616</u>	<u>\$ 66,045</u>	<u>\$ 94,715</u>	<u>\$ 151,466</u>	<u>\$ 151,466</u>	<u>\$ 1,094,311</u>	<u>\$ 23,727</u>	<u>\$ 57,765</u>
Change in Net Position										
Component Unit:										
Total component unit	<u>\$ (570,106)</u>	<u>\$ 206,712</u>	<u>\$ 420,411</u>	<u>\$ 710,635</u>	<u>\$ 578,482</u>	<u>\$ 54,670</u>	<u>\$ 54,670</u>	<u>\$ (1,281,796)</u>	<u>\$ 1,562,918</u>	<u>\$ 1,030,629</u>

CABARRUS COUNTY, NORTH CAROLINA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

TABLE 3

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nondisposable	383,680	231,522	244,553	359,001	383,345	557,448	261,337	354,585	178,548	258,860
Restricted	11,399,498	14,863,874	14,059,301	17,002,983	20,017,459	21,468,197	24,251,535	26,117,071	39,257,660	49,091,774
Committed	-	-	172,493	4,912,643	7,975,354	4,175,361	4,484,945	5,944,972	15,502,497	49,541,798
Assigned	22,450,700	16,089,311	11,210,329	7,295,961	7,525,893	6,239,540	6,006,806	6,652,997	6,271,912	6,258,482
Unassigned	61,505,652	37,717,055	53,746,977	50,718,395	49,627,559	51,601,102	52,881,018	58,554,655	61,185,503	72,602,771
Total General Fund	<u>\$ 95,739,530</u>	<u>\$ 68,901,762</u>	<u>\$ 79,433,653</u>	<u>\$ 80,288,983</u>	<u>\$ 85,529,610</u>	<u>\$ 84,041,648</u>	<u>\$ 87,885,641</u>	<u>\$ 97,624,280</u>	<u>\$ 122,396,120</u>	<u>\$ 177,753,685</u>
All Other Governmental Funds										
Nondisposable	-	-	510,000	-	-	-	17,812	8,971	15,193	13,220
Restricted	10,126,550	3,355,247	2,564,488	84,402,426	33,179,505	121,713,619	47,098,773	12,909,487	83,445,742	60,957,605
Committed	9,798,323	39,301,702	38,332,485	31,648,792	21,643,756	22,823,801	24,657,983	17,790,229	6,595,594	9,917,453
Assigned	594,899	758,630	797,361	3,202,731	6,411,469	1,446,067	1,655,365	4,043,024	1,506,451	2,019,537
Unassigned	-	(34,772)	(55,116)	(287,944)	(57,671)	(5,167,699)	(43,414)	(246,357)	(43,733,796)	(38,177,104)
Total all other governmental funds	<u>\$ 20,519,772</u>	<u>\$ 43,380,807</u>	<u>\$ 42,149,218</u>	<u>\$ 118,966,005</u>	<u>\$ 61,177,059</u>	<u>\$ 140,815,788</u>	<u>\$ 73,386,519</u>	<u>\$ 34,505,354</u>	<u>\$ 47,829,184</u>	<u>\$ 34,730,711</u>

Note:

The County implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011

CABARRUS COUNTY, NORTH CAROLINA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

TABLE 4

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Ad valorem taxes	\$ 134,153,049	\$ 140,937,468	\$ 139,912,235	\$ 146,665,438	\$ 157,805,766	\$ 161,348,060	\$ 173,272,386	\$ 184,477,467	\$ 221,315,376	\$ 229,781,677
Other taxes and licenses	37,634,537	36,939,920	43,368,922	44,990,458	48,482,477	48,676,368	52,653,957	53,794,595	63,462,569	73,810,699
Intergovernmental	28,092,244	24,403,824	24,935,222	26,718,675	28,531,275	25,033,587	28,435,191	28,933,554	38,025,479	62,458,252
Permits and fees	5,487,566	5,949,742	6,610,335	6,187,633	5,966,475	7,371,875	6,840,659	8,625,692	10,712,602	10,813,501
Sales and services	11,830,022	11,364,724	10,882,609	11,813,400	12,695,122	13,552,117	13,892,819	14,316,244	14,166,150	15,820,511
Investment earnings	266,534	277,771	211,522	476,243	976,381	1,933,054	3,790,853	2,451,326	221,507	(1,764,744)
Donations	628,598	649,853	506,259	696,118	559,896	571,705	602,438	415,049	373,042	10,426
Miscellaneous	1,039,992	487,090	444,037	1,078,357	386,890	1,099,121	1,162,952	699,466	368,219	1,387,731
Total Revenues	219,132,542	221,010,392	226,871,141	238,626,322	255,404,282	259,585,887	280,651,255	293,713,393	348,644,944	392,318,053
Expenditures										
General Government	19,601,354	28,338,931	19,636,478	21,462,463	21,664,835	24,150,818	24,833,675	28,855,817	32,201,956	42,133,798
Public Safety	32,914,713	36,406,706	36,187,257	39,466,706	41,058,868	43,217,050	47,306,560	53,137,616	61,746,314	68,413,220
Economic & Phy Dev	3,997,296	4,084,616	4,407,764	4,660,358	4,500,973	6,405,953	4,739,493	4,569,919	6,376,847	4,690,346
Environmental Prot.	537,717	222,128	399,128	377,117	610,380	438,565	1,332,525	637,270	855,939	19,639
Human Services	35,912,373	37,018,148	36,126,712	36,356,523	37,003,442	35,573,296	37,390,443	39,276,647	44,507,630	59,503,565
Education	63,229,560	65,435,585	71,063,433	96,042,477	144,665,606	141,487,058	151,618,111	129,247,085	7,729,279	121,259,242
Culture and recreation	5,972,870	6,144,326	5,415,569	6,276,076	6,569,071	6,822,720	6,902,789	7,394,923	127,347,464	8,514,810
Capital Outlay	4,343,539	5,012,301	3,056,097	3,454,088	7,782,211	9,092,657	17,131,454	15,251,155	31,467,518	66,787,630
Debt Service:										
Principal	25,968,035	26,886,635	26,590,644	28,546,548	31,553,890	35,259,074	38,292,875	36,803,683	36,278,886	35,176,452
Interest	17,911,692	15,437,749	15,277,809	10,832,777	13,384,878	13,792,808	15,543,086	13,905,019	12,332,752	11,989,272
Total Expenditures	210,389,149	224,987,125	218,160,891	247,475,133	308,794,154	316,239,999	345,091,011	329,079,134	360,844,585	418,487,974
Excess of revenues over (under) expenditures	8,743,393	(3,976,733)	8,710,250	(8,848,811)	(53,389,872)	(56,654,112)	(64,439,756)	(35,365,741)	(12,199,641)	(26,169,921)
Other Financing Sources (Uses)										
Debt Proceeds	-	-	-	-	-	-	-	6,017,493	63,226,409	170,624,153
Lease Financing issue	-	-	-	-	-	-	652,796	-	-	5,881,913
Transfers in	12,663,434	63,488,791	18,047,562	42,964,933	45,408,477	24,803,710	46,946,432	59,829,310	59,318,739	86,835,829
Transfers out	(12,898,234)	(63,488,791)	(18,197,562)	(42,964,933)	(45,408,477)	(24,803,710)	(46,744,748)	(59,623,588)	(58,220,857)	(89,240,205)
Limited Obligation Bonds Issued	-	-	134,235,000	73,785,000	-	125,500,000	-	-	-	-
Premium from Limited Obligation Bonds	-	-	-	11,159,452	-	8,374,879	-	-	-	-
Issuance of Bonds	73,020,999	-	-	-	-	-	-	-	-	-
Disbursements for Debt Instruments	(72,479,619)	-	(133,494,948)	-	-	-	-	-	-	-
Disbursements to Escrow Agent	-	-	-	-	-	-	-	-	(14,188,795)	(105,672,677)
Issuance of Certificates of Participation	-	-	-	-	-	-	-	-	-	-
Issuance of Installment Financings	-	-	-	-	-	-	-	-	-	-
Issuance of lease	-	-	-	-	841,553	930,000	-	-	-	-
Total other financing sources (uses)	306,580	-	590,052	84,944,452	841,553	134,804,879	854,480	6,223,215	50,135,496	68,429,013
Net change in fund balances	\$ 9,049,973	\$ (3,976,733)	\$ 9,300,302	\$ 76,095,641	\$ (52,548,319)	\$ 78,150,767	\$ (63,585,276)	\$ (29,142,526)	\$ 37,935,855	\$ 42,259,092
Debt service as a percentage of noncapital expenditures	21.30%	19.24%	19.46%	16.14%	14.93%	15.97%	16.42%	16.16%	14.76%	13.41%

CABARRUS COUNTY, NORTH CAROLINA**TABLE 5****ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year	Real Property	Personal Property	Public Service Companies ⁽²⁾	Total Assessed Valuation	County Total Direct Tax Rate ⁽³⁾
2013 ⁽¹⁾	15,623,512,935	2,774,393,931	297,917,351	18,695,824,217	0.7000
2014	15,779,588,588	3,581,199,304	304,841,483	19,665,629,375	0.7000
2015	16,133,208,737	3,251,500,679	311,870,162	19,696,579,578	0.7000
2016	16,451,336,581	3,452,698,898	377,571,137	20,281,606,616	0.7000
2017 ⁽¹⁾	17,490,495,184	3,673,234,986	381,343,745	21,545,073,915	0.7000
2018	18,030,699,506	3,874,032,498	407,469,337	22,312,201,341	0.7000
2019	18,654,406,653	4,031,847,588	420,009,900	23,106,264,141	0.7200
2020	19,335,275,287	4,392,660,440	456,471,377	24,184,407,104	0.7400
2021 ⁽¹⁾	23,576,844,027	4,786,125,942	462,090,236	28,825,060,205	0.7400
2022	24,553,335,415	4,993,040,074	465,531,976	30,011,907,465	0.7400

Notes:

⁽¹⁾ Cabarrus County typically reassesses property every four years. Increases or decreases in value are due to revaluation

⁽²⁾ Public service companies' valuations are provided to the County by the North Carolina Department of Revenue and include both real and personal property

⁽³⁾ The County total direct tax rate is per \$100 of assessed valuation

CABARRUS COUNTY, NORTH CAROLINA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

TABLE 6

	Fiscal Year									
	2013 ⁽¹⁾	2014	2015	2016	2017 ⁽¹⁾	2018	2019	2020	2021 ⁽¹⁾	2022
County Total Direct Rate ⁽²⁾	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.7200	\$ 0.7400	\$ 0.7400	\$ 0.7400
Fire Protection Districts ⁽³⁾	0.0616	0.0651	0.0651	0.0722	0.0751	0.0848	0.0947	0.0975	0.0975	0.0988
Municipal Rates: ⁽⁴⁾										
Concord	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800
Kannapolis	0.5600	0.5600	0.6000	0.6300	0.6300	0.6300	0.6300	0.6300	0.6300	0.6300
Harrisburg	0.1585	0.1585	0.1585	0.1585	0.1585	0.1585	0.3550	0.3550	0.3550	0.3550
Mt. Pleasant	0.5050	0.5050	0.5050	0.5050	0.5050	0.5050	0.5050	0.5050	0.5050	0.5050
Midland	0.1600	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2200	0.2200	0.2200
Locust	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600

Notes:

⁽¹⁾ Real property was revalued on January 1

⁽²⁾ All taxable property is subject to the County total direct rate. Cabarrus County has a unified tax rate; it has no components to display

⁽³⁾ Most property in the unincorporated areas is subject to one of sixteen fire protection district taxes. The fire protection districts direct rate is a combined rate as the impact of each individual fire district is considered insignificant. The average tax rate for the districts is recorded above. The Cabarrus County Board of Commissioners set each fire district rate. This rate, combined with the County rate, is the totally overlapping tax rate

⁽⁴⁾ Municipalities set their own direct rate. This rate, combined with the County rate, is the total overlapping tax rate

**CABARRUS COUNTY, NORTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

TABLE 7

Taxpayer	Type of Business	Fiscal Year 2022			Fiscal Year 2013		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Corning, Incorporated	Fiber optics manufacturer	\$ 472,785,111	1	1.58%	\$ 291,644,561	3	0.97%
Mall at Concord Mills LP	Shopping center	228,039,604	2	0.76%	250,571,200	4	0.83%
Charlotte Motor Speedway, Incorporated	Auto racing	206,874,320	3	0.69%	294,264,873	2	0.98%
Castle & Cooke North Carolina, LLC / David H Murdock	Land developer	201,089,730	4	0.67%	328,076,170	1	1.09%
Celgard LLC	Battery manufacturer	186,776,961	5	0.62%	92,655,533	9	0.31%
Duke Energy Corporation	Public service company	176,101,519	6	0.59%	98,999,620	6	0.33%
Weinstein Properties	Property management	134,484,530	7	0.45%	63,239,110	10	0.21%
Silverman	Real Estate	123,972,120	8	0.41%			0.00%
Hendrick Automotive	Auto Dealer	118,847,390	9	0.40%			0.00%
Great Wolf Lodge of the Carolinas	Amusement park/hospitality	114,025,825	10	0.38%			0.00%
Hendrick Motorsports	Auto race team			-	119,326,544	5	0.40%
Phillip Morris, Incorporated	Cigarette manufacturer			-	93,107,045	8	0.31%
Totals		<u>\$ 1,962,997,110</u>		<u>6.54%</u>	<u>\$ 1,631,884,656</u>		<u>5.44%</u>

Source:
Cabarrus County Tax Administration Department

**CABARRUS COUNTY, NORTH CAROLINA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

TABLE 8

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Discoveries	Releases	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Uncollected
					Amount	Percentage of Adjusted Levy		Amount	Percentage of Adjusted Levy	
2013	130,560,111	2,110,895	(1,331,736)	131,339,270	126,968,672	96.67%	4,175,266	131,143,938	99.85%	195,332
2014	138,496,852	1,624,863	(673,856)	139,447,859	134,327,532	96.33%	5,011,907	139,339,439	99.92%	108,420
2015	137,821,405	1,364,427	(240,129)	138,945,703	135,223,699	97.32%	3,610,210	138,833,909	99.92%	111,794
2016	142,057,414	1,711,206	(261,433)	143,507,187	140,909,405	98.19%	2,496,092	143,405,497	99.93%	101,690
2017	151,766,267	2,984,909	(1,731,216)	153,019,960	151,567,896	99.05%	1,380,900	152,948,796	99.95%	71,164
2018	156,492,609	1,730,690	(720,773)	157,502,526	155,797,502	98.92%	1,171,952	156,969,454	99.66%	533,072
2019	166,041,841	2,611,618	(439,783)	168,213,676	167,031,329	99.30%	1,018,501	168,049,830	99.90%	163,846
2020	178,561,795	2,217,488	(333,442)	180,445,841	178,156,835	98.73%	1,908,671	180,065,506	99.79%	380,335
2021	213,614,252	2,754,382	(869,313)	215,499,321	213,522,265	99.08%	1,543,143	215,065,408	99.80%	433,913
2022	220,834,717	1,860,481	(389,941)	222,305,257	220,927,405	99.38%	-	220,927,405	99.38%	1,377,852

Source:

Cabarrus County Finance Department

CABARRUS COUNTY, NORTH CAROLINA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

TABLE 9

Fiscal Year	General Obligation Bonds ⁽¹⁾	Percentage of Actual Taxable Value of Property ⁽²⁾	Per Capita ⁽³⁾
2013	100,138,753	0.54%	537
2014	91,115,506	0.46%	487
2015	82,447,259	0.42%	429
2016	73,900,237	0.36%	376
2017	65,546,821	0.27%	287
2018	57,460,041	0.26%	278
2019	50,318,541	0.22%	238
2020	43,893,541	0.18%	203
2021	36,745,541	0.13%	162
2022	29,479,041	0.10%	127

Notes:

⁽¹⁾ Details regarding the County's outstanding debt can be found in the notes to the financial statements

⁽²⁾ See Table 5 for total assessed value of property

CABARRUS COUNTY, NORTH CAROLINA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

TABLE 10

Fiscal Year	Governmental Activities						Total Primary Government	Per Capita ⁽²⁾	Percentage of Personal Income ⁽²⁾
	General Obligation Bonds ⁽¹⁾	Certificates Of Participation/ Limited Obligation Bonds	Installment Financing	Notes Payable	Capital Leases	Leases			
2013	100,138,753	265,437,062	2,968,195	-	379,877	-	368,923,887	1,979	5.25%
2014	91,115,506	245,865,197	2,896,923	-	259,514	-	340,137,140	1,817	4.66%
2015	82,447,259	238,439,690	2,822,780	457,323	132,994	-	324,300,065	1,688	4.38%
2016	73,900,237	301,695,995	2,745,710	365,858	-	-	378,707,800	1,925	4.57%
2017	65,546,821	276,304,369	3,166,929	274,393	334,814	-	345,627,326	1,715	3.80%
2018	57,460,041	380,726,387	3,909,320	182,928	334,814	-	442,613,490	2,140	4.63%
2019	50,318,541	347,902,739	3,407,393	91,463	713,127	-	402,433,263	1,904	3.99%
2020	43,132,041	322,857,803	2,900,998	-	442,302	-	369,333,144	1,706	3.36%
2021	36,745,541	341,351,782	2,389,979	-	334,435	-	380,821,737	1,677	*
2022	29,479,041	377,498,997	2,438,718	-	-	4,911,157	414,327,913	1,791	*

Notes:

⁽¹⁾ Details regarding the County's outstanding debt can be found in the notes to the financial statements

⁽²⁾ See Table 13 for personal income and population data. These ratios are calculated using data from the prior calendar year

CABARRUS COUNTY, NORTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022

TABLE 11

Governmental Unit ⁽¹⁾	Outstanding Debt ⁽²⁾	Estimated Percentage Applicable ⁽³⁾	Amount Applicable to Primary Government
City of Concord	\$ 22,949,052	49.59%	\$ 11,379,642
City of Kannapolis	121,062,655	18.20%	22,029,232
Town of Harrisburg	17,360,687	9.73%	1,690,059
Town of Mt. Pleasant	869,063	0.62%	5,421
City of Locust	-	0.28%	-
Town of Midland	513,792	2.14%	10,980
Subtotal, overlapping debt			35,115,334
Cabarrus County direct debt			414,076,756
Total direct and overlapping debt			\$ 449,192,090

Notes:

- ⁽¹⁾ Overlapping governments are those that coincide, at least in part, with geographic boundaries within the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of Cabarrus County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.
- ⁽²⁾ Total outstanding Governmental activities debt is provided by each governmental unit.
- ⁽³⁾ The percentage of the overlapping debt is calculated by dividing the governmental unit's assessed valuation by the County's assessed valuation (overlapping portion of the government's revenue base / total revenue base of the overlapping government).

CABARRUS COUNTY, NORTH CAROLINA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

TABLE 12

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Assessed Value of Property	\$ 18,695,824,217	\$ 19,665,629,375	\$ 19,696,579,578	\$ 20,281,606,616	\$ 21,545,073,915	\$ 22,312,201,341	\$ 23,108,571,747	\$ 24,184,407,104	\$ 28,825,060,205	\$ 30,011,907,465
Debt Limit, 8% of Assessed Value (Statutory Limitation)	1,495,665,937	1,573,250,350	1,575,726,366	1,622,528,529	1,723,605,913	1,784,976,107	1,848,685,740	1,934,752,568	2,306,004,816	2,400,952,597
Debt applicable to debt limitations:										
Total Bonded Debt	88,390,000	80,395,000	82,447,259	73,900,237	65,546,821	57,460,041	50,318,541	43,132,041	36,745,541	29,479,041
Total Installment Payment Revenue Bonds	-	-	-	-	-	-	-	-	-	-
Total Notes Payable	-	-	457,323	365,858	274,393	182,928	91,463	-	-	-
Total Capital Leases	379,877	259,514	133,013	-	334,814	334,814	713,127	442,302	334,435	-
Total Leases	-	-	-	-	-	-	-	-	-	4,911,157
Total Installment Financing	3,348,072	2,896,923	2,822,780	2,745,710	3,166,929	3,909,320	3,407,393	2,900,998	2,389,979	2,438,718
Total Certificates of Participation/ Limited Obligation Bonds	255,735,000	237,035,000	238,439,690	301,695,995	276,304,369	380,726,387	347,902,739	322,857,803	341,351,782	377,498,997
Total debt applicable to limitations	347,852,949	320,586,437	324,300,065	378,707,800	345,627,326	442,613,490	402,433,263	369,333,144	380,821,737	414,327,913
Legal debt limit	<u>\$ 1,147,812,988</u>	<u>\$ 1,252,663,913</u>	<u>\$ 1,251,426,301</u>	<u>\$ 1,243,820,729</u>	<u>\$ 1,377,978,587</u>	<u>\$ 1,342,362,617</u>	<u>\$ 1,446,252,477</u>	<u>\$ 1,565,419,424</u>	<u>\$ 1,925,183,079</u>	<u>\$ 1,986,624,684</u>
Total net debt applicable to the limit as a percentage of debt limit	\$ 1,147,812,988 23.23%	\$ 1,252,663,913 20.38%	\$ 1,251,426,301 20.58%	\$ 1,243,820,729 23.34%	\$ 1,377,978,587 20.05%	\$ 1,342,362,617 24.80%	\$ 1,446,252,477 21.77%	\$ 1,565,419,424 19.09%	\$ 1,925,183,079 16.51%	\$ 1,986,624,684 17.26%

Note:
NC Statute GS159-55 limits the County's outstanding debt to 8% of the appraised value of property subject to taxation. The following deductions are made from gross debt to arrive at net debt applicable to the limit: money held for payment of principal; debt incurred for water, sewer, gas, or electric power purposes; uncollected special assessments, funding and refunding bonds not yet issued; and revenue bonds. The legal debt margin is the difference between the debt limit and the county's net debt outstanding applicable to the limit, and represents the county's legal borrowing authority

CABARRUS COUNTY, NORTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

TABLE 13

Year	Population⁽¹⁾	Personal Income⁽²⁾ (Dollars in Thousands)	Per Capita Personal Income⁽²⁾	Public School Enrollment⁽³⁾	Unemployment Rate⁽⁴⁾	Number of Building Inspections Performed⁽⁵⁾
2013	186,446	\$ 7,025,450	\$ 38,079	35,125	8.2%	30,780
2014	187,226	7,301,723	39,000	34,763	6.1%	42,541
2015	192,103	7,399,908	38,521	34,609	5.5%	46,267
2016	196,762	8,286,025	41,103	35,376	4.8%	55,741
2017	201,590	9,085,784	43,920	36,669	4.1%	57,485
2018	206,872	9,556,853	45,220	33,877	3.9%	61,400
2019	211,342	10,089,975	46,615	32,955	3.8%	64,131
2020	216,453	11,002,886	49,679	33,579	7.6%	71,036
2021	227,065	*	*	32,555	4.4%	72,520
2022	231,278	*	*	33,565	3.7%	65,142

* Information not yet available. Information for calendar year 2021 will be available November 16, 2022.

Notes:

⁽¹⁾ United States Census Bureau

⁽²⁾ Bureau of Economic Analysis, U. S. Department of Commerce. Figures are for the prior calendar year

⁽³⁾ Public Schools of North Carolina/State Board of Education reported the County Official Statements

**CABARRUS COUNTY, NORTH CAROLINA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

TABLE 14

Employer	2022			2013		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Atrium Health (formerly Carolinas HealthCare)	5,156	1	4.71%	4,500	1	5.37%
Cabarrus County Schools	4,396	2	4.02%	3,800	2	4.53%
Cabarrus County Government	1,261	3	1.15%	950	3	1.13%
Amazon	1,225	4	1.12%			-
Wal-Mart	1,176	5	1.07%			-
City of Concord	1,123	6	1.03%	901	4	1.08%
Fedex Ground and Fedex Smartpost	1,050	7	0.96%			
Corning	956	8	0.87%			-
Shoe Show	811	9	0.74%	550	9	0.66%
Kannapolis City Schools	745	10	0.68%	750	7	0.90%
ACN	-	-	-	500	10	0.60%
State of North Carolina	-	-	-	770	6	0.92%
S&D Coffee and Tea	-	-	-	575	8	0.69%
Connexions	-	-	-	900	5	1.07%
Total	17,899		16.35%	14,196		16.94%

Source:

NC Employment Security Commission, Cabarrus County Economic Development Corporation and FY 2013 CAFR

CABARRUS COUNTY, NORTH CAROLINA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

TABLE 15

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	159	161	168	171	176	180	190	192	205	220
Cultural and Recreation	60	62	68	69	71	74	76	78	81	82
Public Safety	421	445	453	472	496	505	514	524	582	597
Economic and Physical Development	16	16	15	18	19	19	19	19	19	20
Human Services	289	299	302	308	317	330	340	347	356	372
Environmental Protection	7	5	7	7	7	8	9	9	9	9
Total	<u>952</u>	<u>988</u>	<u>1,013</u>	<u>1,045</u>	<u>1,086</u>	<u>1,116</u>	<u>1,148</u>	<u>1,169</u>	<u>1,252</u>	<u>1,300</u>

Note:

Vacant positions are included in the above numbers. Full-time personnel work 2,080 hours per year (less vacation and sick leave)

Source:

Cabarrus County Finance Department

CABARRUS COUNTY, NORTH CAROLINA
OPERATING INDICATORS BY FUNCTIONAL AREA
LAST TEN FISCAL YEARS

TABLE 16

Functional Area	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Tax Collection Rate	96.67%	96.33%	97.32%	98.19%	99.05%	98.92%	99.30%	98.73%	99.08%	99.38%
Land Records Recorded ⁽¹⁾	34,533	28,397	32,188	33,207 *	35,324 *	32,719 *	32,668 *	44,916 *	55,845 *	40,375
Culture & Recreation										
Circulation of Library Materials-All Branches	701,278	699,884	668,249	675,234	771,850	812,539	848,068	758,135	716,997	800,130
Acres of Park Land-Developed/Undeveloped ⁽⁴⁾	381/310	381/310	381/310	356/257	356/257	356/27	356/270	553/100	553/715	507/668
Public Safety										
Sheriff Average Response Time (includes Fire and EMS)	7:50	7:35	6:41	6:48	6:52	7:28	7:34	6:01	7:13	7:40
Detention Center Average Daily Population	367	369	326	285	336	347	351	303	202	276
Animals Picked Up (Animal Shelter)	3,408	2,817	2,865	2,955	2,596	2,685	3,414	2,815	2,585	2,698
Building Inspections Completed	30,780	42,541	46,267	55,966	57,167	62,516	64,129	71036	72520	65142
EMS Average Response Time Countywide	7	7	7	7	7.2	7.5	7.4	7.42	8.2	8.0
Economic & Physical Development										
Construction Permits Issued	10,119	13,695	15,217	16,971	16,183	18,152	18,762	20,807	20,078	18,490
Zoning Permits Issued	313	367	450	444	536	538	406	544	652	599
Human Services										
Veteran /Dependent Contacts	9,950	9,312	9,477	9,610	9,852	10,241	9,142	8,506	9,807	9,506
Human Service Transportation Trips ⁽²⁾	74,839	82,123	87,544	92,402	81,353	74,158	75,501	65,309	52,682	54,588
Family Medicaid Cases	17,659	17,553	9,805	18,662	17,197	17,197	19,050	22,401	22,276	25,480
Adult Medicaid Cases ⁽³⁾	6,273	6,483	7,090	10,817	8,326	7,234	9,525	9,804	9,915	9,998
WFFA (formerly AFDC)	275	304	193	273	235	203	209	301	163	136
Child Protective Service Reports Investigated	2,389	1,224	1,217	1,748	1,185	1,953	2,066	2,043	1,380	1,678
Adoptions Completed	3	3	12	16	10	7	13	13	15	30
Food Stamp Cases	11,700	11,900	11,288	11,450	12,150	9,564	8,573	9,153	11,494	12,592
Adult Protective Services Reports	199	181	388	380	388	411	381	422	394	421
Environmental Protection										
Tons of MSW and C&D Waste Managed	17,876	17,756	16,511	16,126	15,327	16,845	19,097	21,089	19,952	17,347
Tons of Recyclable Materials Collected	4,196	3,507	3,114	3,461	3,774	3,700	3,200	4,787	4,659	4,268
Education										
Per Pupil Current Expense Funding	\$ 1,548.92	\$ 1,528.00	\$ 1,608.00	\$ 1,699.00	\$ 1,866.59	\$ 1,850.22	\$ 1,887.69	\$ 1,878.48	\$ 2,040.84	\$ 2,068.13
Per Pupil Capital Outlay Funding	\$ 110.89	\$ 90.93	\$ 58.27	\$ 137.18	\$ 182.14	\$ 129.36	\$ 29.73	\$ 26.71	\$ 27.21	\$ 27.22
Per Pupil Debt Service Funding	\$ 967.27	\$ 878.93	\$ 857.03	\$ 848.80	\$ 1,010.11	\$ 1,067.35	\$ 1,085.19	\$ 697.43	\$ 968.53	\$ 883.64
Per Pupil - Server Space	\$ 0.81	\$ 2.78	\$ 2.30	\$ 2.28	\$ 2.28	\$ 1.18	\$ 1.09	\$ 1.08	\$ 1.10	\$ 1.10
Per Pupil - Fines & Forfeitures	\$ 43.19	\$ 41.13	\$ 41.07	\$ 41.35	\$ 40.75	\$ 39.17	\$ 37.40	\$ 34.99	\$ 28.60	\$ 39.51
Per Pupil - School Nurses	-	\$ 48.66	\$ 55.33	\$ 64.59	\$ 68.87	\$ 71.93	\$ 69.38	\$ 72.81	\$ 86.48	\$ 98.20

Source: County Departments

- Notes:** ⁽¹⁾ Data is Calendar Year from Register of Deeds Department
⁽²⁾ County Department Starting in 2004, previously under DSS and private contractor
⁽³⁾ Social Security began managing SSI Medicaid cases in 1998; Medicaid income limits
⁽⁴⁾ Acreage reflects WW Flowe deeded to Concord, 13 additional acres at Wallace Park, ÷
- Data Not Available, * Estimate

CABARRUS COUNTY, NORTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

TABLE 17

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Parks⁽¹⁾										
Park facility ⁽⁴⁾	5	5	5	5	6	6	6	6	7	6
Tennis courts	6	6	6	6	6	6	6	6	6	6
Picnic shelters ⁽³⁾	24	24	28	28	29	29	29	25	25	25
Softball fields	8	8	8	8	8	8	4	4	4	4
Playgrounds	10	10	10	10	11	11	13	13	13	13
Soccer Fields	11	11	11	11	11	11	11	11	11	11
Camping cabins	6	6	6	6	6	6	6	6	6	6
Tent sites	7	7	7	7	7	7	7	7	7	7
Bathhouse for campgrounds	1	1	1	1	1	1	1	1	1	1
Swimming Pool	1	1	1	1	1	1	1	1	1	1
Pool Bathhouse	1	1	1	1	1	1	1	1	1	1
Fire protection⁽¹⁾										
Stations ⁽²⁾	10	11	11	11	11	11	11	11	11	11
Sheriff⁽¹⁾										
Stations	1	1	1	1	1	1	1	1	1	1
Substations	5	5	5	5	5	5	5	5	5	5
Patrol units	135	145	181	170	173	202	214	192	213	242

Notes:

⁽¹⁾ Data obtained from the County Departments of Parks, Emergency

Management, and Sheriff

⁽²⁾ Three stations have become municipal departments and are not under the control of the County

⁽³⁾ 25 shelters reflects a decrease of 4 due to the Barn at FLP being burned down

⁽⁴⁾ 6 Park facilities reflects WW Flowe has been deeded to City of Concord, St Stephens Property has been added to the inventory, Pharr Mill Road Park which is operated by Town of F

COMPLIANCE SECTION



MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

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

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To the Board of Commissioners
Cabarrus County
Concord, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Cabarrus 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, and have issued our report thereon dated November 28, 2022. Our report includes a reference to other auditors who audited the financial statements of the Public Health Authority of Cabarrus County (Cabarrus Health Alliance), as described in our report on Cabarrus County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cabarrus County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cabarrus County's internal control. Accordingly, we do not express an opinion on the effectiveness of Cabarrus County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cabarrus County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 28, 2022

MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

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

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Cabarrus County
Concord, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Cabarrus County, North Carolina's, compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on each of Cabarrus County's major federal programs for the year ended June 30, 2022. Cabarrus County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

In our opinion, Cabarrus County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Cabarrus County and to meet our other ethical responsibilities in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Cabarrus County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Cabarrus County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Cabarrus County's compliance based on our audit. 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, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Cabarrus County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act we:

- exercise professional judgment and maintain professional skepticism throughout the audit;
- identify and assess the risks of material non-compliance, 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 Cabarrus County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- obtain an understanding of Cabarrus County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of Cabarrus County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 28, 2022



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Report on Compliance for Each Major State Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Cabarrus County
Concord, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Cabarrus County, North Carolina's, compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on each of Cabarrus County's major state programs for the year ended June 30, 2022. Cabarrus County's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

In our opinion, Cabarrus County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Cabarrus County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of Cabarrus County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Cabarrus County's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Cabarrus County's compliance based on our audit. 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, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Cabarrus County's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, we:

- exercise professional judgment and maintain professional skepticism throughout the audit;
- identify and assess the risks of material non-compliance, 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 Cabarrus County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- obtain an understanding of Cabarrus County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of Cabarrus County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
November 28, 2022



CABARRUS COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022

1. Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance to GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness identified?

No

- Significant deficiency identified?

None reported

Non-compliance material to financial statements noted?

No

Federal Awards

Internal control over major federal programs:

- Material weakness identified?

No

- Significant deficiency identified?

None reported

Type of auditor's report issued on compliance for major federal programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

No

CABARRUS COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022

1. Summary of Auditor's Results (continued)

Identification of major federal programs:

<u>Program Name</u>	<u>AL#</u>
COVID-19 -Coronavirus State and Local Fiscal Recovery Funds	21.027
COVID-19-Emergency Rental Assistance Program	21.023
Temporary Assistance for Needy Families	93.558
Child Support Enforcement	93.563
Medicaid Cluster	93.778

Dollar threshold used to distinguish between Type A and Type B programs	\$1,286,019
--	-------------

Auditee qualified as low-risk auditee?	Yes
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State Awards

Internal control over major state programs:

- | | |
|--------------------------------------|---------------|
| • Material weakness identified? | No |
| • Significant deficiency identified? | None reported |

Type of auditor's report issued on compliance for major state programs	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?	No
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CABARRUS COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022

1. Summary of Auditor's Results (continued):

Identification of major state programs:

Program Name

Medicaid Cluster

Public School Building Capital Fund

2. Findings Related to the Audit of the Basic Financial Statements

None reported.

3. Findings and Questioned Costs Related to the Audit of Federal Awards

None reported.

4. Findings and Questioned Costs Related to the Audit of State Awards

None reported.

CABARRUS COUNTY, NORTH CAROLINA

**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2022**

None

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2022

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
FEDERAL AWARDS						
U.S. DEPARTMENT OF AGRICULTURE						
Passed Through N.C. Department of Health and Human Services:						
Division of Social Services:						
Administration:						
Supplemental Nutrition Assistance Program (SNAP) Cluster:						
State Administrative Matching Grants						
for the Supplemental Nutrition Assistance Program	10.561	WC302	\$ 2,028,141	\$ -	\$ -	\$ 2,028,141
Total Supplemental Nutrition Assistance Program (SNAP) Cluster			2,028,141	-	-	2,028,141
Total U.S. Department of Agriculture			2,028,141	-	-	2,028,141
U.S. DEPARTMENT OF JUSTICE						
Passed-through the City of Concord						
Edward Byrne Memorial Justice Assistance Grant Program	16.738	FY 2022	3,520	-	-	-
Total U.S. Dept. of Justice			3,520	-	-	-
U.S. DEPARTMENT OF TRANSPORTATION						
Passed-through the N.C. Department of Transportation:						
Formula Grants for Rural Areas and Tribal Transit Program - Administrative	20.509	21-CT-042	131,915	8,243	-	23,240
COVID-19 - Formula Grant for rural areas and Tribal Transit Program	20.509	20-CA-042	163,978	-	-	-
Federal Transit Cluster						
COVID-19 - Federal Transit Formula Grants -Transportation 5307	20.507	21-CS-042	268,508	-	-	-
Total Federal Transit Cluster			268,508	-	-	-
Highway Safety Cluster						
State and Community Highway Safety Program - TRAFU	20.600	PT-20-06.28	70,570	-	-	-
National Priority Safety Programs - GHSP	20.616	M9MT-2021-16-03	3,453	-	-	-
Total Highway Safety Cluster			74,023	-	-	-
Total U.S. Department of Transportation			638,424	8,243	-	23,240
U.S. DEPARTMENT OF TREASURY						
Direct Program:						
COVID- 19-Emergency Rental Assistance Program	21.023		5,834,284	-	2,000,000	-
COVID 19- Coronavirus State & Local Fiscal Recovery Funds (ARP)	21.027		15,674,687	-	5,608,660	-
Passed-through the NC Office of State Budget and Management:						
COVID-19- Emergency Rental Assistance Program	21.023	ERA-1-2021-0001	3,628,070	-	1,000,000	-
Total U.S. Department of Treasury			25,137,041	-	8,608,660	-

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2022

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
U.S. DEPARTMENT OF HOMELAND SECURITY						
Passed-through N.C. Department of Public Safety:						
Division of Emergency Management						
Emergency Management Performance Grants	97.042	EMA-2020-EP-00009	83,605	-	-	83,605
COVID-19 - Emergency Management Performance Grants	97.042	EMA-2021-EP-00014	23,552	-	-	23,552
Homeland Security Grant Program	97.067	EMW-2021-SS-00039	18,685	-	-	-
Total U.S. Department of Homeland Security			125,842	-	-	107,157
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Division of Aging and Adult Services						
Passed-through Centralina Council of Governments:						
National Family Caregiver Support, Title III, Part E	93.052	FY22 Region F County 013	49,224	3,282	-	5,834
COVID-19 - National Family Caregiver Support, Title III, Part E - BOE	93.052	FY22 Region F County 013	1,109	-	-	123
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	FY22 Region F County 013	7,650	450	-	900
<u>Aging Cluster:</u>						
Special Programs for the Aging - Title III, Part C						
Nutrition Services	93.045	FY22 Region F County 013	59,500	208,640	-	29,793
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	FY22 Region F County 013	33,972	-	-	-
COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	FY22 Region F County 013	2,343	-	-	4,035
Special Programs for the Aging - Title III, Part B						
Grants for Supportive Services and Senior Centers:						
Transportation Grant	93.044	FY22 Region F County 013	123,844	29,369	-	17,538
Adult Day Services	93.044	FY22 Region F County 013	39,301	53,406	-	10,301
In-Home Aide I&II	93.044	FY22 Region F County 013	70,118	95,282	-	18,378
Housing Housing Improvement	93.044	FY22 Region F County 013	21,562	29,299	-	5,651
Senior Center Operations Grant	93.044	FY22 Region F County 013	42,806	58,167	-	11,219
COVID-19 - Senior Center Operations Grant	93.044	FY22 Region F County 013	13,251	-	-	1,472
Nutrition Services Incentive Program	93.053	FY22 Region F County 013	54,297	-	-	-
Senior Center Operations Grant General Purpose			-	6,066	-	-
Total Aging Cluster			460,994	480,229	-	98,387
Total Division of Aging and Adult Services			518,977	483,961	-	105,244
Passed Through N.C. Department of Health and Human Services:						
Division of Social Services:						
Temporary Assistance for Needy Families (TANF)						
Temporary Assistance for Needy Families (TANF) State Programs Administration:						
Temporary Assistance Needy Families (TANF)	93.558	G2001NCTANF + G2101NCTANF	178,863	-	-	336,308
Services:						
Temporary Assistance Needy Families (TANF)	93.558	G2001NCTANF + G2101NCTANF	1,260,474	-	-	1,549,790
Total TANF			1,439,337	-	-	1,886,098

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2022

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
Child Support Enforcement - Section IV-D Administration	93.563	WC302	1,808,514	-	-	931,658
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)						
Low-Income Home Energy Assistance:						
Administration	93.568	G20B1NCLIEA & G21B1NCLIEA	108,583	-	-	-
Energy Assistance	93.568	G20B1NCLIEA & G21B1NCLIEA	221,689	-	-	-
Crisis Intervention Program	93.568	G20B1NCLIEA & G21B1NCLIEA	404,654	-	-	-
Low-Income Home Energy Assistance LIHWAP Admin	93.568	2101NCLWC5	39,443	-	-	-
Low-Income Home Energy Assistance CAA (LIHWAP)	93.568	2101NCLWC5	98,433	-	-	-
COVID-19 - Cares Act Funding - LIEAP ARPA Admin	93.568	2101NCE5C6	104,316	-	-	-
COVID-19 - Cares Act Funding - LIEAP ARPA	93.568	2001NCE5C3	879,378	-	-	-
Total Low-Income Energy Assistance			1,856,496	-	-	-
Passed through NCDHHS/ NC Department of Environmental Quality						
Low-Income Home Energy Assistance:						
Weatherization Assistance for Low Income Persons	93.568	21B1NCLIEA	102,847	-	-	-
Heating Air Repair Replacement Program-ARP	93.568	2101NCLWC6	14,286	-	-	-
Heating and Air Repair and Replacement Program	93.568	21B1NCLIEA	98,673	-	-	-
COVID-19 - Cares Act Funding - Weatherization	93.568		2,145	-	-	-
Total Dept of Environmental Quality			217,951	-	-	-
Total Low-Income Energy Assistance			2,074,447	-	-	-
Special Children Adoption Fund Cluster (note 4)						
Stephanie Tubbs Jones Child Welfare Services Program						
Permanency Planning - Families for Kids	93.645	G1901NCCWSS & G2001NCCWSS	27,249	-	-	9,083
Mary Lee Allen Promoting Safe and Stable Families	93.556	G2001NCFPSS	58,775	-	-	-
Total Special Children Adoption Fund Cluster (note 4)			86,024	-	-	9,083
John H. Chafee Foster Care Program for Successful Transition to Adulthood						
Administration	93.674	G1901NC1420 & G2001NC1420	12,581	3,145	-	-
Direct Benefit Payment	93.674	G1901NC1420 & G2001NC1420	1,722	-	-	-
Total John H. Chafee Foster Care Program for Successful Transition to Adulthood Program			14,303	3,145	-	-
Social Service Block Grant (SSGB) - In Home Services						
Adult Day Care (Division of Adult and Aging Services)	93.667	G2001NCSOSR	27,031	23,649	-	7,240
In-Home Services	93.667	G2001NCSOSR	90,728	-	-	16,231
In-Home Services - Centralina Council of Governments	93.667	G2001NCSOSR	28,613	818	-	-
Adult Protective Services	93.667	G2001NCSOSR	7,522	-	-	110
Child Protective Services - TANF to SSBG	93.667	G2001NCSOSR	318,747	-	-	-
Social Services Block Grant Administration	93.667	G2001NCSOSR	508,671	-	-	169,557
Total Social Services Block Grant (SSBG) In Home Services			981,312	24,467	-	193,138

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2022

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
Total Division of Social Services - Other Programs			<u>6,403,937</u>	<u>27,612</u>	<u>-</u>	<u>3,019,977</u>
Passed Through N.C. Department of Health and Human Services:						
Division of Social Services:						
Foster Care, Adoption, and Guardianship Assistance Program Cluster (Note 4):						
Admin:						
Foster Care Title IV - E Administration	93.658	2001NCFOST	22,351	-	-	22,351
Foster Care Title IV - E Child Protective Services	93.658	2001NCFOST	276,738	86,153	-	186,420
Foster Care Title IV - E Foster Care and Training	93.658	2001NCFOST	8,725	-	-	2,908
Foster Care Title IV - E Foster Care and Off Training	93.658	2001NCFOST	467,400	-	-	467,400
Adoption Assistance- Training	93.659	WC302	19,025	-	-	19,025
Foster Care Title IV - E	93.658	WC302	205,302	-	-	559,220
Direct Benefits:						
Foster Care - Title IV-E	93.658	2001NCFOST	<u>536,968</u>	<u>134,476</u>	<u>-</u>	<u>126,249</u>
Total Foster Care, Adoption and Guardianship Assistance Program Cluster (Note 4)			<u>1,536,509</u>	<u>220,629</u>	<u>-</u>	<u>1,383,573</u>
Passed Through N.C. Department of Health and Human Services:						
Subsidized Child Care Cluster:						
Child Care Development Fund Cluster(Note 4):						
Division of Social Services:						
Child Care Development Mandatory and Matching Funds of the Childcare Development Fund-Administration ⁴	93.596	WC302	<u>209,606</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Subsidized Child Care Cluster /Child Care Development Fund Cluster (Note 4)			<u>209,606</u>	<u>-</u>	<u>-</u>	<u>-</u>
Division of Social Services:						
Medicaid Cluster:						
Medical Assistance Program	93.778	WC302	5,918,079	-	-	2,174,180
Medical Assistance Program	93.778	WC302	<u>87,401</u>	<u>11,059</u>	<u>-</u>	<u>76,342</u>
Total Medicaid Cluster			<u>6,005,480</u>	<u>11,059</u>	<u>-</u>	<u>2,250,522</u>
Division of Social Services:						
Administration						
Children's Health Insurance Program - N.C. Health Choice	93.767	CHIP	<u>194,100</u>	<u>5,730</u>	<u>-</u>	<u>37,840</u>
Total Children's Insurance Program - N.C. Health Choice			<u>194,100</u>	<u>5,730</u>	<u>-</u>	<u>37,840</u>
Health Resources Services Administration						
Direct Program:						
COVID-19-Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution - US HHS Stimulus (EMS)	93.498	HHS-29443421478	<u>10,139</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>14,878,748</u>	<u>748,991</u>	<u>-</u>	<u>6,797,156</u>

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2022

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
U.S. DEPARTMENT OF ENERGY						
Passed Through N.C. Department of Environmental Quality						
Weatherization Assistance for Low-Income Persons	81.042	DEEE0007939	55,009	-	-	-
Total U.S. Department of Energy			55,009	-	-	-
U.S. Department of Housing and Urban Development						
Passed through N.C. Department of Commerce						
Division of Community Planning and Development						
HOME Investment Partnership Program	14.239	M-20-DC-37-0209	592	-	-	-
Total Housing and Urban Development			592	-	-	-
TOTAL FEDERAL AWARDS			42,867,317	757,234	8,608,660	8,955,694
STATE AWARDS						
N.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Division of Social Services:						
Foster Care At-Risk Maximization		XXXX	-	5,511	-	-
Extended FC/MAX Non IV-E		XXXX	-	32,554	-	-
Foster Care Stipend		XXXX	-	55,536	-	-
SFHF Maximization		XXXX	-	190,278	-	-
State Foster Home		XXXX	-	128,174	-	-
Child Welfare/CPS/CS		XXXX	-	238,267	-	-
County Funded Programs		XXXX	-	-	-	3,932,976
Non-Allocating County Cost		XXXX	-	-	-	876,039
DCD Smart Start		XXXX	-	92,412	-	-
Work First Non Reimbursement		XXXX	-	-	-	1,791,351
Total Division of Social Services			-	742,732	-	6,600,366
Division of Aging and Adult Services						
Passed through Centralina Council of Governments						
Fan /Heat Program			-	1,073	-	-
Total N. C. Department of Health and Human Services			-	743,805	-	6,600,366
N.C. DEPARTMENT OF PUBLIC SAFETY						
Division of Juvenile Justice and Delinquency Prevention:						
Juvenile Crime Prevention Programs:						
Shift Mentoring		XXXX	-	53,956	53,956	-
JCPC Admin		XXXX	-	15,459	15,459	-
Fostering Solutions		XXXX	-	31,232	31,232	-
Get Hired-Youth Employability		XXXX	-	37,004	37,004	-
Kids at Work		XXXX	-	75,123	75,123	-
Sex Offender		XXXX	-	14,687	14,687	-
Teen Court		XXXX	-	37,920	37,920	-
Teen Court Resolve Program		XXXX	-	72,328	72,328	-

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2022

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
YDI Afterschool Academy		XXXX	-	56,042	56,042	-
YDI Family Life Skills Academy		XXXX	-	55,119	55,119	-
Total N.C. Department of Public Safety			-	448,870	448,870	-
STATE AWARDS (continued)						
N.C. DEPARTMENT OF INSURANCE						
Division of Seniors Health Insurance Information Program						
SHIIP Grant		XXXX	-	17,882	-	-
Total N.C. Department of Insurance			-	17,882	-	-
N.C. DEPARTMENT OF CULTURAL AND NATURAL RESOURCES						
Division of State Library						
LSTA Adapting Technology Grant		LS-250229-OLS-21	-	38,038	-	-
State Aid to Libraries		DCR-4	-	206,661	-	4,243,874
Total N.C. Department of Cultural and Natural Resources			-	244,699	-	4,243,874
N.C. DEPARTMENT OF ADMINISTRATION						
Veterans Service Grant			-	2,109	-	338,006
Total N.C. Department of Administration			-	2,109	-	338,006
N.C. DEPARTMENT OF TRANSPORTATION						
Rural Operating Assistance Program (ROAP) Cluster:						
ROAP Elderly and Disabled Transportation Assistance Program (E&DTAP)		DOT-16CL	-	104,309	-	-
ROAP Work First Transitional - Employment		DOT-16CL	-	44,593	-	-
ROAP Rural General Public Program (RGP)		DOT-16CL	-	72,795	-	-
Total ROAP Cluster			-	221,697	-	-
Passed-through the City of Concord						
5310 Transportation Grant (Elderly & Handicapped Transportation)			-	129,976	-	129,976
Total N.C. Department of Transportation			-	351,673	-	129,976
N.C. DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES						
DSWC District Matching & Technical Assistance Agreement						
District Matching (Soil Conservation)		21-035-4036	-	7,200	-	-
Cost Share Technical Assistance (Water Quality)		21-035-4036	-	47,130	-	-
Total N.C. Department of Agriculture and Consumer Services			-	54,330	-	-
N.C. DEPARTMENT OF PUBLIC INSTRUCTION						
Public School Building Capital Fund						
Lottery proceeds			-	2,937,000	-	-
Total N.C. Department of Public Instruction			-	2,937,000	-	-
TOTAL STATE AWARDS			-	4,800,368	448,870	11,312,222
TOTAL FEDERAL AND STATE AWARDS			\$ 42,867,317	\$ 5,557,602	\$ 9,057,530	\$ 20,267,916

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2022

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
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NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS:

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards (SEFSA) includes the federal and State grant activity of Cabarrus County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2022. The information in this SEFSA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of Cabarrus County, it is not intended to and does not present the financial position, changes in net position or cash flows of Cabarrus County.

2. Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

Cabarrus County has elected not to use the 10-percent de Minimis indirect cost rate as allowed under the Uniform Guidance.

4. Cluster of Programs

The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Foster Care and Adoption and Guardianship Assistance, Special Children Adoption Fund, and Subsidized Child Care Program.

